

 МІНІСТЕРСТВО АГРАРНОЇ ПОЛІТИКИ ТА ПРОДОВОЛЬСТВА УКРАЇНИ	 Проект фінансується Європейським Союзом	 Проект впроваджується консорціумом на чолі з WYG International
<i>Implementation of Ukrainian's Commitments under WTO and ENP Frameworks in the Rural sector EuropeAid/126205/C/SER/UA</i>		

Overview of Latest Rural Developments

2 - 8 February 2012

WTO and Neighbourhood Policy

Ukraine wants to continue an active dialogue with the European Union regarding its European integration, Ukraine's President Viktor Yanukovich told reporters in Munich. "We did not and do not change our position. However, Ukraine would like this dialogue and cooperation to be more active than it recently has been", he said. Mr. Yanukovich also added that there is a lot that depends on the European Commission also. "Today the EU is worried about the economic crisis, and the Ukraine's issue is a little bit delayed," Ukraine's President said.

The Presidential Press Service, 04.02.2012

Ukraine has technically prepared the Association Agreement for signing, the Government Commissioner for European Integration Valeriy Pyatnitsky said. "Technically we are ready to sign this agreement. We have translated the text of the Agreement, and are now checking every comma so as to be sure that there are no misconceptions or legal lapses in it. We therefore will be ready to sign the Agreement at any time. We, as experts responsible for preparing the Agreement, have managed to do everything in time", Mr. Pyatnitsky said.

<http://news.bigmir.net>, 06.02.2012

Food Safety

All measures necessary to prevent the entry of African Swine Fever are being taken in Kharkiv oblast. The meeting of the Anti-Epizootic Commission established within the Kharkiv Oblast State Administration took place under the chairmanship of Deputy Administration Head Victor Alekseychuk. It was decided to strengthen measures to prevent entry of the ASF into Kharkiv oblast, since epizootic situation in Russia got worse.

<http://www.vet.gov.ua/>, 02.02.2012

Ukraine stopped buying European beef and mutton, since, according to Ukrainian officials, the Schmallenberg virus has been found on farms in Germany, Belgium, France, Britain and the Netherlands. Veterinarians say that this is an exotic virus which is being transmitted by blood-sucking insects and has previously been found only in remote regions.

news.meta.ua, 06.02.2012

The head of the State Veterinary and Phytosanitary Service Ivan Bisjuk met with the Deputy Head Rosselkhoznadzor (the Federal Agency of the Russian Federation for Veterinary and Phytosanitary Supervision) Evgenij Nepoklonov. They discussed the safety of Ukrainian animal products which are exported to Russia and epizootic disease situation in the world. The heads of

veterinary services agreed to continue the inspections of Ukrainian processing establishments and poultry and pork farms.

"Rosselhoznadzor is interested in reforms that are taken place in Ukraine, where we have established a single competent authority responsible for monitoring all the food safety and quality issues. Russia has not yet started to change its veterinary system", Mr. Bisyuk said.

<http://www.vet.gov.ua/>, 04.02.2012

The head of Russian Consumer Protection Commission Rospotrebnadzor Gennady Onishchenko said Russia will this week ban the import of some of Ukrainian cheese products, which do not meet Russian requirements. "We found that some of Ukrainian cheese products which were sold in some of Russia's regions did not meet the technical regulations for dairy products adopted by the law № 88", Mr. Onishchenko said. He stated that the situation is not changing for the better, and poor quality cheese of Ukrainian origin is being found in more Russia regions. "Rospotrebnadzor has withdrawn these cheese products from sale "as those that do not comply with the consumer protection law", Mr. Onishchenko said. Earlier it was reported that Ukraine's Deputy Minister of Economic Development and Trade Volodymyr Pavlenko said that Ukraine has not received any official complaints from Russia about the quality of Ukrainian cheeses.

AgroNews, 06.02.2012

Ukrainian cheese producers may gain strong positions on European markets after FTA with the EU will be signed, the Government Commissioner for European Integration Valery Pyatnitsky said. "Ukrainian cheese producers have reached a high level of product quality and safety. They were active in our negotiations with the EU and we have agreed with the EU that there will be a zero duty for Ukrainian cheese which means that one will be able to freely export it without any restrictions, provided his product meets European quality standards", Mr. Pyatnitsky said. While explaining why Russia had banned the import of some of Ukrainian cheeses, Mr. Pyatnitsky said that it is all due to Russia's strive to protect its domestic producers.

The Economic Pravda, 08.02.2012

February 7, Ukrainian Parliament adopted in first reading the draft law amending Art. 38 of the law On Food Safety and Quality. The draft provides for the "Gluten Free" mark to be put on labels of food products which do not contain gluten. For a food product to be considered gluten free, its content should not exceed 20 mg per 100g of product. According to draft's authors, some 500 000 Ukrainians suffer from undiagnosed celiac disease (gluten-sensitive enteropathy).

