

 <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 8 - 14 March 2012

■ WTO and Neighborhood Policy

President of the European Parliament Martin Schulz calls the relationship with Ukraine very important for the EU and notes that the FTA under the Association Agreement with Ukraine is strategically important for Europe. During a meeting with a delegation of the National Union of Journalists of Ukraine he said: “Deep and comprehensive trade agreement between EU and Ukraine within the framework of the Association Agreement is very important for us from an economic and strategic points of view, and considering energy supplies to EU”. According to Schulz, Ukraine “plays a key role in the Black Sea region” for the European Neighbourhood Policy.

RBK-Ukraine, 09.03.2012

8-9 March, during his working visit to Norway Deputy Minister of Foreign Affairs of Ukraine carried out consultations on bilateral cooperation with the Ministry of Foreign Affairs of Norway.

Norwegian side received ratification documents of the Free Trade Agreement between Ukraine and EFTA countries (Iceland, Liechtenstein, Norway and Switzerland) and the Agreement on Agriculture between Ukraine and Norway, signed on 24.06.2010 in the town of Reykjavik. Agreement will become effective June 1, 2012.

The Norwegian-Ukrainian Chamber of Commerce discussed in detail ways of increasing investment in Ukraine. The Director of Innovation Norway fund identified priority investment areas, such as: hydropower, fish and seafood processing, information technology, agriculture.

<http://www.mfa.gov.ua/>, 09.03.2012

March 9, 2012 in Bonn at the 19th meeting of the Special Division of the UN Secretariat to permitted Ukraine to fully restore its participation in the Kyoto Protocol mechanisms. Ukraine is allowed to sell its CO₂ emission quotas and fully participate in joint implementation projects.

Recently Ukraine succeeded to introduced a clear chain of interactions between government bodies, agencies and research institutions. The President and the Government will personally supervise greenhouse gases emission related issues. The Ministry of Environment and Natural Resources will together with the State Agency for Ecological Investments facilitated the national greenhouse gas emissions reporting system and ensured its compliance with the requirements of Ukraine UN Framework Convention on Climate Change and the Kyoto Protocol.

Press Service of the Ministry of Environment and Natural Resources, 10.03.2012

The Ministry of Foreign Affairs wrote that Kyiv and Brussels have agreed when to initial the Association Agreement, and to officially start “the preparatory for signing” process. This ceremony will be held on March 30 in Brussels.

By that date Ukraine's Parliament intends to adopt the Special Statement asking the EU to sign the Association Agreement and start implementing its economic related sections immediately.

<http://obozrevatel.com>, 13.03.2012

▪ **Food Safety**

In Moscow, Rospotrebnadzor continues to withdraw Ukrainian cheese from sale. According to the report, in the Russian capital in circulation continues to find cheese produced on Lozovsky Milk Factory (Kharkiv oblast), Ahtyrka Cheese Combinat (Sumy oblast) and Dubnomoloko (Rivne oblast), "not meeting Russian federal laws requirements regulating the content of vegetable fats in milk products and labeling of the latter". It is emphasized that Rospotrebnadzor has withdrawn the products of the abovementioned producers and banned their importation in order to prevent counterfeit products entering Russian markets and for Russia's food security to be protected Rospotrebnadzor. Rospotrebnadzor has already started to check Moscow catering facilities and school canteens whether they have any Ukrainian cheese."

<http://www.epravda.com.ua>, 12.03.2012

The local administration agency which represents the Emergency Situations Ministry in Zhytomyr Oblast asked people not to use water from the Uzh river neither for food nor for commercial purposes. Fish from this river was found to be dangerous to human health. "Local farms has found a lot of dead fish on March 4. Local State Ecological Inspectorate found nitric group substances, chlorides, sulfates and heavy metals in water", Mr. Uvarov, a local official said. The losses are estimated to be UAH 14 300 in monetary equivalent with environmental and health losses still to be established.

<http://economics.unian.net/>, 12.03.2012

▪ **Market Infrastructure**

In February, 2012 meat prices increased by 19.6% compared to February, 2011, dairy products and ice cream prices increased by 12.1%, bread and bakery products by 11%. At the same the price of sugar have decreased by 17.9%.

www.liga.net, 12.03.2012

In January-February, 2012 meat production decreased by 1.3%, down to 497.4 thousand tons compared to 2011. Milk production increased by 3.8%, up to 1.207 million tons. Production of eggs increased by 0.5%, up to 2.656 billionpieces.

