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Ukraine



State Inspection for Consumer Rights Protection and Associations of Meat Producers signed Memorandum on cooperation

Ukrainian State Inspection for Consumer Rights Protection and Associations of Meat and Dairy Producers signed a Memorandum on cooperation on December 20.

The aim of the memorandum is to provide Ukrainians with high quality safe products. State Inspectorate reports to the Head of Government on the state of the consumer market on a weekly basis.

The agency notes that signing of the memorandum on cooperation was the result of joint work and is focused on mutual exchange of experience and information in order to protect consumers.

The President of the Union of Dairy Enterprises L. Karpenko and Chairman of the National Association of Meat Producers of Ukraine "Ukrmyaso" V. Popov noted that the work they have started in this field, unfortunately, for decades has been left without State's attention. Therefore, the signing of the memorandum will promote the protection of consumer rights and the establishment of transparent, non-discriminatory competition in the consumer market of Ukraine.

Source: IA MeatInfo (www.meatinfo.ru)
Translated by: USAPEEC Central Asia Eastern Europe Office (www.usapeec.kz)

Customs Union has lifted ban on supply of meats from five Ukrainian meat enterprises

Delegation of Rosselkhoznadzor headed by Sergey Dankvert, representatives of veterinary authorities of Belarus and Ukraine have participated in the negotiations.

The Sides expressed appreciation of effective cooperation between veterinary services of Russia, Belarus, Kazakhstan and Ukraine. Results of discussion of materials confirming elimination of the deficiencies revealed during the inspection of Ukrainian plants on June 6-17, 2011 by Russia and Kazakhstan and justification of guarantees with respect to compliance of the plants with the CU veterinary and sanitary requirements and standards, the CU member countries decided to lift temporary restrictions imposed on export of the Customs Union from the following Ukrainian plants: JSC "PO "Molis", JSC "Company "Zevs LTD", DP "Mysokombinat Zarya", JSC "Belotserkovsky Molochny Combinat" and PAO "Konotopmayso".

In addition, the parties decided to consider the possibility of lifting temporary restrictions imposed on export from other Ukrainian plants inspected in 2011 as soon as the Ukrainian delegation provides evidence of elimination of deficiencies.

Russia proposed to conduct next inspection of Ukrainian plants in February, 2012. In response, the Ukrainian delegation reported that due to reorganization of the State Veterinary Service the inspection could be conducted no sooner than in April of 2012.

The Russian authorities noted that after imposing restrictions on Ukraine plants PAO "Vatutinsky meat-processing plant" (17.10.2010) and CJSC "Mironovskaya poultry farm" (24.10.2011), these companies still continued importing their products to Kazakhstan thus violating CU regulatory legal acts.

The participants agreed to consider a unified approach to the evaluation and certification of third-country companies that supply their products to the territory of the Customs Union

and Ukraine, as well as a unified approach to the introduction of restrictions on import of goods produced with violations of veterinary and sanitary norms and requirements of CU member states and Ukraine.

The Russian delegation proposed to hold a meeting of Vet services of CU and Ukraine during the Agricultural Exhibition "Green Week 2012" in Berlin. Following the results of the meeting the participants decided to send Protocol to Kazakh side for consideration.

Source: Official Website of Rosselkhoznadzor (www.fsvps.ru)

Association Agreement with the EU and Customs Union can not exist simultaneously

Association Agreement with EU and CU are the two modes, which cannot exist



simultaneously, in contrast to the Ukrainian agreements on FTA with the CIS and the EU, since they are based on the standards of the WTO, according to Vice Prime Minister of Ukraine Sergei Tigipko.

According to S.Tigipko Ukrainian authorities were assumed to sign this agreement during the summit in Kiev which was held on December 19, 2011.

The official also noted that the signing of an Association Agreement with the EU will be very beneficial for Ukraine in the medium term, rather than joining the Customs Union.

It is worth noting that back on October 18, Vice Prime Minister, Minister of Social Policy Tigipko informed that Ukraine will most probably join Customs Union, after EU sharply criticized Ukrainian Government for putting into prison of ex-Prime Minister Yulia Tymoshenko. EU has even threatened with refusal to sign an agreement on FTA with Ukraine.

The Heads of CIS Governments, including

Mr. Azarov (Prime Minister of Ukraine) signed Agreement on Free Trade Zone within the CIS. Consent on this document had been reached earlier the same day at a meeting of CIS Heads of Governments, which was held in October in St. Petersburg.

As a reminder, the President of Ukraine Viktor Yanukovich informed that Kyiv is ready to sustain the signing of the Association Agreement and the establishment of a Free Trade Area, in case if EU leaders will not be ready for this in connection with the Tymoshenko case.

EU and Ukraine have been negotiating on a free trade area since February 2008. The Sides plan to sign an agreement by the end of this year. The agreement on free trade zone will be an integral part of the association agreement between Ukraine and the EU.

