

February 28, 2009

### Kazakhstan



#### **Kazakhstan articles on quality of chicken leg quarters**

*During February 11 – 16, 2009 a number of Kazakh newspapers have published articles that were disgracing the image and high quality of US poultry meats. All of them contained an information that one of the companies in Kazakhstan which is importing US poultry was selling 30 year old chicken leg quarters. USAPEEC CA&EE Consultant Bella Ablaeva has contacted all chief editors of those newspapers and the editors of those internet news agencies that have published false information and requested response articles to be published both at their websites and in paper editions.*

*The following is the response article sent by Bella Ablaeva to several newspapers and news agencies and published by “Kazakhstan Today” news agency (also re-published by the following internet agencies: gazeta.kz, pavlodar-online.kz, meatinfo.ru, webpticeprom.ru, meatmarket.info, posit.su, narod.pticevod.ru):*

#### **USA Poultry and Egg Export Council demands publishing of information which explains that CLQs inspected in Pavlodar and declared to be uneatable are of high quality**

USA Poultry and Egg Export Council Central Asia and Eastern Europe Consultant demands publishing of information which tells that chicken leg quarters admitted by inspectors as uneatable are of high quality, according to the letter which was sent to the editors of the info agency.

As indicated in the letter “In accordance with your publication that disgraces the image and high quality of US poultry meats under the title “Facts of speculation with prices for food stuffs were revealed in Pavlodar: one of the companies was selling 30 year old US chicken leg quarters” from February 11, 2009 on the website: [www.kt.kz](http://www.kt.kz) USAPEEC Consultant demands following denial to be placed on the same website within two days”.

At the same time USAPEEC insist on placing an article on behalf of “Kazakhstan Today” agency containing the following information:

“Dear readers! Our editors apologize for all the false information that was published by us in the article under the title “Facts of speculation with prices for food stuffs were revealed in Pavlodar: one of the companies was selling 30 year old US chicken leg quarters” on February 11, 2009.

The quality of chicken leg quarters sold in Pavlodar was proved to be excellent!

We have contacted USAPEEC Central Asia Consultant Bella Ablaeva to get her comments on the matter:

“This ridiculous statement has nothing in common with the reality – terms of storing of frozen US chicken leg quarters in compliance with US standards do not exceed 1 year.

CLQ (chicken leg quarters) is a product that is in constant high demand in the world. Production volumes are planned one month in advance depending on volumes of orders. Not a single US poultry producer is making even one-year stocks of this product (not saying about 30 years’ old stocks) and moreover not saying about 30 years’ old stocks of US Government!

Requirements made by USDA to each stage of process of poultry meat production are one of the strictest in the world. More than 7000 highly skilled veterinary inspectors are working in the system of USDA. Minimum 1-3 inspectors providing quality control of poultry production are located directly in each poultry processing plant in US.

In accordance with the current legislation every bird should be inspected four times – when it is alive, during slaughter, during processing and during packaging. All poultry meats provided for home market and export are strictly controlled by Food Safety Inspection Service under USDA.

FSIS inspection includes: Sanitary-technical control, Hazard Analysis and Critical Control Points, HACCP, Biochemical control (analysis on presence of pathogenic bacteria).

This three-stage system of step-by-step control currently applied by FSIS is the most perfect and effective in the world and is recognized by veterinary and sanitary specialists of all major countries that are importing US poultry. That is why stamp “U.S. Department of Agriculture Inspected for Wholesomeness” on the package of US poultry products means that the product was processed in full accordance with state standards of US and absolutely safe for consumers!

Only such US chicken leg quarters of high quality and freshness are exported to Kazakhstan by US producers. And the same high quality imported poultry meats are sold by Kazakhstan importers of US chicken leg quarters!”

As it was informed earlier, facts of speculation with prices for food stuffs were revealed in Pavlodar: one of the companies was selling 30 year old US chicken leg quarters from ex-reserves of US Armed Forces. Journalists were informed about it at the Regional Headquarters on Restraining the Prices.

“During spot-checks we have detected 3 large companies – suppliers of foodstuffs of first necessity which had groundlessly increased prices,” member of headquarters, deputy of Pavlodar city administration (maslihat) Askar Bakhralinov stated. He also pointed out that “earlier heads of all three firms had guaranteed that they will hold in prices for products imported before devaluation of tenge and signed corresponding memorandums”.