LIHABusinessInform, 08.02.2012

Market Infrastructure

The amendments which are proposed to be introduced to the draft law On Land Market during its second reading in Parliament will make it impossible for large agri-businesses to operate in Ukraine. According to the proposed amendments, one company will be allowed to lease not more than 5.5 thousand hectares in one rayon and not more than 100 hectares across the country. The experts calculated that these restrictions will reduce national GDP by more than 1%. These are small farmers and rural inhabitants that are thought to benefit most from new amendments. While presenting the draft law in the first reading, the head of the Parliamentary Committee on Agrarian Policy and Land Relations Yuri Kaletnyk said: "Most of large agricultural holdings do not have a positive impact on socio-economic development of rural areas. Villages become depopulated exactly in those areas where big agri-businesses operate." "The person who proposed this draft deserves condemnation", the General Director of "UkrPromInvest" Olexij Poroshenko said, in fury. The General Director of "Astarte-Kyiv" (an agribusiness which leases

250 thousand ha of land) Victor Ivanchyk agrees that the adoption of new amendments will make it impossible for large agribusinesses to operate. The Ministry of Agrarian Policy and Food agrees with critical remarks of big producers. The Deputy Minister Olexander Senya says that agri-producers should be allowed to lease 35% of the total area of a rayon instead of 10% as is proposed. The head of the Council of Entrepreneurs under the Cabinet of Ministers, the President of Ukrainian Agrarian Confederation Leonid Kozachenko says that new restrictions will affect some 900 companies. There 11 large agri companies operating only in Kyiv oblast. However Yuri Kaletnyk states that there are only few companies in Ukraine which exceed the 10% level, and a special transition period is planned to be introduced for them. The agricultural producers also criticize the fact that legal entities will not be allowed to buy land under farm buildings.

[Kommersant-Ukraine, 03.02.2012](#)

The National Association of Ukrainian Dairy Producers (UkrMolProm) categorically protested against the statements of the head of Rospotrebnadzor Gennady Onishchenko, that all of Ukrainian cheese products, which had been checked by Rospotrebnadzor, contain palm oil. Ukrainian dairy producers say that dairy products which are exported to Russia, are planned to be checked again on whether they comply with Russia's Technical Regulation on Milk and Dairy Products. "The reliability of Rospotrebnadzor inspection results are more than dubious", the dairy producers say. According to them, some of the cheeses listed in Onyschenko's statement could not possibly be bought in Russia and Rospotrebnadzor tested some Russian counterfeits instead.

Rospotrebnadzor has not yet published its sampling and laboratory results. At the same time, the results of tests of Milky Land Ukraine's cheeses which was carried out by SoyuzEkspertyza, an independent laboratory operating under Russia's Trade and Industry Chamber, showed no content of vegetable fats, while Rospotrebnadzor states the contrary. UkrMolProm says that test results from an independent laboratory SybTest (Tomsk, RF), also confirmed the fact that Ukrainian cheeses comply with Russian standards. UkrMolProm proposes to carry out an independent Russian-Ukrainian test of Ukrainian cheeses which are exported to Russia.

[www.liga.net, 06.02.2012](#)

In 2011 the agricultural equipment market in Ukraine grew by 80%, the Ukrainian Agribusiness Club's agricultural markets expert Taras Vysotsky said. "In Ukraine the market of agricultural equipment increased by about 80% last year. This is one of the best indicators over the last decade. These figures can not but rejoice, since they suggest that agri producers continue to invest into up-to-date equipment, and will have an increase in profitability in the future", Mr. Vysotsky said. The UABC also noted that, according to their preliminary estimates, the agricultural equipment markets in EU increased by an average of 15-20% in 2011, while those of Eastern Europe, including Ukraine and Russia, showed significantly higher growth. The Eastern European markets are very important for EU equipment producers.

[http://economics.unian.net/, 08.02.2012](#)

Rural Development

A pilot agricultural census will be carried out from 1 to 25 of July, 2012 in Bashtanka rayon, Mykolaiv oblast. This will be a major preparatory step for the First National Agricultural Census which is scheduled for 2014. According to Art. 8 of the law On Agricultural Census, during the pilot phase there should be drafted the Agricultural Census Programme, and methods, tools and data processing technologies should be checked. The propose of the pilot phase is also to check the suitability of census sheets and of questions listed therein.

[http://agroua.net, 06.02.2012](#)

A long-term rural development programme was developed in Sumy oblast, the first region in Ukraine where such a programme will operate. At programme's presentation the Minister of Agrarian Policy and Food Mykola Prysiachniuk said that local authorities and rural communities began to actively care about rural development. This is proved by the fact that it is an initiative from such non-governmental bodies as Sumy Oblast Council and Sumy National Agrarian University (the programme's developers) that for the first time in Ukraine will cover all rural development related areas.

MAPF Press Service, 07.02.2012

The new agricultural policy which is based on land reform and countryside's revival should take into account the interests of rural inhabitants. Ukraine's President Viktor Yanukovich said during a speech at the opening of the 10th Parliament's session. He stressed the importance to set up an appropriate legal framework for agricultural land market. Mr. Yanukovich called the Law On State Land Cadastre to be the first step in this direction. The law will make it possible to launch a single information system where data on all Ukrainian lands will be stored. "It remains to take the final and perhaps the most difficult step that is to adopt the law On Land Market. We do not have room for error in that. This law should protect the rights of ordinary peasants who own the land shares", he said. "I ask you to remember that Ukrainian land is the most expensive county's resource, and, what is even more important, is entwined with the destinies of the current and future generations of Ukrainians", the President said.

The Presidential Press Office, 07.02.2012