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**1-4 November 2011**  
Almaty, Kazakhstan  
"Atakent" IEC

### *Dear USAPEEC members!*

On November 1-4, 2011 the biggest Central Asian Food Show "World Food Kazakhstan" takes place in Almaty, Kazakhstan, International Exhibition Center "Atakent".

USAPEEC has successfully participated in five previous WFK food shows and has a booth this year also.

USAPEEC stand number 99 is located in Pavilion 11.

In 2010 the event featured 233 exhibitors from 33 countries world-wide, covering all aspects of the food industry, including food, drinks, agriculture, technology, ingredients and packaging. In total, 4,870 visitors attended the exhibition. In 2011 World Food Kazakhstan expects to attract nearly 5,000 people.

*Additional information on the show can be found at [www.worldfood.kz/en](http://www.worldfood.kz/en)*

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## Kazakhstan



### **CU Commission No.726 extends the validity of Vet certificates for Kazakhstan till January 1, 2013**

USAPEEC Central Asia Office is glad to inform our USAPEEC Members that no new Vet Certificate for Kazakhstan is needed. The Customs Union Commission has taken a decision No. 726 as of July 15, 2011 to prolong the validity of the current export veterinary certificates for poultry products until January 1st, 2013, which means that current certificates get an additional transition period.

USAPEEC Central Asia Office has found mentioned decision and sent translated document to USAPEEC headquarters on October 6, 2011.

The Original document of the CU Commission Decision No.762 can be found our website under:

<http://usapeec.kz/ru/news/9988/> - Original document in Russian.  
<http://usapeec.kz/en/news/9989/> - Unofficial translation into English

This Decision introduces amendments and additions to the CU Commission Decision No. 317 as of June 18, 2010, in particular to the Chapter “Final and Transitional Provisions” of the Uniform veterinary requirements for the goods that are subject to veterinary control.

### **CU Commission Decision # 726 as of July 15, 2011 – Unofficial translation**

#### **“On veterinary measures”**

Customs Union Commission decided:

1. To introduce to the Chapter “Final and Transitional Provisions” of the Uniform veterinary (veterinary-sanitary) requirements for the goods that are subject to veterinary control, approved by the Customs Union Commission Decision No. 317 as of June 18, 2010 (hereinafter - Requirements), the following changes:

- in item 4 to replace the figure “2012” by the figure “2013”;
- after words “July 1, 2010” to add the following words: “with any further amendments to them agreed by the Side and the exporting country based on the agreed position of the other sides”;
- to add items 5-7 of the following content:

#### *Item 5.*

Competent authorities of the Sides are to hold negotiations with the competent authority of the exporting country in order to harmonize the veterinary certificates, that are different from the Uniform veterinary certificates for the goods imported from third countries (approved by the Commission Decision No. 617 as of April 7, 2011 (hereinafter - common forms of veterinary certificates) and certain provisions of these Requirements).

In case of appeal prior to January 1, 2013 of the competent authority of the exporting country to the authorized body of one of the Sides (with which before July 1, 2010 the veterinary certificate for import of goods to the territory of that Side was pre-signed) with the request to develop veterinary certificate that is different from common forms of veterinary certificates and certain provisions of these Requirements, the validity of the pre-signed veterinary certificate

is extended until the veterinary certificate that is different from common forms of veterinary certificates and certain provisions of the present Requirements is approved.

*Item 6.*

**To extend the validity of the veterinary certificates, pre-signed between a Side and the exporting country during the period of July 1, 2010 - December 1, 2010 (and that are different from the Uniform veterinary requirements for goods imported exclusively on the territory of that Side) till January 1, 2013.**

In the case of appeal of the competent authority of the exporting country prior to January 1, 2013 to the authorized body of one of the Side (with which during the period of July 1, 2010 - December 1, 2010 the veterinary certificate for import of goods to the territory of this Side was pre-signed) with the request to develop the veterinary certificate that is different from common forms of veterinary certificates and certain provisions of these Requirements, the duration of the pre-signed veterinary certificate shall be extended until approval by the Side and the exporting country on the basis of an approval of other Sides.

