

 <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

3 - 9 November 2011

WTO and Neighbourhood Policy

The Ukrainian Government continues to insist on adding EU accession prospects for Ukraine to the Association Agreement, Ukraine's Prime Minister Mykola Azarov said at the press conference of the CEI Troika meeting in Belgrade.

"We believe that EU accession prospects should clearly be fixed in the Association Agreement", Mr. Azarov said. He also added that Ukraine will do its utmost to successfully complete the signing of the Agreement by the end of 2011, and stressed that Ukraine considers cooperation within the Central European Initiative framework as an important component of its EU integration policy.

APK-Inform, 04.11.2011

The Serbian-Ukrainian Intergovernmental Commission will sign the Free Trade Agreement between Ukraine and Serbia, Ukraine's Prime Minister Mykola Azarov said at the Cabinet's press service. "I am a principal supporter of free trade, and therefore Ukraine will not place any obstacles for anyone willing to join the WTO. We will not prevent Serbia from accessing the WTO", Mr. Azarov said.

RBC-Ukraine, 04.11.2011

After holding a conference on local government issues in Kyiv, the Council of Europe adopted the Declaration on Local Government. The declaration defines the main objectives of local government reform which the Council proposes to its member states in order for them to support local communities in times of economic crisis. The Director General of the CE's programs Gabriella Battaini-Dragoni said: "The Kyiv Declaration defines successful development of local and regional communities as a basis for civil society and democracy. The Council of Europe focuses on supporting mechanisms which will protect human rights and rule of law in communities". The declaration was signed on behalf of Ukraine and the Council of Europe by Anatoly Blyznjuk and Mevlut Cavusoglu respectively. The conference was the last international event initiated under Ukraine's presidency in the Council of Europe.

RBC-Ukraine, 04.11.2011

The Ukraine-European Union Summit, where the completion of negotiations on Association Agreement will be announced, will be held on December 19, the Deputy Minister of Foreign Affairs of Ukraine Viktor Maiko said. "We need to conclude all the political negotiations before 19 of December", Mr. Maiko said.

LigaBusinessInform, 08.11.2011

Food Safety

Special epizootic regime was introduced in 4 Ukrainian (Luhansk, Kharkiv, Sumy and Chernihiv) oblasts due to the spread of African Swine Fever in Russia, the head of the State Veterinary and Phytosanitary Service Ivan Bisyuk said during a press conference.

regionews.com.ua, 03.11.2011

A pork carcass contaminated with trichinosis was found on Pechersk market in Kyiv. The diagnosis was proved by the State Research Institute of Laboratory Diagnostics and Veterinary Tests. Measures are now being taken to define the infected animal's place of origin and prevent the spread of the pathogen.

<http://agroua.net>, 03.11.2011

The Unified State Animal Register will be introduced in Kyiv, Volyn and Donetsk oblasts. In 2011 all rayon veterinary hospitals in these oblasts were equipped with all necessary equipment and connected to the registry, which contains information on identification, movement and slaughter of animals, the head of the State Veterinary and Phytosanitary Service of Ukraine Ivan Bisyuk said.

The State Veterinary and Phytosanitary Service, Agency for Animals' Identification and Registration and the UN Food and Agriculture Organization launched the project, during which six missions of international experts were carried out to provide recommendations on how to improve the animals' identification and registration system in Ukraine. 20 theoretical seminars and 410 hours of practical training were carried out.

<http://www.vet.gov.ua/>, 04.11.2011

Polish and Ukrainian veterinary services decided to create a buffer zone to prevent the spread of rabies.

It is agreed that the zone will be established in those regions of Ukraine, which are adjacent to the EU's borders. The project was discussed on November 7-8 in Brussels at a meeting with the European Commission representatives.

<http://www.vet.gov.ua/>, 07.11.2011

Market infrastructure

Milk prices have stabilized and will not increase, the director of MAPF's Livestock Market Department Andriy Hetya said. "There are no reasons for milk prices to increase, I think", Mr. Hetya said. According to the State Statistics Committee, in January-September 2011 Ukraine produced 8.7 million tons of milk, which is 2,1% less than in the same period in 2010. The average price for milk bought at dairy farms (except for small ones) in January-September 2011 was UAH 2.9 thousand per tonne, although in January-June 2011 it was UAH 2.79 thousand per tonne.