According to Bakhralinov these firms “had increased selling prices in retail by 25 -30%”.

“These firms are keeping a lot of products in their storages. We have also checked their documents: all products were imported until February 4”, - Bakhralinov explained.

At the same time, according to him so called “Bush legs”, kept in store-house of one of the firms, were produced more than 30 years ago and were taken from former reserves of US Armed Forces.

“It is not clear who gave them permission to feed citizens of Pavlodar with such production”, the deputy outraged.

By preliminary data, in storages of these firms more than 100MT of foodstuffs and household chemical goods are kept.

It was established that they supplied about 200 shops of the region with the products.

“There is direct evidence of not just simple speculation when individual sellers seize the opportunity but deception of authorities and people. They guaranteed their own social responsibility to population of the region and such action can be estimated as anti-popular and antistate. I hope that plenipotentiary bodies investigate the case and take appropriate measures”, Bakhralinov noted.

According to him, the revealed fact was discussed on February 10 at the session of regional headquarters on restraining the prices and was reported to the head of the region.

Plenipotentiary state bodies were charged to ascertain the conformity of the products with the quality, conditions of storing and also validity of increased prices.

According to information of local mass media the owner of one of the wholesale companies, exposed in speculative actions is a well-known businessman and public figure of the city.

“Conclusion that so called “Bush legs were 30 year old was made due to the fact that members of regional headquarters had seen following stamp on one of the boxes with CLQ: 1978 and “USA”, - journalist of the agency has reported citing explanations of deputy of city administration (“maslihat”) made on February 25, 2009.

He also noted that Regional Headquarters charged Sanitary-Epidemiological Services and veterinary doctors to inspect the storage where chicken leg quarters were revealed. “Sanitary-Epidemiological Services have found nothing” – A. Bakhralinov has informed.

As deputy considers if Sanitary-Epidemiological Services had detected chicken leg quarters which were kept at storage to be produced 30 years ago it would be their direct fault as they should control deliveries and clarify conformity of the production with quality.

“But Head Veterinarian of the region - Mr. Mustafin provided us with another information that frozen chicken leg quarters can be stored for 7 years” – A. Bakhralinov added.

- Source: *Kazakhstan Today news agency (kt.kz)*; Translated by: *usapeec.kz*

*The same article has also been published at several Kazakhstan and Russian web-sites such as gazeta.kz, pavlodar-online.kz, newzzz.kz, meatinfo.ru, webpticeprom.ru, meatmarket.info, posit.su, narod.pticevod.ru.*

### **US chicken leg quarters sold in Pavlodar turned out to be fresh!**

USA Poultry and Egg Export Council (USAPEEC) Central Asia Consultant Bella Ablaeva has cleared up the situation concerning quality of US chicken leg quarters that are being sold by Kazakh importers:

“This ridiculous statement has nothing in common with the reality – terms of storing of frozen US chicken leg quarters in compliance with US standards do not exceed 1 year”, - Bella Ablaeva explained.

“CLQ (chicken leg quarters) is a product that is in constant high demand in the world. Production volumes are planned one month in advance depending on volumes of orders. Not a single US poultry producer is making even one-year stocks of this product (not saying about 30 years’ old stocks) and moreover not saying about 30 years’ old stocks of US Government!”, - USAPEEC CAEE Consultant continued.

“All poultry meats provided for home market and export are strictly controlled by Food Safety Inspection Service under USDA. The three-stage system of step-by-step control currently applied by FSIS is the most perfect and effective in the world and is recognized by veterinary and sanitary specialists of all major countries that are importing US poultry. I would like to stress that only such products of high quality and freshness are being sold by Kazakh importers of US chicken leg quarters!”, - concluded Bella Ablaeva.

- Source: *newzzz.kz*

Translated by: *usapeec.kz*

### **Any possibility of finding 30 year old chicken leg quarters in the market of Pavlodar is disproved**

According to the head of Pavlodar territorial administration of Agriculture under Ministry of Agrarian Policy of Kazakhstan 30 year old chicken leg quarters couldn’t have been found in market of Pavlodar, correspondent of the agency has reported.

“CLQs pass through 4 borders before they appear in Pavlodar market. At last customs post when meat is brought to Pavlodar region, regional laboratory examination which determines the product’s quality and the year of its production is being conducted”, - Batyrkhanov informed.

As the head of territorial administration assured, an inspection of the wholesale storage facility in which chicken leg quarters had been kept was carried out.