*Item 7.*

Veterinary certificates are agreed by consensus of the authorized bodies of the Sides and by the competent authority of the exporting country.

2. The Secretariat of the Commission is to prepare a schedule of consultations to be conducted by the working group "Veterinary-Sanitary measures" with the competent authorities of third countries during which the Uniform veterinary requirements and common forms of veterinary certificates should be discussed. If necessary, including at the request of the competent authorities of third countries, the working group "Veterinary-sanitary measures" is to make changes and additions to the schedule of consultations.

3. To the Sides:

3.1. During conducting negotiations on veterinary certificates (that are different from common forms of veterinary certificates) to ensure the inclusion of the conditions no less favorable than those contained in the international treaties in the field of veterinary-sanitary measures, that were concluded before July 1, 2010 between the Side and the exporting country.

3.2. To develop Requirements and Uniform forms of veterinary certificates (for the products on which there are no requirements of the Customs Union, as well as changes and additions to the Uniform Requirements and veterinary certificates), based on international standards set by the World Organization for Animal Health and the Commission "Codex Alimentarius";

3.3. To ensure the preparing of additions to the Regulation on uniform procedure of joint inspections of facilities and sampling of the goods (products) that are subject to veterinary inspection, approved by the Commission Decision No. 317 as of June 18, 2010, specifying (detailing) the procedures and criteria for joint inspections, coordination of their results and entering the facilities into the register of organizations of the third for adoption by the Commission in September 2011. Projects of the mentioned documents must be submitted for public discussion no later than July 1, 2011

Signed by Customs Union Commission Members: Zh. Aitzhanova (Kazakhstan), I. Shuvalov (Russia), S. Rumas (Belarus).

*Source: Official Website of the Customs Union ([www.tsouz.ru](http://www.tsouz.ru))*

*Translated by: [www.usapeec.kz](http://www.usapeec.kz) - USAPEEC Central Asia Eastern Europe office*

## CIS Prime Ministers sign agreement on setting up Free Trade Area

The CIS Prime Ministers signed an agreement on a free trade area within the Commonwealth at a meeting in St. Petersburg on October 18, 2011. Russian Prime Minister Vladimir Putin said the document would lay a new foundation for trade and economic relations within the CIS.



“This is a fundamental agreement, which will serve as the basis of trade and economic relations between our countries”, he said.

The Heads of Governments of almost all CIS countries have signed the treaty establishing a free trade zone. Azerbaijan, Turkmenistan and Uzbekistan refrained from this decision yet, but the Governments of these countries are planning to join the band this year.

“The adoption of the agreement will remove many barriers and make a new qualitative step in the development of our economies – said Prime Minister Vladimir Putin. – Creating a free trade zone means that whole groups of goods will come at lower prices. This means that we will cancel the export and import duties”.

V.Putin underlined that a free trade area does not contradict the principles of the World Trade Organization, as some of the countries belonging to the newly created free trade area, are also members of the WTO. As of today the agreement was signed by Russia, Ukraine, Belarus, Kazakhstan, Armenia, Moldova, Kyrgyzstan and Tajikistan. According to V.Putin the rest States plan to join the FTA before the end of this year.

CIS countries have also discussed a range of issues. The main issue was the negotiation of the contract on the establishment of a Free Trade Zone within the CIS. The Prime Ministers discussed the concept of CIS development of rail transport in the CIS up to 2020, the principles of currency regulation and currency control, as well as the concept of a

coherent social and demographic policy of the states – members of the Commonwealth.

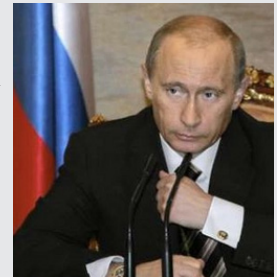
They also signed an agreement on the procedure for revising the level of secrecy of information classified during the Soviet era.

In addition, they agreed to allot funds for the creation and development of a CIS common air defense system in 2012.

