

 <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 May, 2012

### ▪ **WTO and Neighborhood Policy**

May 2, 2012 - Ukrainian Minister of Economic Development and Trade Petro Poroshenko had a phone conversation with the European Commissioner for Trade Karel De Gucht. They discussed Ukraine's preparation for free trade area (DCFTA) with the EU and agreed to meet in Brussels on May 15 to coordinate further activities. Mr. Poroshenko and Mr. De Gucht also discussed prospects for investment cooperation and stressed the need for accelerating the harmonization of Ukrainian legislation and standards with EU regulations to facilitate Ukraine's access to EU markets.

Press Service of the Ministry of Economic Development, 03.05.2012

8<sup>th</sup> session of the Intergovernmental Ukrainian-Turkish Commission for Trade and Economic Cooperation was held in Kiev. Ukraine's Vice Prime Minister/Minister for Social Policy Serhij Tyhipko and Turkish Deputy Prime Minister Ali Babacan co-chaired the meeting.

The meeting was attended by Ukraine's Government Commissioner for European Integration Valery Pyatnitsky, Ambassador Extraordinary and Plenipotentiary of Ukraine in the Republic of Turkey Sergiy Korsunsky, Chief Commercial Counsellor of Turkish Embassy in Ukraine Mehmet Ali Ercan, Turkish and Ukrainian officials and businessmen. Both sides agreed that Commission's activities will contribute to further deepening of mutually beneficial bilateral relations in trade, investment, transport, fuel, energy, construction, housing and water management sectors. Special attention was paid to the intensification of cooperation in tourism, science, technologies, agriculture, forestry and water management. All the achieved agreements were put down in the protocol.

Press Service of the Ministry of Economic Development, 07.05.2012

### ▪ **Food Safety**

The EU approach to food quality control is continued to be introduced in Ukraine. The corresponding draft "On Food Quality and Safety" has been submitted to the Parliament. The draft provides for a single competent agency to control the food sector, the chairman of the State Veterinary and Phytosanitary Service of Ukraine Ivan Bisyuk said. "According to the Presidential decree, the State Veterinary and Phytosanitary Service should be the only competent authority in the field of food safety and quality. However, there is a need for a new version of the law "On Food Quality and Safety" to be adopted, since many ministries and agencies still have food safety and quality related competencies", Mr. Bisyuk said. The draft provides for national legislation to be further harmonized with the EU regulations, for national permits issuing system to be simplified and for the responsibilities of market operators to be strengthened.

Mr. Bisyuk stressed that Ukrainian veterinary officials are trained enough for of the State Veterinary and Phytosanitary Service to become the single competent authority in the food safety sector. "State veterinary laboratories have better equipment than other agencies` laboratories. Many of our laboratories are accredited according to EU standards", he said.

The Governmental Portal, 04.05.2012

509 bee colonies died in Yakymivka rayon of Zaporizhyya oblast, the Chief Veterinary Medicine Department said. A special commission consisting of veterinarians, police officers, plant protection experts and local government representatives was set up to investigate the causes of bees` deaths. 24 villages were checked and samples of dead bees submitted to veterinary laboratories. According to bees` owners, bees were killed by unknown chemicals spread on nearby rape fields.

<http://www.vet.gov.ua>, 04.05.2012

## ▪ **Market Infrastructure**

Announcement

The Shuvar (Lviv) wholesale agricultural market will hold a business forum entitled "Prospects for the fruit and vegetables sector" on May 16. The forum will be supported by the Ukrainian Agribusiness Club (UABC), AgriEvent, the "Provision of Services To Manage Two Agricultural Value Chains in Ukraine" project and the USAID Local Investment and National Competitiveness project. The purpose of the event is to assess the prospects of agricultural markets, present new technologies and current global trends. Representatives of 100 leading agri are expected to attend the forum.

UABC, 07.05.2012

As of March 2012, the lowest average salary in Ukraine was in fishing (UAH 1 346) and agricultural (UAH 1 770) sectors. The average salary in industrial sectors was UAH 3 361, UAH 142 up compared to January 2012.

The overall average salary in Ukraine was UAH 2 923.

Latifundyst, 07.05.2012

The Stolychyj (Kyiv) wholesale agricultural market will hold an international conference entitled "Ukrainian Berries 2012" on 24-25 May.

