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Overview of Latest Rural Developments

May 24 – 30, 2012

▪ **WTO and Neighborhood Policy**

Ukraine's chairmanship in the Central European Initiative should give a strong push to intensification of economic cooperation with the EU, said Volodymyr Lytvyn, the Ukrainian Parliament Speaker, at the meeting of the Parliamentary Committee on the Central European Initiative.

"Our chairmanship in the Central European Initiative should become a tool of our integration with the EU in the economic, political and humanitarian spheres. Ukraine considers it as an effective catalyser of infrastructural and institutional systems development according to EU standards", stated Mr. Lytvyn.

RBK-Ukraine; 24.05.2012

▪ **Food Safety**

Measures intended to ensure epizootic and food security are being taken in all regions of Ukraine. Mobile teams consisting of representatives from the veterinary police and State Veterinary Medicine Services made over 450 inspections of businesses whose operations are associated with circulation of animal products. The inspectors detected some 300 violations and imposed penalties totalling more than UAH 37,000. Operations of 34 businesses were suspended. Eleven reports were sent to investigation offices of the Ministry of Interior and Prosecutor Office.

State Veterinary and Phytosanitary Service of Ukraine; 24.05.2012

Ivan Bisyuk, the Head of the State Veterinary and Phytosanitary Service of Ukraine, met with Ringolds Arnitis, the Director-General of the European and Mediterranean Plant Protection Organization (EPPO). They discussed essential aspects of cooperation with Ukraine as a member of this organization. Specifically, the meeting participants touched upon issues associated with familiarization with the Ukrainian laboratory-and-diagnostic base and engagement of Ukrainian experts in working groups. A preliminary agreement was reached that a meeting of EPPO member countries would be held in Ukraine.

<http://www.vet.gov.ua/>; 25.05.2012

The Russian Federal Consumer Protection and Human Well-Being Supervisory Service (RosPotrebNadzor) is planning to inspect two more Ukrainian cheese factories: Lozivsky Milk Factory and Ros. This news was communicated to UNIAN by RosPotrebNadzor Press Service. "We have made documentary audits of Lozivsky Milk Factor and Ros and are planning to inspect these two Ukrainian cheese producers", says the communication.

Besides, RosPotrebNadzor is considering a possibility to recognize results of tests made by Ukrainian laboratories and use them for the purpose of assessing the Ukrainian cheese quality and safety. The Russians tested 55 samples of cheese produced by four Ukrainian enterprises (Prometheus, Pyryatyn Cheese Factory, HadyachSyr and DybnoMoloko) between May 10th and May 28th. According to the Russian expert opinion, three lots of cheese did not comply with sanitary-epidemiological rules and standards. Testing of 23 cheese samples continues.

<http://economics.unian.net/>; 29.05.2012

Ukrainian veterinary doctors will audit Chilean pork, beef and poultry in autumn. According to the Press Service of the State Veterinary and Phytosanitary Service of Ukraine, such agreement was reached at the meeting between Ivan Bisjuk, the Head of the State Veterinary and Phytosanitary Service of Ukraine, and Oskar Videla Peres, a representative of the Chilean Veterinary Medicine Competent Authority, which was held as part of the 80th General Session of the International Epizootic Office in Paris.

<http://economics.unian.net/>; 29.05.2012

▪ **Market Infrastructure**

Ukrainian Minister of Agrarian Policy and Food Mykola Prysiashnyuk met with President of the American Chamber of Commerce in Ukraine Jorge Zukoski and representatives from the Ukraine agrarian business community. The parties discussed issues related to development of Ukrainian agriculture and harmonization of the Ukrainian legislation with international standards.

"I am satisfied with our intensive cooperation with the American Chamber of Commerce. We discuss the agrarian sector development patterns and its adaptation to the European and global markets. We share experience, put forward proposals and comments and, finally, come up with documents enabling Ukraine to bring its standards or legislation in compliance with those of the EU. We do it in such a way that revised standards and legislation lead to improvement of the quality of Ukrainian agriculture produce and increased production capacity", commented Mr. Prysiashnyuk.

The meeting participants discussed also certification of grain warehouses and agreed that Ukraine would streamline the certification system and make the term the certificate validity longer.

Press Service of the Ministry of Agrarian Policy and Food of Ukraine; 25.05.2012

Ukraine is planning to export to China three million tons of maize under forward contracts in the next marketing year (i.e. between July 2012 and June 2013), announced Ukrainian Minister of Agrarian Policy and Food Mykola Prysiashnyuk.

"It is very important to begin exporting maize to China because China is the largest maize importer", Mr. Prysiashnyuk pointed out. According to him, export of three million tons of maize to China will enable Ukraine to mobilize roughly one billion US dollars in the agrarian sector.