*Source: IA 24KG (www.24kg.org)*

## Putin: Customs Union will lead to a “Supranational Union”

Tripartite Customs Union formed by Kazakhstan, Russia and Belarus in 2010 hopes to morph into a broader supranational organization that will create a “full-fledged economic union,” Russian Prime Minister Vladimir Putin wrote in an article published in Russian newspaper “Izvestiya”.



The Russian Prime Minister described the Union as a historic landmark not only for Customs Union countries, but also for all post-Soviet states. The Union has its roots in the Common Security Treaty Organization, the Eurasian Economic Community (EurAsEc) and even the Commonwealth of Independent States (CIS), despite its “unfulfilled expectations”.

Putins says that the current Customs Union is primarily a business agreement that seeks to improve companies’ efficiency and improve their business practices. He called for expansion of the Customs Union’s powers that will allow the fledgling organization to make decisions on competition policy and on other matters. To accomplish this, a Collegiate Body should be established, with representatives from all member states, to oversee and implement decisions independently.

V.Putin ultimately sees the Customs Union branching out to include more members, such

as Kyrgyzstan and Tajikistan, and expanding its role. "We propose a model of a powerful supranational union capable of becoming one of the poles of the modern world and play the role of an effective 'binding' between Europe and the dynamic Asia-Pacific region. In particular, this means that on the basis of the Customs Union and Common Economic Space (CES) a closer coordination of economic and monetary policy should proceed so that to create a full-fledged economic union", he said.

V.Putin insisted that he is not seeking to recreate the Soviet Union, nor will the growth of the Customs Union blight the progress of the CIS. He vowed that Russia will work to make the CIS stronger, and is planning to launch a series of projects in the transportation, technology and socioeconomic development fields for CIS members.

He emphasized that as it stands, the Customs Union is eager to engage with other economic blocs. Putting underlined that Customs Union countries: Russia, Belarus and Kazakhstan have already started talks on creating a free trade zone with the European Free Trade Association, while talks are also planned with Asia-Pacific Economic Cooperation (APEC) organization.

*Source: IA UniversalNews ( www.universal-news-wires.com)*

### Eurasian Union will appear no earlier than 2015



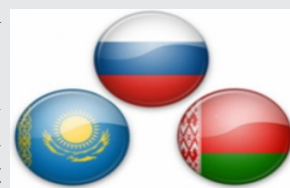
Following a meeting of the Heads of Governments of Customs Union and the Eurasian Economic Community, Russian Prime Minister Vladimir Putin informed that the Eurasian Economic Union will appear no earlier than 2015.

At the same time declaration on the establishment of the Eurasian Union is expected to be signed in December 2011. Earlier, it was planned to sign this document only in 2012.

According to the Prime Minister V.Putin they will have to adopt a large number of regulatory acts, which will require amending legislation that is currently in effect in three countries. Therefore, the idea of forming of Eurasian Union will not be implemented earlier than 2015.

*Source: IA RBC (www.top.rbc.ru )  
Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### The Customs Union will create Agro-industrial Association



On October 14, 2011 the Customs Union countries have signed an agreement on a joint agro-industrial association, according to the Minister of Agriculture of Kazakhstan Asylzhan Mamytbekov.

He informed that CU countries were actively working with regard to cooperation with business associations and government agencies within the Customs Union. As a result an agreement on the establishment of Agro-industrial association within Customs Union was signed.

Agro-industrial Association includes all the leading industry associations (meat, dairy, grains, etc.) of Russia, Belarus and Kazakhstan. The Association is a public organization.

The Chairman of the Public Council under the Ministry of Agriculture of Russia and President of the National Dairy Producers Union (Soyuzmoloko) Andrey Danilenko is elected as the President of Agro-industrial Association of the Customs Union. Supervisory Board of the Association is headed by the Minister of Agriculture of of Russia Elena Skrynnik.

The idea of creating an association has been proposed by E. Skrynnik and supported by the First Deputy Prime Minister of Russia Igor Shuvalov in May of this year during business

forum “On development of the Customs Union and Common Economic Space”.

Constitutors of this non-profit organization became the leading industry associations and unions, as well as large agricultural corporations of Russia, Kazakhstan and Belarus.