In 2011, meat production in Ukraine increased by 3.5% up to 3.02 million tons. Milk production decreased by 1.4%, down to 11.093 million tons. Production of eggs increased by 9.6%, up to 18.687 billion pieces.

APK-Inform, 12.03.2012

In 2011, Ukraine exported to Belarus much more food products than imported. The export of Ukrainian goods to Belarus amounted to \$412.2 million, including \$235.4 million of finished products.

The main exports in 2011 were: sunflower oil (\$103.4 million), cake (\$100.3 million), grain cereals (\$ 32.8 million), tobacco products (\$26.3 million), cocoa beans and chocolate (\$23.4 million), oilseeds (about \$20 million), products made from grains and cereals (\$14.8 million).

Imports from Belarus to Ukraine totaled \$104.8 million, including \$94 million worth finished products. Main products imported were: sugar (\$29.3 million), grain products (\$13.7 million), prepared or preserved fish (\$15.9 million), condensed milk (\$10 million), butter (\$6.2 million),

sausage (\$5.6 million), cheese and yogurt (about \$4 million).

In first decade of March Derzhvetfitosluzhba (Ukrainian Veterinary and Phytosanitary Service) prohibited imports of Belarusian milk and dairy products due to the systematic excess of antibiotics level. In response Belarus threatened to prohibit Ukrainian exports of sunflower oil, salt, corn, pastries and cake.

But early last week, Belarusian Ministry of Agriculture said that it will omit restrictions as “Ukrainian and Belarusian sides are engaging constructive dialogue, exchanging information and considering antibiotics excess issues”.

LIGA Business Inform, 12.03.2012

Today the company "Bread Investbud" supplies Syria with 100 thousand tons of Ukrainian wheat in the frame of the joint agreement. Last year between Ukraine and Syria agreed to supply Syrian national grain trader "Hubub" with 300 thousand tons of wheat.

APK Inform 12.03.2012

In 2011 agribusiness companies have paid UAH 40.1 billion of taxes and duties to the budget. Compared to 2010 total payments increased by 17%, up to UAH 5.8 billion. Agribusiness companies paid UAH 32.6 billion of mandatory payments, which UAH 4.4 billion or 15.6% more than in 2010. Agribusiness tax debt in 2011 was UAH 366.4 million. Compared to the beginning of 2011 the debt was UAH 311,8 million.

Tax payments from agricultural and mining companies amounted to one third of collected payments.

Delo.ua, 13.03.2012

According to director of “German-Ukrainian Agriculture Dialog” Oleg Nivyevsyy, in 2005 Ukrainian diary exports to Russia exceeded 50% of total diary exports, but in 2006 exports restrictions decreased the Russian exports below 50%. In 2008, exports increased to more than 50% again. In 2009 and 2010 this trend was positive.

LIGA Business Inform, 14.03.2012

▪ Rural Development

Sambor Milk plant (Lvov oblast) has joined a “value added chain for dairy products” project. The donor Danish project "Provision of services to manage two agricultural value chains in Ukraine" ("Agro-Lions") provided it a grant for acquiring new gas equipment. Lvov Management Institute continue implement together with local business club and Agro-Lviv project an agricultural holdings development project aimed at facilitating market activities of fruit and vegetables producer, small retailers and wholesalers and helping Ukraine implement the HoReCa segment.

Additional information about projects:

Provision of services to manage two agricultural value chains in Ukraine ("Agro-Lions") project aims to benefit pro agricultural producers and processors in Lvov oblast and is supported by the Danish foreign and finance ministries.

Agro-Lviv, 12.03.2012

Land certificate and state land ownership acts holders have so far signed some 4.8 million land lease contracts with 4.6 million of them already registered covering some 17.3 million hectares of agricultural land with UAH 350,8 being paid for a hectare of land. Some 99,7% of agri holdings renting land in Ukraine have succeeded to fully pay their rent.

The State Agency for Land Resources, 13.03.2012