Apart from fruit production and price forecasts, the guests of the conference will be offered to discuss the most pressing issues and exchange their experience. The issues to be discussed include: off-season berries, Ukrainian berry farms rating, berries retail in supermarkets, investments into the berry sector, SWOT-analysis for growing garden raspberries. There also will be presented an updated study on deep frozen berries and the study of strawberry and cherry export potential.

Some 300 people from 11 countries (Ukraine, Russia, Belarus, Poland, Israel, Germany, France, Italy, Moldova, New Zealand, Switzerland) participated in similar "berry" conference in Ukraine during last 2 years. 50% of them were berry producers. The conference will be arranged by the "APK-Inform: Vegetables and Fruits" project and the Ukraine`s Wholesale Markets Association.

AgroNews, 07.05.2012

Ukraine`s Ministry of Economic Development and Trade began to investigate Kazakhstan`s discriminatory behaviour against Ukrainian confectionery companies supplying caramel and chocolate products to this country. The investigation was launched at the request of the "UkrKondyterProm" association on April 9, 2012. The ministry asked the State Customs Service

to submit statistics on exports of Ukrainian caramel and chocolate products to Kazakhstan for the 2005-2012 period by mid-May.

In September 2011 Kazakhstan in order to protect its domestic markets has for 3 years introduced a 30% duty (but not less than 0.27 euro per 1 kg) on imports of caramel candy, toffee, and other similar cocoa free sweets. Another 49% duty (but not less than 0.8 euro per 1 kg) is planned to be introduced for the import of cocoa containing sweets. The Russian Federation has also introduced for 3 years a similar duty (294.1 USD per ton) on imports of sweets on July 4, 2011.

www.unian.net, 08.05.2012

## ▪ Rural Development

Ukraine's Ministry of Agrarian Policy and Food has together with the Ukrainian Village Councils Association, farmers and experts developed a new rural development strategy entitled "The Native Village". The strategy includes an updated management model based on active cooperation and support among agri producers. The cooperatives of producers will obtain government and donor support and access to credits. After joining co-operatives producers will be able to reduce their production costs and increase the quality of their products by using up-to-date equipment and technologies. Farmers and single-person farms will be able to buy machinery, equipment, fertilizers, fuels and lubricants at affordable prices.

Another objective of the project is to restore the influence of village heads and councils and to intensify rural communities' activities. The draft strategy will be presented and discussed on May 15 at the Ukrainian House. The event will be attended by agricultural minister Mykola Prysiashniuk, other officials, experts, agribusinessmen, farmers and agricultural producers, and representatives of international financial institutions.

BIZ.liga.net, 04.05.2012

May 5, Ukraine's Prime Minister Mykola Azarov instructed the agricultural minister Mykola Prysiashniuk to intensify control over the use of land to prevent soil depletion. "I would like to draw your attention to the fact that barbaric exploitation of arable land is taking place in Ukraine and industrial plants deplete soils", Mr. Azarov said. As an example he mentioned one of Mykolayiv oblast' rayons where sunflower is being grown on 80% of land, whereas according to standards it can be grown on not more than 29%. Mr. Azarov instructed Mr. Prysiashnyuk to gather in a week time all heads of administrations from all the oblast and rayons where industrial crops are overplanted, and explain them the issue. "The agricultural minister should asks all those oblasts and rayon heads who are not taken the issue of soil fertility seriously enough why they do not implement MAPF's recommendations. We do not need profits from land overexploitation", Mr. Azarov said.

The Governmental Portal, 07.05.2012

Food storing is among priorities of national agricultural development. That is why the State is currently launching up-to-date fruit and vegetables storages on agricultural wholesale markets. The private sector is also taking part in this process, the Deputy Director General of the Shuvar wholesale market Claudia Gordienko said.

"All three Ukrainian wholesale markets (Shuvar, Stolychny and Hospodari) have already launched their vegetable and fruit storing facilities. The State is currently developing a programme to support the construction of other vegetable storage facilities. Private companies also plan to construct this kind of facilities", she said.

Farmers themselves are interested in constructing storages. "At least 10 farms agreed to take part in fruit and vegetable storage constructing project in Lviv oblast. Shuvar can now store up to 3 thousand tons of fruits. There is also packing machines operating at the market so that local

farmers can pack their produce and sell it at higher prices", Ms. Gordienko said.

AgroNews, 07.05.2012