

 <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 September 6 - 12, 2012

### WTO and Neighborhood Policy

Ukraine is interested in adopting Lithuanian experience of rural reforms, regional infrastructure development, land reform, investment projects, fisheries development and agricultural education. Ukrainian Minister of Agrarian Policy and Food Mykola Prisyazhnyuk and Lithuanian Minister of Agriculture Kazys Starkyavychyus discussed these issues at the meeting in the National Exhibition Centre.

"Today, we discussed with the Lithuanian side a number of issues of how to strengthen our cooperation to successfully implement land reform in Ukraine, develop regional infrastructure, attract investment projects, develop fisheries and agricultural education. We continue to work on a joint Ukrainian-Lithuanian training programme to facilitate rural and agricultural reforms", Mr. Prisyazhniuk said.

Ukrainian minister stressed that the programme will help improve living standards in rural areas and help promote Ukrainian agricultural products abroad. Mr. Prisyazhnyuk mentioned that Ukraine and Lithuania have so far effectively cooperated in agriculture and thanked his Lithuanian counterpart for defending Ukraine's interests in the European Union.

MAPF Press Service, 06.09.2012

Ukraine fully implements its commitments under the Council of Europe, Ukrainian foreign affairs minister Konstantin Grishchenko said. "The way we implement the Action Plan of the Council of Europe shows that Ukraine proved to be more than a responsible partner. Ukraine can play a leading role in common European processes. We are close to fully implement Ukraine's commitments", the minister said.

Mr. Gryshchenko also added: "Ukraine has to move forward to meet CE high standards and principles. We implement reforms through specific projects bringing Ukraine closer to CE standards".

RBC-Ukraine, 10.09.2012

Ukraine actively implements its commitments under the Council of Europe, especially those in regard to strengthening democratic institutions, Ukraine's President Viktor Yanukovich said during the meeting with Secretary General of the Council of Europe Thorbjorn Jagland.

"We did not waste our time and worked hard to implement obligations we have towards the Council of Europe. The previous and current years were full of reforms aimed at strengthening democratic institutions", Mr. Yanukovich said. He thanked the CE experts for help in preparing the new Criminal Code.

Ukraine's President expressed confidence that the outcome of the conference on the first year of implementation of the CE Action Plan for Ukraine for 2011-2014 will be such that Ukraine will even more actively exploit the potential of this authoritative international organization to implement policy reforms. Mr. Jagland praised Ukraine's efforts to implement the CE Action Plan. "I am very pleased to note that all goes well with the implementation of such an ambitious

plan", he said.

Presidential Press Service 10.09.2012

## Food Safety

The State Veterinary and Phytosanitary Service removed the anthrax quarantine, introduced on August 18 in the village of Voznesenka, Zaporizhya oblast. According to Regulations to Prevent and Combat Anthrax, the quarantine should be removed within 15 days after the disease was detected for the last time. However veterinarians will continue to check local animals for anthrax symptoms.

RBC-Ukraine, 06.09.2012

Russian Federal Service for Supervision of Consumer Rights Protection and Human Welfare (Rospotrebnadzor) will allow the Lyzovsky Dairy to supply cheese and cheese products to Russia after it rectifies all the deficiencies that the Rospotrebnadzor experts found when checking the dairy this summer. According to the Rospotrebnadzor, the Lyzovsky Dairy's action plan to improve the sanitary-epidemiological conditions and ensure the production of quality products has not fully taken into account some of the fundamental recommendations the Russian experts had made. Let us remind the reader, that Lyzovsky Dairy is the only Ukrainian cheese producer that had not yet received permission from Rospotrebnadzor to re-establish its cheese export to Russia.

APK-Inform, 07.09.2012

The Crimean Veterinary Service is now taking measures to prevent the African Swine Fever (ASF) from entering Crimea. The Anti-Epidemic Commission at the Crimean Council of Ministers prohibited importation of pigs, pig products and feeds from Zaporizhya oblast. Veterinarians are day and night checking pig products from other regions of Ukraine at the entry points to the peninsula. 84 vehicles carrying pigs or pig products have been so far banned from entering Crimea. Two checkpoints are equipped with special barriers for disinfecting vehicles' undercarriages.

Crimean Veterinary Service fully ensured that pig farms comply with all requirements of the "closed-mode operating" and have rectified the deficiencies identified during inspections. Pigs are continued to be vaccinated against ASF in Crimean backyard holdings.

<http://vet.gov.ua/>, 10.09.2012

## Market Infrastructure

The Organic Movement Federation is concerned with the growing number of pseudo-organic products in Ukraine, the Federation's Chairman Eugene Milovanov said at a press conference in Kyiv. "Although organic products need to be certified by independent certification bodies, the number of pseudo-organic products increases in Ukraine", he said. The Chairman of the Biolan Ukraine Vasil Pindus noted that in Ukraine "bio" and "eco" labels do not necessarily mean that the product is of organic origin. He also noted that the largest number of pseudo-organic eggs, tea and dairy products is being sold in Kyiv and Kyiv region, where there is the biggest demand for this kind of products.

In 2011 the market for organic products in Ukraine amounted to 5.1 million Euros, more than twice the figure in 2010. 155 Ukrainian farms have been so far certified as organic.