“It was unpleasant to hear that chicken leg quarters of such quality have appeared at our market. We verified this matter and gave all the documents to city administration: year of production, terms of storing of those products. There was no any box with a year “1978” on it”, - E. Batyrkhanov assured.

E. Batyrkhanov underlined that on every box of CLQs delivered to the region there is a label with information on a year of production and terms of storing.

“On the boxes in that wholesale storage facility there is a number 2008 and terms of storing are indicated as 18 months”, - the Head of regional administration stated. He has excluded any possibility that boxes with 30 year old chicken leg quarters had been hidden or thrown away.

“When any lot of chicken leg quarters arrives we are being informed immediately. After that we send experts, check quantity of delivered products and send it for quality examination (with participation of our inspector) to laboratory of Sanitary-Epidemiological Services” – E. Batykhanov pointed out.

According to his words 12,824 MT of meat was imported to the region last year from Brasil, Canada and USA. 97% out of them or 11,420 MT were poultry meats.

As it was informed earlier Regional Headquarters on Restraining the Prices inspected wholesale storage facilities which deliver products to retail nets. According to the deputy of city administration (maslihat) Askar Bakhralinov, “in one of the huge storage facilities a member of public headquarters had seen the following stamp on one of the boxes: 1978 and USA”. Based on the words of Bakhralinov the conclusion that chicken leg quarters stored in the warehouse were produced 30 years ago has been drawn.

Sanitary – Epidemiological Services and Veterinary doctors were assigned by Headquarters on Restraining the Prices to examine the quality of CLQs. And as Bakhralinov informed: “Sanitary-Epidemiological Services has found nothing”.

At the same time the deputy assumed that “if Sanitary-Epidemiological Services had detected chicken leg quarters which were kept in the storage and produced 30 years ago it would be their direct fault as they should control deliveries and clarify conformity of the production with quality.”

- Source: gazeta.kz  
Translated by: usapeec.kz

## **Kazakhstan’s tenge has lost 30% of its value as a result prices for foodstuffs have increased by 20-30%**

Foreign exchange rate of Kazakhstan’s national currency - tenge has fallen by almost 30% against US Dollar.

On average in January, 2009 US Dollar exchange rate amounted to 121.27 KZT (according to the data published on the official site of the National Bank of Kazakhstan) and the National Bank has fixed the exchange rate at the rate of 143.98 KZT per 1 USD for February 5, 2009.

The Prime Minister of Kazakhstan Karim Masimov charged the law enforcement bodies to control a dollar exchange rate in the corridor of 150 tenge plus-minus 3% for a dollar and requested them to instruct the regional divisions so that they control and not allow any speculative agiotage. But in small banks of Kazakhstan, even on February 4, the exchange rate of 1 US Dollar was equal to 170 KZT.

Kazakh population was not warned in any way and there was no even smooth decline in tenge value in the last several months. It was stable within a year and within one day dropped from 122 tenge/USD to 150-170 tenge/USD.

Officials say that devaluation “will make the local production more competitive” but many experts consider that this may lead to problems in Kazakhstan’s economy (such as decrease in local population payment abilities (especially for those ones who borrowed credits in US Dollars)) as devaluation is profitable only for Kazakh exporters.

In consequence of this sharp increase prices for foodstuffs grew by about 20-30% as Kazakhstan by 85% depends on import. One more consequence of rapid “1-day” devaluation was a loss which in a greater or lesser extent affected every Kazakh who has kept deposits in KZT accounts of the banks.

- Sources: Kazakhstan Today news agency (kt.kz); Edited & translated by: usapeec.kz

## Kyrgyzstan



### **Kyrgyz inflation ranks second in CIS**

Kyrgyzstan took the second place among the CIS countries by its inflation rate according to the Statistics Committee of the Commonwealth.

This year inflation rates of all CIS countries exceeded the last year indices. On average the producers of industrial goods raised the prices by 24% in 2008 compared to 13% in 2007 while the consumer prices grew by 17% (it was equal to 10% in 2007).

The highest inflation rate in 2008 was registered in Ukraine - 25.2% per year. High inflation was registered in Kyrgyzstan - it amounted to 24.5%, in Azerbaijan it amounted to 20.8% and in Kazakhstan it amounted to 17%. In Russia it was 14.1%, in Georgia-10% and in Armenia it was 9%.

