





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**

# 1 January – 1 February 2012

# WTO and Neighbourhood Policy

Ukraine sees its future in the European Union and aims to become a full EU member. President of Ukraine Viktor Yanukovych announced this at the session of the World Economic Forum on the future of Eurasia. The President said that EU membership is the key to democratic development of Ukraine, its economic prosperity, individual liberty and welfare of every citizen. The President praised the results of 2011 year as fruitful for Ukraine's European integration. In particular, he recalled the completion of negotiations on the Association Agreement including establishment of a deep and comprehensive free trade area.

#### Presidential Press Service, 27.01.2012

During his working visit to Latvia, 16 January 2012 Minister of Foreign Affairs of Ukraine Kostyantyn Hryshchenko negotiated with Foreign Minister of Latvia Edgars Rinkevychs. During the meeting special attention was given to European integration of Ukraine. Ukraine's Foreign Minister Hryshchenko thanked the Latvian side for consistent support of European integration aspirations. The Ministers welcomed the completion of negotiations between Ukraine and the EU Association Agreement, which opens opportunities for further initialing and signing. Issue was also on Ukraine's progress in implementing the Action Plan of the visa-free travel, as well as implementation of Agenda of the association with the EU.

Following the meeting the Ministers of Foreign Affairs of Ukraine and Latvia signed the Joint Communiqué, and held a joint press conference, on which they responded to journalists' questions

#### MFA, 16.01.2012

January 18, 2012 EU Delegation to Ukraine held a meeting with the selection of project proposals from EU members who wish to become partners of the State Veterinary and Phytosanitary Service of Ukraine in order to implement the Twinning project «Harmonization of National Phytosanitary Legislation of Ukraine to European Norms and Standards". During the meeting consotium from Germany, France, Latvia, Netherlands, Poland and Great Britain presented their suggestions on the detailed specification, and meeting participants discussed issues that arose after the presentation. Also on this day workshop «Twinning and TAIEX» under the chairmanship of Adviser on Agriculture Volker Sasse took place at the German Embassy in Ukraine. The workshop presented the report of the Deputy Head of International Projects and twinning of the Federal Ministry of Food, Agriculture and Consumer Protection of Germany Tanya Minderman on: «Twinning and TAIEX - Strategic tools for cooperation with Ukraine in agricultural sector", and then held a discussion on potential project ideas.

Ukrainian Chief Quarantine Press Service, 18.01.12

Ukraine wants to become a full member of the Organization for Economic Cooperation and Development. The Deputy Minister of Economic Development and Trade Vladimir Pavlenko reported this information during Coordinating Board Relations with the Organization for Economic Cooperation and Development (OECD) meeting.

He noted that Ukraine upgrades it's economy and wants to take worthy place on the world stage as a reliable trading partner and an attractive object for investment. He said that recent enhancing cooperation with the OECD is a real step that brings us closer to the best international standards and practices, as well as to European integration

# Press Service of Ministry of Economic Development and Trade, 26.01.2012

Spokesman of the High Representative for External Affairs and Security Policy Maya Kosyanchych disclosed that the European Union hopes to prepare initialing of an Association Agreement with Ukraine soon. "Preparing for the initialing of the Association Agreement between EU and Ukraine, including deep and comprehensive free trade is our priority for the short term. As stated in the declaration EU-Ukraine Summit in December 2011, we will continue this process as soon as possible", - said spokesman for the European commissioner Catherine Ashton.

At the same time representative of the European Foreign Minister focused on the importance of understanding, that the technical processing of the Agreement is a complex process. Kosyanchych explained that today lawyers are working on the text of the Association Agreement, which has over a thousand pages.

www.obozrevatel.com.ua, 27.01.12

# **Food Safety**

Ukraine continues to struggle illegal circulation of products of animal origin. The checks in the last week of 2011 have documented 113 violations of Article 107 of the Administrative Law. Government agencies collected fines amounting to 22,5 thousand UAH in the state revenue, executed 132 inspection requirements and discontinued operations of 9 transactors.

Also they removed 18 688 kg of substandard animal products worth 366.8 thousand UAH. Agencies provided control over the disposal of 5463 kg of low-quality animal products

#### The Governmental Portal, 03.01.2012

January 1, Ukraine introduced new standards of food quality control in accordance to which persistent violators will be sanctioned with fines and deprivation of their licenses. According to Prime Minister Mykola Azarov on December 26 the Cabinet of Ministers has adopted appropriate resolution, which states that from January 1, 2012 Ukraine will restore the system of products quality control.

The Prime Minister stressed that production of dubious quality will be not only inefficient, but also dangerous due to the strengthening of product quality requirements.

#### AgroNews, 04.01.2012

Ukraine implements a European Union model of food safety and quality monitoring. President of the State Veterinary and Phytosanitary Service of Ukraine (SVPSU) Ivan Bisyuk said, that if SVPSU will follow the example of the EU, it will be able to fully control food quality and safety from the application of organic and mineral fertilizers into the soil, animal feed and monitoring of pesticide residues and veterinary drugs in food of animal origin to the processing of crop and animal raw materials and adequate supplies to consumers by controlling the supply chain throughout the state

Establishment of a single state agency to monitor the quality of food will increase the level of control over its safety.