Interfax-Ukraine, 03.11.2011

The first large batches of Turkish cucumbers started to come to Ukraine this week. The season of imported cucumbers began earlier by 10 days than last year, and has practically coincided with the end of the season on domestic enterprises. The quality of imported cucumbers is satisfactory, and prices are on average 20-30% lower than for the last batches of Ukrainian cucumbers. Ukrainian greenhouses are in general dissatisfied with the prices for cucumbers since they did not change compared with the previous year's prices, while production costs have increased significantly. In autumn in many greenhouses cucumbers severely suffered from diseases, which adversely affected the quality and provoked the earlier end of the cucumber season on Ukrainian

agri enterprises.

www.lol.org.ua, 04.11.2011

Three agricultural projects and one health project will be added to the list of National Projects, the head of the State Agency for Investments and National Projects Management Vladyslav Kaskiv said.

According to him, the management of wholesale agricultural markets, which were built with the use of public or municipal funds, will be transferred to the Agency. The network of wholesale markets will be expanded, and their construction will be financed through investment funds. "In the future I would like all the wholesale markets to be united into one system with a single logistic support and establish a food exchange on their basis", Mr. Kaskiv said. The Agency also plans to implement a livestock project. " We will focus on beef sector, since pork and poultry sectors are developed relatively well", Mr. Kaskiv said. He also said his agency will be also engaged in the development of agricultural machinery production in Ukraine. "Ukraine is already producing attachable equipment for foreign harvesters. But we must set up the production of the harvesters themselves", he said. According to Mr. Kaskiv, it is a positive sign that Sampo Rosenlew (Finland) has placed its facilities for production of grain harvesters in Ukraine.

Interfax-Ukraine, 04.11.2011

Milk purchase prices are increasing so as to reach the level at which Ukrainian milk producers will become uncompetitive and many consumers will not be able to afford milk products. The negligence of the private sector is among reasons for this situation. Another reason is abolition of subsidies for the purchase of raw milk. According to the new system, dairy support funds are channelled through a special fund where they are "dispersed" among other more competitive sectors.

www.unian.net, 06.11.2011

Rural Development

In Ukraine one should merge small rural communities, Ukraine's Prime Minister Mykola Azarov said during the 17th Council of Europe Conference of ministers responsible for local and regional government.

"In Ukraine there are 12 thousand local communities. The population of half of them does not exceed 3 thousand people. Their budgets are by 70% subsidized from the State budget", the Prime said. He noted that after merging small communities one will be able to implement the subsidiarity principle laid down in the European Charter of Local Self-Government.

RBC-Ukraine, 03.11.2011

According to the State Land Agency, more than 4.61 million land lease contracts, amounting to UAH 5.7 billion, were concluded during 9 months of 2011. Average rental rate is UAH 338.5 per hectare. But the in kind payment still prevail in 65% of cases. The tenants continue to pay the land owners with agricultural products. Agricultural producers have already paid UAH 3.38 billion (57.7%) of total land rent.

<http://myland.org.ua>, 04.11.2011

The Minister of Agrarian Policy and Food Mykola Pryszyzhnyuk proposes to deduct 1% from the amount of land rent for community development after the land reform is completed.

"Rural communities have to enhance their economic development. Therefore, UAH 4 billions which rural communities annually receive from leasing out their lands, will be channelled to construct farms and set up cooperatives. There is no other way out", he said. "We will take into account all the proposals from farmers and land-owners when drafting the law on the sale of

land", the Minister said.

<http://economics.unian.net/>, 04.11.2011

The head of the Ivano-Frankivsk Oblast State Administration Mykhailo Vyshyvaniuk urged farmers to create family farms at the regional conference on livestock development.

"The State is currently subsidizing the development of livestock farms by giving a farmer UAH 5 000 to buy a cow and UAH 3 000 to buy a calf. It would be a sin not to use such support", Mr. Vyshyvaniuk said. He ordered the heads of rayon administrations "to explain all this to farmers and assist them in setting up family farms". According to European standards, a family farm is defined as the one having at least 12 heads of cattle. Mr. Vyshyvaniuk is confident that family farms will be able to sell more products after Ukraine signs the FTA agreement with the EU. He stressed that the number of family farms created will become one of the criteria to assess rayon heads.

www.unian.net, 08.11.2011