“Consumer market of CIS countries retained stability and developed itself in a high tempo. But in many countries it was essentially supplied at the expense of goods’ import,” the CIS Statistics Committee informed.

- Source: 24.kg news agency (24.kg)

## Tajikistan



### **Tajikistan is 3rd among CIS of GDP growth rate in 2008**

Tajikistan stood in the third place among the CIS states in terms of the GDP growth rate in 2008, according to the CIS Interstate Committee for Statistics.

In Tajikistan GDP has risen by 7.9% within one year from January 1 to December 31, 2008.

In 2008, the highest GDP growth rate was reported in Azerbaijan – 10.8%, which is followed by Belarus, where GDP rose by 10% in the same year. In Kyrgyzstan, 7.6% GDP growth was reported in 2008, in Armenia it was 6.8% and in Russia it amounted to 5.6%.

The lowest GDP growth rate was reported in Ukraine – 2.1%.

Within the whole CIS area, GDP rose on average 5% from January 1 to December 31, 2008 which is 3.5% lower than in 2007.

- Source: AsiaPlus news agency (asiaplus.tj)

### **The American Chamber of Commerce opened in Dushanbe**

The American Chamber of Commerce (AmCham Tajikistan) was opened in Dushanbe on February 12, 2009.

The presentation ceremony was attended by more than 70 representatives of foreign and local business communities, international organizations active in the country, and diplomatic missions of the United States, France, Germany and Great Britain.

Speaking at the inaugurating ceremony, the US Ambassador to Tajikistan, Ms. Tracey Ann Jacobson, pointed out the significance of establishment of the AmCham Tajikistan and expressed hope that it would contribute to development of Tajikistan through providing assistance with improving investment climate in the country and attracting foreign companies.

According to the AmCham Tajikistan Executive Director Temur Rahimov, the main tasks of the association are in protecting interests of business, actively participating in lawmaking activity, providing platform for dialogue, rendering assistance to its members with removing unfounded obstacles in the way of their development, attracting foreign investments and providing opportune business information.

In the near future, AmCham Tajikistan will join the U.S. Chamber of Commerce network, the world’s largest business federation representing more than 3 million businesses of all sizes, sectors and regions. It includes hundreds of associations, thousands of local chambers, and more than 100 American Chambers of Commerce in 91 countries.

AmCham Tajikistan was registered with the Ministry of Justice of Tajikistan on November 2008. The Eurasia Foundation of Central Asia (EFCA), with the support of U.S. Embassy in Tajikistan and U.S. Agency for International Development (USAID), played a major role in establishing the association, which is dedicated to contribute to the development of private enterprise in Tajikistan.

The EFCA, together with its partners and the local business community, hopes that AmCham Tajikistan will be a useful vehicle through which new companies will be able to cooperate with established investors as well as the government to ensure the development of private business in Tajikistan.

It will also act as an advocacy group on behalf of local and foreign businesses, pushing to improve Tajikistani legislation to guarantee the development of the free market. In addition, it will help Tajikistan to attract new foreign investment.

Businessmen see AmCham Tajikistan as a platform for discussions with the government on issues vital to the development of private enterprise in Tajikistan.

- Source: AsiaPlus news agency ([asiaplus.tj](http://asiaplus.tj))

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## Uzbekistan



### Uzbekistan's GDP increases by 9% in 2008

Uzbekistan's GDP grew by 9% year-on-year in 2008. The inflation rate made up 7.8% last year, according to the Central Bank of Uzbekistan.

Industrial output comprised 12.7% year-on-year and agriculture production made up 4.5%. Uzbekistan harvested 6.7 million MT of grain and 3.4 million MT of cotton in 2008.

Volume of rendered services in 2008 rose by 21.3% and its share in GDP has reached 45.3%. Growth in trade and catering made up 26.8% and volume of financial service grew by 32.2%.

The growth in fuel sphere made up 23.9%, machinery and metal processing – 23.5%, timber and cellulose industry – 19.8%, food industry – 28.2% and growth in construction materials amounted to 9.8%.

Production of consumer goods in Uzbekistan rose by 17.7%, including food products growth - by 19.3% and non-food goods by 16.6%.

Total volume of utilized investments rose by 28.3% to 8.48 trillion soums. Exports of Uzbekistan grew by 28.7% and its share in the GDP made up 69.2%.

- Source: UzReport.Com news agency ([uzreport.com](http://uzreport.com))