On September 26 the Council for Foreign Trade of the EU supported the conclusion of an agreement with Ukraine on free trade area as soon as possible.

After the conviction of ex-Prime Minister Yuliya Tymoshenko, one of the leaders of the Ukrainian opposition and the chief opponent to the current President Viktor Yanukovich in the presidential elections, a number of senior EU officials said that the signing of the FTA and the association may fall.

Source: www.finance.bigmir.net
Translated by: USAPEEC Central Asia Eastern Europe Office (www.usapeec.kz)

Ukraine - Ukraine customers get insight into US broiler industry



Three guests from the largest poultry producer in Ukraine, Mironovskiy Hlibproduct, were given an insight into the US chicken industry when they visited Cobb-Vantress in Arkansas. The visitors, led by the producer's Deputy Chief

Executive Maxim Pisarev, were welcomed by Stan Reid Cobb Vice President of sales and

marketing, then heard about the performance of Cobb products and the progress being made with the latest developments in breeding.

There was a detailed discussion of catching and transport of broilers from farm to processing plant before a visit to farms to see broiler production and catching and then one of Tyson Foods' processing plants.

As he returned to Ukraine Mr Pisarev commented on how valuable he had found the visit, gaining a lot of useful information from Cobb and Tyson that he hoped to put into practice at their own farms.

James Truscott, director of Cobb Germany who accompanied the Ukraine visitors, added: "This confirms how important it is to travel with an open mind, visit farms and see how management ideas from another country can be used back home to further the economics of producing high quality meat with the Cobb 500."

Source: IA MeatTradeNews
(www.meatradenewsdaily.co.uk)

Meat will rise in price sharply if Ukraine stops importing

Head of analytical department of consulting agency "AAA" Mariya Kolesnik believes that Ukrainian meat will rise in price very quickly, if the country refuses to import meats. She went on saying that after the meat prices began to rise thanks to imports prices have fallen. And now it is the question of whether there will be parity between the processors and producers in terms of purchase prices.

As a reminder, First Deputy Prime Minister and Minister of Economic Development and Trade Andriy Kluev prognoses that in the next two years Ukraine will stop importing meat products and will be able to fully cover domestic needs in this product.

According to him Ukraine imports from 200,000 to 300,000 MT of meat annually. And this year they have imported 50,000 MT less.

Source: IA ProAgro (www.proagro.com.ua)
Translated by: USAPEEC Central Asia Office

Avangard ranks second in World in egg production

Avangard has emerged as the second largest egg producer in the world. With 22 million hens in production, the company dominates in its native Ukraine and EU and is second only to giant Cal-Maine Foods of the US with 29 million hens.

The Avangard Company has attained its current position due to the vision and efforts of Oleg Bakhmatyuk the founder and principal shareholder who developed the enterprise through a series of strategic acquisitions and most recently by organic expansion.

Avangard has consistently applied the most modern technology and management programs to achieve optimal performance from both parent and commercial level flocks and in the further processing of eggs.

In 2003 Avangard established a commercial egg production unit in Ivano-Frankivsk in Western Ukraine near the border with Poland. Following a determined growth strategy, a series of independent egg production units were acquired in diverse areas of Ukraine. In 2009 the company acquired the Imperovo Egg Processing plant in Ivano-Frankivsk which was then extensively refurbished with the most modern available Sanovo installations for breaking, pasteurisation and drying.

At the present time Avangard operates 17 egg production units with packing plants, eight pullet rearing installations, three parent complexes with hatcheries, five feed mills and an egg processing plant producing both liquid and dried egg products. The company access to long-term financing from Western sources allows it to enter into favorable contracts with Ukrainian farmers and to pre-pay large portions of harvest costs during cultivation. The balance is paid at harvest and the grain is stored in third-party facilities to be used by Avangard feed mills throughout the year. The bountiful production of maize and oilseeds in the Ukraine assures the company of a competitive position in the world market. The Company represents 50 percent of commercial production of shell eggs in



Ukraine and 80 percent of industrial output of dried egg products. Over half of all shell eggs produced are exported to the Middle East and Asia with the anticipation of establishing a strong customer base in neighbouring Russia and possibly the European Union.

Export demand is increasing and the size and scope of the company and the quality of the products.

On the domestic market in Ukraine, Avangard has steadily increased penetration of the supermarket segment of distribution with a 30 percent share of retail chains. The company has initiated a program of branding with Kvochka ("Mother Hen") as a recognized consumer product.

As of the first half of fiscal year 2011, ending June 30th Avangard recorded total assets of USD 1.13 billion with long term debt and bonds of USD 215 million. The company posted net income of USD 67 million over revenue of USD 224 million for the first half of FY 2011. The most recent data reflecting the first three quarters of fiscal 2011 documented production of 4.4 billion eggs compared to 3 billion during the corresponding period of FY 2010. Approximately 18 percent of shell eggs produced were further-processed mainly to dry-egg products for export.