The integration of nutrition experts, experts in pest and Plan Protection into the SVPSU will form the competent authority. As long as emerging competent authority will not be able to fully replicate all the functions, it will use help of professional and responsible specialists of Sanitary-Epidemiological Service. Worldwide experience constantly proves that the only competent authority provides the most effective and transparent control over the quality of products.

## http://vet.gov.ua/, 08.01.2012

During the meeting, attended by heads of structural units of State consumer inspection of Ukraine, Chairman of the State Inspectorate for Consumer Protection of Ukraine Serhiy Orekhov said that labeling of products should contain complete and reliable information for consumers upon quality and composition of the product. The meeting discussed issues of development and adoption of organizational and administrative documents, forming and filling staff of local authorities, executive discipline condition etc.

## The Governmental Portal, 12.01.2012

Main State Plant Quarantine Inspection of Ukraine informs that during 2011 Ukraine have imported 310 thousand 940 tons of oranges. The scandal in the U.S. and Russia on the poor quality of orange juice and orange concentrate made of incoming raw materials from Brazil have influenced this item of import. The main exporting countries were Greece, Egypt, Spain, Jordan, Turkey, Pakistan, Israel, Syria, Argentina, Cyprus, South Africa, China, Netherlands, Tunisia, Italy, Uruguay and Macedonia. There were no imported oranges from Brazil in 2011.

## http://vet.gov.ua/, 18.01.2012

The videoconference on implementation of the European food safety system was held in Kyiv under direction of Deputy Minister of Agriculture and Food of Ukraine Alexander Sen with Director of Veterinary Medicine Department of SVPSU Vitaly Bashinsky. Government experts contacted with representatives of Dnipropetrovsk, Lviv, Odessa and Kharkiv.

http://vet.gov.ua/, 28.01.2012

#### **Market Infrastructure**

Head of Customs Service of Ukraine Ihor Kaletnik reported that exports of agricultural products exceeded imports by 7 times in 2011. According to Kaletnik imports of meat products decreased by 40% and exports increased by 60%. "This is a good example of the industry in Ukraine that is out of the crisis and demonstrates increasing capacity dynamics", head of the Customs Service assured. He noted that 13 million tons of grain was exported in 2011, and twice as much corn as compared to 2010.

## AgroNews, 04.01.2012

State Inspectorate of Agriculture of Ukraine decided to implement multifunctional informationanalytical system and reach a new innovative level of control over the quality and safety of agricultural products.

This information-analytical system will facilitate the work of inspection bodies, which are going to use it.

#### RBK-Ukraine, 16.01.2012

During his official visit to Saudi Arabia head of National Bank of Ukraine (NBU) Serhiy Arbuzov told that NBU along with the Cabinet of Ministers intends to form a land bank in order to determine the effective owner of the land. According to Mr. Arbuzov, the main features of the land bank are: to attract additional resources in Ukrainian agriculture for domestic and foreign markets and to transfer land on lease to an effective user without changing the land's purpose.

## BIZ.liga.net, 17.01.2012

The International Agricultural trade fair "Grune Woche 2012", that was opened in Berlin on January 20, 2012 will be held till January 29, 2012. At this prestigious agricultural exhibition Minister of Agriculture and Food Mykola Prysiazhniuk has presented Ukrainian stand with production from 70 Ukrainian firms. Federal Minister of Agriculture, Food and Consumer Protection of Germany Ilse Aigner has visited the opening of the stand.

### Press Service of Ministry of Agriculture and Food of Ukraine, 23.01.2012

#### ANNOUNCEMENT

Exhibition Company "Kyiv International Contract Fair" will hold the VIII International agricultural forum with the numerous events and the best specialists of the agro industrial complex of Ukraine and the world. The forum is going to take place at the largest agricultural exhibitions of Ukraine «InterAGRO 2012» and «Agro Animal Show 2012" during February 7-10, 2012.

#### www.interagro.in.ua, 25.01.2012

Press Service of the State Agency of Land Resources informs that in 2011 farmers paid for the lease of land 5.8 billion UAH, representing 95.6% of the accrued payments. Total area of leased land and land shares is 17.36 million hectares while average rent is 348.5 UAH/ha.

Previously, head of State Agency of Land Resources of Ukraine Sergei Timchenko reported that in 2012 the rent will be 600 - 700 UAH/ha.

#### RBK-Ukraine, 26.01.2012

January 26, 2012, during the Ministry of Agriculture and Food of Ukraine review of a new wholesale market "Sichoviy" built in Zaporozhye, the chairman of wholesale markets and a deputy of the Lviv City Council Roman Fedyshyn reported that wholesale agricultural markets politics will allow peasant producer to have a 20-200 thousand UAH profit from 10 ha farm, while the prices will stay reasonable.

