

 <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

9 - 15 February 2012

### WTO and Neighbourhood Policy

February 10, 2012 in Kiev the Committee of National Coordinators of the Central European Initiative (CEI) held a meeting. This was first multilateral event, held in our country under the chairmanship of Ukraine.

Minister for Foreign Affairs of Ukraine Kostyantyn Grishchenko opened the meeting and noted the honor and responsibility of our country's mission as the CEI President. He expressed confidence that Ukraine's first presidency in the history of CEI will contribute to strengthening of Ukraine as a European player and effective progress towards European integration.

The meeting was attended by General Secretary of the CEI H. Fantselter, who presented a report on CEI performance in 2011, and national coordinators and representatives of Initiative Executive Secretariat and CEI from 18 countries.

Meeting participants have approved Ukrainian presidency calendar and about two dozen project proposals to be financed by this regional organization in 2012.

<http://www.mfa.gov.ua>, 10.02.2012

### Food Safety

Press Service of the Ministry of Agriculture and Food of Ukraine reported that Russia allowed a number of Ukrainian companies to import meat products.

"February 8, Minister of Agriculture and Food of Ukraine Mykola Prysiazhniuk and Deputy Head of the Russian Federal Service for Veterinary and Phytosanitary Eugene Nepoklonov met and reached an agreement about deliveries of Ukrainian meat products (poultry and pork) to the Russian market", UNIAN reports. Press Service said that 4-6 companies have received the right to export products to Russia, but didn't name them.

<http://economics.unian.net>, 09.02.2012

"Ukraine annually exports 80,000 tons of cheese to 16 countries, including 65,000 tons exported to Russia", said Minister for Agriculture and Food of Ukraine Mykola Prysiazhniuk during broadcast of the show "Big Politics with Yevgeny Kiselyov". According to the Minister, Russian Agency of Consumer Protection prohibited cheese production from three plants, which produce more than 30% of cheese imported to Russia.

Ministry of Agriculture and Food of Ukraine, 13.02.2012

During a press conference in the UNN media hall executive director of the Association "Ukrainian Agribusiness Club" Elizabeth Svyatkivska said that problems with raw materials make it difficult for Ukraine to get on the European markets. "We have no problems with

equipment, technology and experts, so we can make quality products, but we don't have raw materials of very high quality. Therefore, partial export to Europe is possible, but our cheeses are usually used for the production of processed cheese", Svyatkivska said. She noted that cheese sales volume in Europe can not override cheese exports to Russia, because of complex mechanism of control and permission to export to Europe.

UNN, 13.02.2012

Head of the Department of Consumer Policy and Advertising of State Inspectorate of Consumer Protection Oleg Kobelkov reported that in 2011 30% of 335 tons of tested dairy products were rejected mostly due to lack of supporting documentation. 65% of products were rejected due to lack of supporting documents on quality and safety; 32% - due to lack of information about product; 5% because of expiration date; 7% - noncompliance with regulatory documents including quality. Agency recognizes that there were some isolated cases of dairy products containing non-dairy fats.

AgroNews, 14.02.2012

Head of the State Veterinary and Phytosanitary Service of Ukraine (SVPSU) Ivan Bisyuk reported that SVPSU have sent samples of Ukrainian cheese to a foreign laboratory for quality examination. He noted that selected dairy samples were produced by facilities, which were accused in falsification and prohibited to export dairy to Russia. According to Bisyuk research results can be expected in mid-March.

Mr. Bisyuk said that foreign research is conducted to validate research methods in Ukrainian Institute and laboratories. He noted that the SVPSU continues to conduct cheese research in their laboratories and that there was no vegetable fat in the cheese samples, tested Friday evening.

Agriculture-Inform, 14.02.2012

February 14, the State Board of Veterinary and Phytosanitary Service of Ukraine held an expanded meeting on the outcome of 2011. Last year, agency focused attention on preventing the spread of infectious animal diseases, harmonization of national legislation with European and control over food safety. According to SVPSU President Ivan Bisyuk, the main task of agency is to ensure stable epizootic situation in the country, which is the key to public health.

<http://www.vet.gov.ua>, 14.02.2012

February 14, at the board meeting of the State Veterinary and Phytosanitary Service of Ukraine, Minister of Agriculture and Food of Ukraine Mykola Prysiashniuk said that agricultural production creates image of Ukraine on the international market and is the key to the health of the Nation. Therefore, SVPSU needs a comprehensive approach to control methods of safety and quality of food.