Agro-Industrial Association is open for new members. Its main objectives are: harmonization of agricultural policy in the Uniform internal market, ensuring food security and maintaining stability in the domestic market, the protection of common interests in foreign markets.

*Source: IA Kazakh-Zerno (www.kazakh-zerno.kz)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### **Customs Union agrarian policy should orient on exports**

According to Russian Minister of Agriculture Minister Y. Skrynnik development of exports should be a priority of agrarian policy of the Customs Union. “Customs Union countries can become guarantors of global food security, therefore the development of exports should be a priority of our common agricultural policy”, Minister said during the Agroforum “Customs Union - the guarantor of the competitiveness of the agro-industrial complex” held on October 14 in Moscow. According to her, at present Russia and Kazakhstan are significant players in the world grain market. Belarus exports about 4 million MT of milk. She noted that by 2020 Russia alone plans to supply up to 370,000 MT of meat, especially poultry and pork to the world market.

In this regard, she believes that by joint efforts Customs Union countries can influence the situation on global food markets, and thus ensure stability of the national agricultural production. Geographical location of the Customs Union will also help achieve these

goals, as it allows entering the world’s largest food markets: Asia-Pacific countries, Middle East, Eastern and Western Europe.

Elena Skrynnik emphasized that taking into account the future possible accession to the WTO it is important to quickly and painlessly solve the issues of technical regulation, the application of veterinary and phytosanitary standards, anti-dumping, countervailing and protective measures from various forms of unfair competition on the common market of the Customs Union.

Among the strategic objectives of the Customs Union in the agricultural market E.Skrynnik also listed ensuring of food security of countries, increase of mutual investments and development of common infrastructure.

According to her creation of Agro-industrial Association in the Customs Union and Common Economic Space will greatly contribute to these goals. The Association will consolidate the positions of agriculture in those matters that are not addressed within a single state and will help to establish effective interaction of business with the State.

At the same time, several participants of the agro forum noted the factors that may hinder the integration of the three countries in the agri-food sector. Thus, according to Deputy Minister of Agriculture of Belarus Vasily Kazakevich, one of such factors may be the differences in the amounts of state support to the agricultural producers. He also noted the growing competition between CU countries in agricultural market.

*Source: APKInform (www.apk-inform.com)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

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## Kyrgyzstan



### EurAsEC countries agree on accession of Kyrgyzstan to the Customs Union

According to EurAsEC Secretary Tair Mansurov following a meeting of the EurAsEC's Intergovernmental Council in St. Petersburg the Heads of the Governments of EurAsEC countries agreed on accession of Kyrgyzstan to the Customs Union.

According to him, at present a working group on this issue is being created. Then the Kyrgyz Government plans to submit its proposals for joining the CU. And after appointment of a Chairman the working group will start working.

Tair Mansurov added that the working group is going to submit a report by the next meeting of the Customs Union's Commission.

Meanwhile, the Interstate Council of Eurasian Economic Community has decided to appoint Deputy Secretary General of a Head of EurAsEC, Executive Secretary of the Customs Union Commission Sergei Glazev as the Head of working group on the accession of Kyrgyzstan to Customs Union.

Acting Prime Minister O. Babanov comments on the possible membership of the Republic in CU: There is no other way out but to join the Customs Union. The working group will include the representatives of Kyrgyzstan and the Heads of CU expert groups on the development of the legal framework of the Customs Union.

Kyrgyzstan authorities should submit to the Secretariat of the Customs Union the nominations of experts (at the level of Deputy Ministers) for inclusion in the working group.

*Source: IA Profinance (www.profinance.kz)*  
*Translated by: www.usapeec.kz - USAPEEC Central Asia Eastern Europe office*

### Kyrgyz Prime Minister Atambaev set to win presidential election



The front-runner in Kyrgyz presidential election looked set for an unexpectedly crushing victory early Monday, prompting bitter accusations of fraud in a firmer footing after an uprising last year overthrew the government. With 88 percent of precincts counted, Prime Minister Almazbek Atambaev was easily leading the field with 63 percent of the vote in the former Soviet Central Asian nation. The winner has to get at least 50 percent of the ballots cast to claim victory in one round, and a run-off had been widely anticipated.