Two large projects that are currently under construction are the Avis and Chornobaivske complexes. Each will consist of 13 houses with a total hen capacity of 2.5 million. The units will operate in-line and feed mills with a capacity of 60 MT per hour will be erected for each unit. The first hens have been housed at the Avis complex and it is anticipated that the entire unit will be completed in 2013. The respective rearing sites to supply the laying complexes were completed in 2010 and are currently in field operation.

When the Avis and Chornobaivske complexes are fully operational, Avangard will rank as the leading world producer with 29 million hens and an output of 8.3 billion eggs annually.

*Source: IA WorldPoultryNet
(www.worldpoultry.net)*

Moldova



Moldovan Social Democrats initiated referendum on joining the CU

The Moldovan Social Democrats have initiated a referendum on joining the Customs Union of Russia, Belarus and Kazakhstan. The Social Democratic Party of Moldova announced on December 6 about the intention to start collecting signatures for holding referendum. According to the Chairman of SDPM, Victor Selin collecting signatures will start after January 28.

The Party proposes to submit to the Republican Referendum the following question: "Do you agree with the possible accession of Moldova to the Customs Union of Russia, Belarus and Kazakhstan?"

V. Schelin noted that the Customs Union has always been to Moldova a territory, where they could buy goods at cheaper prices and then resell at higher prices, this is a territory with a common energy and transport systems, supplies of raw materials and markets.

He noted that the accession of Moldova to the Customs Union, as a preferential tax area will provide investors from the EU, China, U.S. to create businesses and to deliver products to the united markets of Russia, Belarus and Kazakhstan.

Source: IA RBC (www.rbc.ru)
Translated by: USAPEEC Central Asia Eastern Europe Office (www.usapeec.kz)

There is a risk of avian cholera in Moldova

There is a risk of avian cholera in Moldova, according to the Ministry of Agriculture. Poultry began to die of cholera. Only in the last 2 months 80 chickens and ducks died of pasteurellosis (causative agent of cholera).

According to the Ministry of Agriculture, avian cholera was registered in three regions

of the country. The press service of the Ministry notes that there are probably even more cases of avian cholera, because not all farmers inform the authorities on the illness of their poultry stock. The abovementioned cases of avian cholera have been laboratory confirmed by veterinary services. Pasteurellosis is a droplet infection. It is not transmitted from birds to humans.

Over the past two months a total of four focus of pasteurellosis were registered in the country - in Cimisia, Briceni and Hyncheshskiy regions, according to the Head of the Veterinary Surveillance Department Vital Karaush. He informs that the risk of spread of the disease is very high.

Specialists inform that avian cholera poses no threat to human health.

According to the Ministry of Agriculture data the farms of Moldova have about 20 million heads of poultry.

Source: IA MeatInfor (www.meatinfo.ru)
Translated by: USAPEEC Central Asia Eastern Europe Office (www.usapeec.kz)



Dear USAPEEC Members and Colleagues!

*Please accept our warmest and most sincere congratulations with
a Merry Christmas and a Happy New Year!*

Wishing you prosperity, abundant success and Good Luck in your business!

*May New Year bring all this and more making each day
eventful and prosperous than previous*

*May the holidays refresh your spirit and bring you inspiration
for implementing new successful projects.*

May the coming year bring your families good health and a lot of happiness.

*And may our common home at USAPEEC be comfortable and filled with
love and understanding.*

We wish you a Merry Christmas and a Happy New Year!

Sincerely,

Bella Ablaeva

and USAPEEC CAEE Office



**Ukraine Poultry Import Statistics:
January-October 2011**

Partner Country	2010		2011		% Change Value	% Change Quantity
	Value	Quantity	Value	Quantity		
World	152,873	135,861	48,362	48,336	- 69%	- 65%
America:						
United States	94,274	81,371	3,957	4,359	- 96%	- 95%
Brazil	30	26	71	54	+ 239%	+ 208%
Europe:						
Belgium	12,041	11,223	3,974	3,360	- 67%	- 71%
England	6,135	5,553	7,047	8,316	+ 114%	+ 149%
France	1,443	1,207	2,970	2,185	+ 205%	+ 181%
Germany	11,995	10,531	11,776	10,035	- 2%	- 1%
Hungary	5,636	7,512	1,715	2,443	- 70%	- 68%
Denmark	---	---	441	480	----	----
Spain	1,098	681	1,492	1,057	+ 135%	+155%
Italy	3,142	2,159	3,161	2,265	+ 101%	+ 104%
Netherlands	8,160	7,792	5,606	7,627	- 32%	- 3%
Poland	8,330	7,460	5,624	5,922	- 33%	- 21%
Other countries	589	346	457	279	-15%	-11%
Value Unit: Thousands of USD; Volume Unit: MT						
* Source: State Statistics Committee of Ukraine.						