

January 31, 2009

### Ukraine



#### **Ukrainian Government introduces licenses for imported poultry, pork and lard for 2009**

The Ukrainian Cabinet of Ministers has introduced licenses for pork, meat, poultry offal and lard imported to Ukraine in 2009.

This was stipulated by Resolution #1123 of the Government dated December 27, 2008.

The document also prolongs for 2009 licenses for the import of insecticides, fungicides, herbicides, phytohormones, sugar syrup without flavoring substances and coloring agents, finished food containing cacao and aromatized sugar syrups.

At the same time the Government cancelled licenses for imported sugar acting this year.

- Source: *Interfax News Agency*

#### **Ukraine can face WTO sanctions because of increasing import duties**

Ukraine has increased import duties by 13% – this action has been taken by the Verkhovna Rada of Ukraine in order to improve payment balance of the country. However, these changes in the customs tariff roughly violate the rules of WTO. Therefore, according to the Senior Economist of International Long-Term Investigations Center Il'dar Gazizullin, WTO may apply its sanctions towards Ukraine.

According to this Law, this increased duty of 13 % will be applied as exclusion to the imported goods in case of critical state of the country's payment balance.

However Ukrainian payment balance is already in critical state and the situation will remain the same at least three months more, experts say.

“Import exceeds export; this situation will remain the same until the spring when Ukraine will import less energy carriers and will export more metal productions”, noted Il'dar Gazizullin.

The expert is convinced that WTO will not agree with these increased import duties regardless of financial crisis. “As a result, respectively, other countries will ban Ukrainian import or introduce duties on Ukrainian goods. Our producers are not interested in it at all”, concluded economist.

- Source: *ProAgro News Agency ; Translated by: usapeec.kz*

#### **Ukraine's Poultry Producers Union hopes poultry output in 2009 will remain at 2008 level**

The Head of the Ukraine's Poultry Producers Union has expressed its hope that this year Ukraine will be able to retain poultry production at last year's level, despite the difficult financial and economic situation.

“It's difficult to make any forecasts now. We hope that there won't be a fall in production. Our task is to retain production at 1 million MT [per year],” the Head of the Union Oleksandr Bakumenko said.

He said that last year, Ukraine produced a record volume of poultry – 1.04 million MT in live weight, which is 16% up year-over-year. The rise in production was thanks to poultry farms, which produced 854,000 MT of poultry, it is a 20% rise year-over-year.

According to the State Statistics Committee in 2008 Ukraine produced 2727.7 thousand MT of all kinds of meat (in live weight) that is 1.5% decrease in comparison with 2007.

Milk production has decreased by 4.1% and amounted to 11761.8 thousand MT, at the same time egg production has increased by 6.2% and amounted to 14930.6 million pieces.

The number of cattle is equal to 5156.3 thousands that is 6.1% decrease comparing to 2007.

- Source: *Interfax News Agency*

## Moldova



### **Moldova saw lowest inflation rate in Eastern Europe in 2008**

The inflation rate of Moldova in 2008 was 7.3% which is the lowest rate in Eastern Europe, according to the First Deputy Prime Minister and Minister of Economy and Trade Igor Dodon.

He pointed out that the inflation in Ukraine last year was 22.3%, while in Russia – 13.3%, in Belarus, the inflation rate for 11 months was 12.1%, in Bulgaria – 7.6% and in Latvia – 10.9%.

Igor Dodon also informed that last year the prices for the food products rose by about 6.5% comparing to 2007 year, though the prices of potatoes, fresh fruit and vegetables, vegetal oil, sugar, wheat flour and other goods decreased thanks to the good harvest.

The non-food products increased in price by about 2%. But the price for fuel fell by 10.7 %, while of telephones and other distance communication equipment – by 6.5 %.

The prices of the services provided for the population grew by 17.5%. Heating tariffs rose by 75.9%, drinking water charges by 57.1%, natural gas tariffs by 28.2%, passenger transportation services by 20.1% and tourism services by 34.1%.

- Source: *Moldova.org*