The Kyrgyz overthrew authoritarian the President Kurmanbek Bakiyev in April 2010 amid anger over corruption and stagnating living standards.

Many had hoped this election would be the first peaceful transition of power in the economically struggling nation's history. The two presidents that ruled the country over the first two decades of its independence, Bakiyev and Askar Akayev, were both unseated in public uprisings.

Outgoing President Roza Otunbayeva, who has been running the country as interim leader since April 2010, earned international plaudits by agreeing to step down to make way for the election winner.

Atambaev's most vigorous opponents were two popular nationalist politicians: Kamchibek Tashiyev and Adakhan Madumarov.

As of early Monday, they appeared to have performed less impressively than many had expected, both capturing less than 15 percent of the vote with only one-tenth of the ballots left to count. None of the other 13 candidates running looked set to earn even 1 percent of the vote.

*Source: IA SeattlePi (www.seattlepi.com)*

## All meats imported from Kyrgyzstan to Kazakhstan are supplied illegally



According to the Head of the Livestock Breeding and Veterinary Department of Ministry of Agriculture of Kyrgyzstan Samat Aliev, since 2006 all meat and meat products supplied from Kyrgyzstan to Kazakhstan were imported illegally.

“In 2006 Russia, Kazakhstan and Uzbekistan imposed a ban on the import of meat products from Kyrgyzstan in connection with the epizootic situation in the country. As for the meat exports to the neighboring Kazakhstan, which is carried out by our traders, all of them are smuggled products”, S. Aliev said. According to the Head of the Department, neighboring countries have not yet lifted the ban on the import of meat products from Kyrgyzstan. This year the epizootic situation in Kyrgyzstan has again deteriorated.

He also said that when the quarantine is lifted, authorities will inform neighboring countries that meat products from Kyrgyzstan are not dangerous to human health. However, Mr. Aliev added that this problem can not be solved within one day, it will take some time. Therefore, he does not know yet when Kyrgyzstan traders will be able to carry out legal export of meat products to neighboring countries.

At present, Kyrgyzstan exports meats to the United Arab Emirates and Iran.

As a reminder, in connection with the epizootic situation in Kyrgyzstan, on October 19, 2011 Kazakhstan imposed a ban on the import of livestock products from Kyrgyzstan, in particular, meat, meat products and milk.

Since the beginning of October in several regions of Kyrgyzstan FMD disease was registered.

According to the State Agency on the Antimonopoly Regulation of Kyrgyzstan, last year Kyrgyzstan exported 87,600 MT of meat. In 2010 3,138 heads of small cattle and 1,132 horses were supplied to Kazakhstan.

Experts point out that real exports are several times higher than officially indicated, as there are illegal exports of agricultural products from the country.

Source: News Portal ([www.zonakz.net](http://www.zonakz.net))

Translated by: [www.usapeec.kz](http://www.usapeec.kz) - USAPEEC Central Asia Eastern Europe office

### *Kazakhstan poultry import statistics in January-August 2011\**

Partner country	2010		2011		% Change Value	% Change Qty
	Value	Qty	Value	Qty		
<b>World</b>	<b>81,934</b>	<b>89,048</b>	<b>87,639</b>	<b>87,033</b>	<b>+106%</b>	<b>-3%</b>
<b>United States</b>	<b>58,969</b>	<b>73,438</b>	<b>61,247</b>	<b>71,361</b>	<b>+103%</b>	<b>-3%</b>
Ukraine	18,407	12,135	25,222	14,394	+137%	+118%
Russia	3,194	1,743	0	0	---	---
Poland	677	949	621	741	-9%	-22%
Brazil	359	471	438	462	+122%	-2%
Other countries	328	312	111	75	-67%	-76%

**Value Unit:** Thousands of USD; **Volume Unit:** MT

\* Source: Customs Control Committee under the Ministry of Finance of Kazakhstan