«Zaporozhye market will differ from current WMAP's in Kyiv, Lviv and Donetsk because it is located in a high consumption and powerful production area. Therefore, we believe that the market plays an important role in promoting products grown in Odessa to the territory of Ukraine and for export», Roman Fedyshyn says.

#### http://agroua.net, 27.01.12

U.S. Agency for International Development (USAID) announced project "Agroinvest", in which winners of grants in support of farmers associations will receive irrevocable financial assistance. Local farmers were trained in RSA in order to increase their winning chances. "Agroinvest" experts taught producers writing business plans to be submitted to the contest to Feb. 24. Farmers from Berezne, Goshcha, Kostopil, Mlyniv and Rivne regions plan to unite and involve irreversible foreign resources for the development of vegetable, fruit and milk production. These three lines of development were recognized as the most promising during the international forum on agro logistics.

Rivne region is one of three areas in Ukraine, which can involve "Agroinvest" experts to support pilot initiatives.

The Government Portal, 01.02.2012

# **Rural Development**

Last year the State Agency of Land Resources of Ukraine has completed the aerial photography to update the site planning and cartographic material for the regions. Work was performed under the

contract of the World Bank project "Titling land ownership in rural areas and development of cadastre system". In addition, the Land Office provided the formation of orthophotomaps of different geographical objects in Ukraine. This technical documentation has been applied in 21 regions on a scale of 1:10000 for 446.17 thousand square km, which reaches 74.1% of contracted volumes; in 17 rural areas on a scale of 1:5000 for 44.06 ths. km, respectively 76.4% of contracted volumes; in 20 cities and townships with a population less than 200 thousand people on a scale of 1:2000 for 9.95 ths. km, 51.4% of contracted volumes.

As part of the project, the index cadastral maps for 203.70 thousand square km, which is 33.8% of the contracted volume of the area of Ukraine, have been formed.

## State Agency of Land Resources of Ukraine, 03.01.2012

During a working trip to Orzhytskyy area head of Poltava Regional State Administration Oleksandr Udovichenko said that modernization of farms should create new working places. Head of the region visited the farm "Dawn" in the village Zarih, where he examined the modernization of the dairy department of this farm.

Mr. Udovichenko also visited the local park, which is a monument of landscape architecture. Late last year the regional budget allocated more than 200 thousand UAH in reconstruction of the park, so there will be additional jobs created

## http://agroua.net, 18.01.12

In 2011 the State Department of Environmental Protection in the Poltava region assisted in funding 64 environmental activities of Regional Fund for Environmental Protection for a total of 37 million 430 thousand UAH. The main components of these costs are:

- protection and rational use of natural resources for 18 million 417 thousand UAH;
- protection, rational use and storage of industrial and household waste for 8 million 78 thousand UAH;
- conservation of protected areas for 1 million 145 thousands UAH;
- protection and rational use of land for 2 million 106 thousand UAH;
- other measures in the field of environmental protection, including research, measures of environmental education and advocacy for 254 thousand UAH.

#### Ministry of Environment and Natural Resources of Ukraine, 20.01.2012

January 24, 2012, in Lutsk Director of research and education of agricultural production and rural development of Ministry of Agriculture and Food of Ukraine Iryna Sinjavska reported that National Strategy for Rural Development is aimed at management decentralization in regions.

The essence of strategy is decentralization of rural areas; hence the resources, rights, powers and responsibilities will finally pass to the local authorities.

«The strategy is designed to return power to the regions, to give them financial resources and logistics equipment. In addition, decentralization will change the budgeting of rural councils. Formation of the budget, that is done by city or village own municipality creates auspicious conditions for rural development and its socio-economic growth », Iryna Sinjavska said.

#### Ministry of Agriculture and Food of Ukraine, 25.01.2012

State Agency of Land Resources of Ukraine published the draft Law "On the recreational land", which is designed to implement the law № 3159-VI from March 17, 2011 prohibiting to change the status of recreational lands in urban areas".

The draft legislation is designed to determine the legal basis and procedure for use of recreational lands and to implement the system of measures that provide health, educational, sporting, cultural and recreational needs of tourists.

State Agency of Land Resources of Ukraine, 26.01.2012

January 31, 2012, during the Public Council Minister of Agriculture and Food Mykola Prysiazhniuk said that all specialized laws and regulations, which are prepared by the Ministry of Agriculture and Food of Ukraine, are required to undergo a preliminary examination in the expert community. This procedure will reduce the number of comments and changes to laws and will allow working closely with all the provisions. Also, the Minister said that close cooperation with various community organizations was established last year.

«I have repeatedly said, and continue to emphasize that cooperation with the Ministry of public institutions is extremely important. Currently there are 83 organizations in the Public Council under the Ministry indicating strategic value of agricultural development", Mykola Prysiazhniuk informed.

At a meeting of the Public Council three commissions were set up: the Commission on the development of agricultural markets, the Commission on promoting land reform and the Commission on promoting rural development.

Press Service of the Ministry of Agriculture and Food of Ukraine, 31.01.2012