The Ukrainian and Chinese parties are planning to discuss cooperation in such spheres as fishery, production of veterinary bio preparations, development of grain storage facilities etc.

InterFax-Ukraine; 25.05.2012

The 2012 grain yield in Ukraine may amount to 47.2 million tons – 17% down from last year's yield, said Serhiy Petrenko, the Deputy Director of the Economic Development and Agrarian Market Department of the Ministry of Agrarian Policy and Food of Ukraine, at the All-Ukrainian Agro Industry Forum-2012.

"According to preliminary projects, we were supposed to harvest 45 to 46 million tons of grain in the marketing year of 2012-2013. We adjusted our projections recently: as of May 28th, the

projected yield was 47.2 million tons of all grain crops in Ukraine", added Mr. Petrenko. Serhiy Petrenko expressed the hope that precipitations in Southern Ukraine would help growers increase the grain yield up to 48 million tons.

<http://economics.unian.net/>; 29.05.2012

The All-Ukrainian Agro Industry Forum was held on May 29, 2012 which united on a unified platform representatives from the national government, associations, large and medium-sized producers, grain traders for the sole purpose of sharing experience and ideas concerning short-term prospects for the sector development, discussing pressing issues and coming up with unbiased assessment of the existing situation. The presentation of Pavlo Matyusha, the Coordinator of the European Business Association's Committee on Biotechnologies, became on the Forum highlights. The presenter provided a comparative analysis of existing economic benefits from biotechnologies implemented in EU member states and other countries and potential economic effect from introducing biotechnologies in Ukraine.

<http://agroua.net/>; 30.05.2012

▪ **Rural Development**

The Cabinet of Ministers of Ukraine issued the Decree "On approving the Regulation on Land Inventory" on May 23, 2012. The document will rationalize the land inventory process, thus ensuring that only trustworthy, consistent and complete data on distribution of land between owners and users, quantitative and qualitative characteristics of land etc. will be entered in the State Land Cadastre. The Decree is intended to eliminate gaps in regulation of land inventory and establish a clear mechanism for developing technical land management documentation with regard to carrying out land inventory works.

Press Service of the State Agency on Land Resources; 24.05.2012

The Cabinet of Ministers of Ukraine issued the Instruction "On approving a Plan of actions to implement the Concept for developing the national agriculture advisory service system until 2015" on May 23, 2012.

This government document will ensure accomplishment of tasks associated with development of an efficient national agriculture advisory service system between 2012 and 2015 which would serve an effective tool for implementing the national agrarian policy, securing innovative of agriculture and rural development, overcoming poverty in rural areas by means of public education and provision socially-targeted advisory services to agriculture producers and rural population for the purpose of increasing their knowledge and improving their practical skills needed to carry out profit generating agriculture and other related operations.

www.kmu.gov.ua, 24.05.2012

Milk production output in Dnipropetrovsk oblast has grown thanks to increased milkers productivity, said Deputy Governor Alexander Lyubovych at the regional workshop "Prospects for developing the dairy cattle husbandry sector and increasing milk and meat production in Dnipropetrovsk oblast" according to UkrInform correspondent. "Today, the government actively supports development of the dairy cattle husbandry: rural households keeping dairy cattle receive compensations and bonuses for high quality milk; besides, they receive assistance for purchase of feeds and veterinary services. As a result, 79,000 tons of milk was produced in the oblast from January through April –100 tons up from the same period of the previous year", added Mr. Lyubovych.

According to him, 30 enterprises engaged in dairy cattle husbandry began receiving compensation for their produce this year. Producers receive approximately 50 kopeks for one litre of milk. The regional Programme for developing dairy cattle husbandry until 2015 has been formulated and is being implemented now for the purpose of the agriculture cluster development

as part of the Comprehensive strategy for Dnipropetrovsk oblast development. Under this Programme, financial support is provided to reduce the cost of loans taken out by farmers for construction and renovation of dairy farms and complexes, purchase of pedigree animals and milking equipment. UAH 500,000 was allocated from the oblast budget to agriculture servicing cooperatives for purchasing two milk tankers in 2011. UAH 967,500 is planned to be allocated in 2012 for purchase of milk coolers.

Three family-type farms were created in Dnipropetrovsk oblast under support of international organizations last years (Euro 32,000 per farm). Each farm keeps ten cows. Three more farms are under construction. Today, there are 44 milk collection points in Dnipropetrovsk oblast featuring cooling equipment and laboratories checking milk quality. 18 more milk collection points will be opened through the end of the year.

As of May 01, 2012, all farms in Dnipropetrovsk oblast keep 170,800 heads of cattle.

State Agency of Ukraine on Managing State Corporate Rights and Property; 24.05.2012