Only a comprehensive approach to regional management system can provide strict control of agricultural products' safety and quality.

<http://agroua.net>, 15.02.2012

## Market Infrastructure

Parliament passed a new version of draft law "On the peculiarities of agricultural insurance with state support" with all the proposals of the President of Ukraine. Law provides that the typical insurance contracts are developed for each insurance product and/or for individual crop and are agreed with the central executive power, which forms and implements the national agricultural policy, and National Commission, which regulates financial services. In the Program of Agricultural Insurance with State Support insurance companies use only standard insurance

contracts.

The law also contains a provision according to which the Cabinet of Ministers of Ukraine and National Commission, which performs state regulation of financial services, regulate agricultural insurance with state support. According to the document, the right to insure agricultural commodities belongs to agricultural producers, who operate on the territory of Ukraine and meet certain criteria by the Cabinet of Ministers of Ukraine (except for non-residents).

[www.liga.net](http://www.liga.net), 09.02.2012

General Legal Division of Ukraine's Parliament published the verdict on the bill No. 9001-D "On Land Market", which contains 25 pages and concludes that the bill requires substantial revision. This document ignores or violates the requirements of 12 Articles of the Constitution of Ukraine and admits of corruption component, which is not acceptable.

The bill also does not meet the quality requirements of laws, including generalization and systematization of legal material, completeness of legal regulation of social relations associated with land market functioning, methods of legal regulation (structure of act, terminology, the relation of the bill with other laws etc.). The bill will create risks of unequal application of relevant norms in practice, thus violating the constitutional rule of law, equality and justice.

In addition, certain provisions of the bill do not meet the requirements of the Constitution of Ukraine and ignore provisions of other laws.

Also, some orders of government, contained in section IV «Final and transitional provisions" contradict the Constitution and laws of Ukraine.

<http://agroconf.org>, 13.02.2012

Head of the Ministry of Agriculture and Food Mykola Prysiashniuk said that Ukrainian agriculture, excluding grants, is one of the most profitable among neighboring countries and the European Union due to the efforts of local individual farmers.

According to the Minister, in 2011 agroindustrial complex of Ukraine managed to increase external sales volume and expand the geography of international relationship. "Last year, the European Union imported agricultural products worth 2.8 billion, of which corn was only 30%. The export trade balance with Russia amounted 3.5 billion dollars. This suggests that our products are in demand, gaining foreign markets, and we must continue to work in the same direction", the Minister said during the XII Congress of Association of Farmers and Private Landowners of Ukraine. Prysiashniuk believes that individual farmers help Ukraine to demonstrate such high export performance. "If you take away grants provided in Ukraine, Russia, Belarus and the EU, our agriculture will be one of the most profitable due to the individual farmers and farms", Prysiashniuk said.

<http://www.ukrprod.kiev.ua>, 15.02.2012

## **Rural development**

Minister of Agriculture and Food Mykola Prysiashniuk informed that within a month, the Ministry of Agriculture and Food will present a program of rural development. Agency plans to support family farms and sole farms, which create the basis for sustainable agriculture development. In particular, the Ministry of Agrarian Policy intends to engage massive workforce into the village, for which the state will provide financial support.

"We already support the dairy farms with three or more cows. The state compensates allowance for milking and cooling system, and we compensate 7 USD per kilo of purchased young animals, and we provide 10 000 USD for each new cow in the herd. We also pay attention to pig-breeding. The state compensates 50% of construction costs of family farms engaged in this industry. That is a significant support to farmers who appear to be agricultural middle class", the Minister said. In his view, only such circumstances can bring people to the maintenance of

family farms and living in the village.

RBC-Ukraine, 10.02.2012

Speaking at XXII Congress of Association of Farmers and Private Landowners of Ukraine (AFPLU), its President Mykola Myrkevych said that Association prepared a draft law under which farmers want to move to a flat tax.

He said that in recent years AFPLU repeatedly appealed to the government requesting the implementation of simplified taxation system for farmers. According to the document, the taxpayer could be farm land with an area less than 2 ha, the share of agricultural production of which is not less than 75% in the past year.

President of the association noted that farmers are offered to pay the planned tax one or two times a year and it must include all charges in the pension fund, as well as other social payments. Moreover, according to a document, reports should be filed once a year only in the winter after the field work

<http://finance.obozrevatel.com>, 14.02.2012