<http://economics.unian.net/>, 06.09.2012

The FAO estimates that the yield of wheat in Ukraine will decrease by 37% in 2012. The global

wheat production, according to the FAO estimates, will be 663 million tons in 2012, 15 million tonnes or 2% down if compared to the previous forecast. "Production of wheat in Russia, Kazakhstan and Ukraine will respectively decrease by 29%, 47% and 37%. However, wheat production will grow by 13.5% to 61.7 million tons in the U.S and record harvests are expected in India and China", the FAO official statement reads.

<http://economics.unian.net/>, 07.09.2012

Ukrainian Ministry of Economic Development and Trade developed a draft law On Standardization, which defines the following to be the subjects of standardization: materials, components, equipment, systems, compatibility thereof, rules, procedures, functions, methods, products, production processes, services, personnel and management systems, as well packing, marking and labelling requirements. The standardization will be carried out by the central executive body responsible for developing and implementing standardization policies and the national standardization body.

The national standardization body will organize, coordinate, develop, check, revise, amend, adopt and repeal national standards, codes of practices and classifiers. The needs of the WTO member-states should, if possible, be taken into account when developing national standards, codes of practices and classifiers.

RBC-Ukraine, 10.09.2012

Russian Ministry of Agriculture and Ukrainian Ministry of Agrarian Policy and Food discussed the establishment of the Black Sea Grain Council for coordinating and exchanging grain market information. Russian Deputy Minister of Agriculture Ilya Shestakov met with Ukrainian Deputy Minister of Agrarian Policy and Food Oleksandr Sen last week at the Agro-2012 International Agricultural Exhibition. Establishing a grain council was the main issue discussed.

For this initiative to be implemented, the parties agreed that at its next meeting the Russian-Ukrainian Subcommittee on Agriculture will consider re-establishing the Interdepartmental Working Group for coordination of the development of grain markets in Russia and Ukraine.

[www.liga.net](http://www.liga.net), 10.09.2012

Ukrainian Parliament adopted, in the first reading, the draft law On Agricultural Guarantee Notes enabling farmers to guarantee their credits by future harvest or animals. There will be two types of agricultural guarantee notes. A commodity guarantee note will oblige farmers to deliver a particular kind of product and indicate its quality, quantity, place and time of delivery, whereas financial guarantee note will oblige debtors to pay a particular sum of money after selling his/her agricultural products.

According to the draft, the Ministry of Agrarian Policy and Food will develop and adopt state policies to regulate the issuance, circulation and fulfilment of agricultural guarantee notes, and keep their registry.

IC UAC 10.09.2012

Ukrainian Antimonopoly Committee is investigating the retail market, First Deputy Chairman of the Committee Rafail Kuzmin said. The Committee is checking whether such retail networks that operate in Kiev as Auchan, Fourchette, Silpo, Fora, Velyka Kyschenya, ATB, Eco-Market, Caravan, BILLA, Kray ta Krayina, Perehrestya, SPAR, NOVUS, Bimarket and Metro comply with the competition legislation. Mr. Kuzmin says that the Committee started the investigation since retail networks unjustifiably increased their food prices. Although prices for dairy products, pasta, sunflower oil, grains, meat and fish have increased by 15-60% in 2011 and early 2012, the consumer price index increased by only 13.5%. The retail companies can be fined up to 10% of their revenues.

LIGABusinessInform, 10.09.2012

A regional conference was held in Volyn oblast on September 10 to analyze the activities of agricultural sector in January-August 2012 and the way financial support was provided to farmers from oblast and rayon budgets. The head of local Agriculture Development Department Yuri Gorbenko reported that in 8 months the agricultural gross output amounted to UAH 3.5 billions, 110.1% up if compared to the corresponding period last year. The grain harvest is estimated to be 850-900 thousand tons, a record figure for the past few years.

Governmental Portal, 11.09.2012

Shuvar agricultural wholesale market ensures better trade between agricultural market operators and small agricultural producers, the president of the Ukrainian Association of Wholesale Markets and the founder of the Shuvar group of companies Roman Fedyshyn said.

"According to our strategy, which we developed a few years ago, these are domestic and foreign producers that supply their products to Shuvar where the products are bought to be consumed in Lviv region, other Ukrainian regions and abroad", Mr. Fedyshyn said.

"Shuvar became a platform for exporting watermelons and melons to EU countries. We also plan to open several offices at European wholesale markets. We will do it as soon as our staff is ready for such qualitative changes", he said.

<http://latifundist.com>, 11.09.2012

## **Rural Development**

The law amending some legislation to enable termination of the right to use land in case it was allocated for public use came into force.

Amendments will be introduced to the following legislative acts: Land Code, the law On Land Lease and the law On Alienation of Private Lands and Immovable Property Located Thereon For Public Use. The law will facilitate the implementation of investment projects and improve a number of provisions on providing, withdrawal and purchase of land for public purposes.

Press Service of the State Agency of Land Resources, 06.09.2012

September 6, Ukrainian Parliament adopted, in the first reading, the draft law amending the Tax Code to facilitate the development of agricultural cooperatives. The draft removes restrictions on tax exemptions for personal incomes that come from the sale of agricultural products grown by the seller himself and for incomes that come from cooperative payments or from receiving the share of cooperative property in case the member leaves the cooperative.

The draft also provides for cooperative payments which the cooperative pays to its members to be regarded as cooperative's direct expenses.

APK-Inform, 07.09.2012