

Ukraine



Poultry meat production in

Ukraine will increase by 20% in 2007

According to the Head of Ukraine Poultry Breeders Association Alexandr Bakumenko poultry meat production in Ukraine will increase by 20% in 2007.

We forecast that poultry meat production will increase by 150,000 MT and total 900,000 MT in 2007, he said. Hence poultry meat consumption will constitute 20 kg per head.

It is planned that 750,000 MT of poultry meat will be produced in Ukraine in 2006. 616,000 MT of meat were produced in 2005 and 587,250 MT in 2004. - *Source: APK-Inform; Translated and edited by: usapeec.kz*

Ukraine poultry producer plans IPO in London

Ukraine's largest poultry meat producer Myronivskyi Khliboprodukt plans to invest \$170mln in development of its plants in 2007. In particular these funds will be used to build Myronivska broiler factory. Myronivskyi Khliboprodukt consists of 15 enterprises producing poultry, meat and eggs. In 2007 the company plans to carry out IPO at London Stock. The company intends to float around 20% of the shares, which is the minimum amount that will make the IPO economically feasible. - *Source: IntelliNews*

Meat market in Ukraine in November -December

As of December 1, cattle livestock in Ukraine decreased to 6.67 mln heads.

The poultry livestock increased by 0.7% and totalled 180.67 mln heads. The production of eggs decreased by 9.6% to 0.98 bln pcs.

10% more meat was sold in November and totalled to 257,000 MT. - *Source: APK-Inform, AgroPerspectiva; Translated and edited by: usapeec.kz*

Trade between U.S. -Ukraine tops \$2 billion over 10 months

Total trade between Ukraine and the United States was worth more than \$2 billion in January through October 2006. Ukraine's exports to the United States totalled \$1.378 billion over ten months, whereas the U.S. exports to Ukraine totalled \$627 mln. The current tendencies give grounds to expect that trade between the two countries in 2006 is 2.5 times the amount of trade of 2003, according to the statement.

The embassy voiced hope that direct foreign investment in Ukraine from the United States would significantly grow in the view of Ukraine's being very close to joining the WTO. - *Source: Interfax Ukraine*

Ukraine completes legal adjustment for WTO

Ukraine's parliament has passed a final bill in a series of amendments intended to harmonize the country's laws prior to its accession to the World Trade Organization.

The 21st consecutive law has been designed to lift a ban on and fix tariffs for exports of iron and steel scrap, non-ferrous scrap and semi-finished products involving it. The tariffs will be introduced when Ukraine joins the WTO, presumably in late January or early February. - *Source: RIA Novosti*

Ukraine macroeconomic situation

Ukraine continues to show remarkable economic growth as real GDP expanded by 9% yoy in October 2006, bringing the cumulative figure to 6.5% yoy.

Strong GDP growth helped to maintain fiscal stability in the country; during January-October the consolidated fiscal surplus stood at 0.4% of period GDP. Nevertheless, the government expects to incur a fiscal deficit of 2.5% of GDP in 2006.

Driven by continuing adjustment of utility tariffs, consumer price inflation surged up to 11% yoy in October.

Despite improving export performance, Ukraine's merchandise trade deficit continued to increase. However, thanks to surpluses in foreign trade of services and transfers accounts, the current account deficit narrowed to just \$202 million (0.3% of period GDP) for January-September.

In November - beginning of December, Ukraine accelerated the adoption of legislation necessary for WTO accession. - *Source: AUR*

Moldova



Moldova plans to increase domestic production of meat and to limit imports

A meeting focused on meat's production, sale and import has been held in Moldova.

Agriculture and Food Minister Anatolie Gorodenco informed the audience about the situation with meat production and import in Moldova. Gorodenco highlighted certain dynamics registered in this sector over the last years - an increase in the quantity of meat produced in the country and a decrease in meat imports. Thus, about 98,000 MT of meat have been produced in 2006, which is 13,000 MT more than in 2005. In 2007, it is planned to produce 110,000 MT of meat and to import only 25,000 MT.

Gorodenco also affirmed that there are pre-conditions that the local market is completely provided with meat of Moldovan production

the next two-three years, which means about 135,000 tons of meat produced annually.

The president stressed the importance of intensifying the development of the animal breeding sector and the rise in the volume of meat produced in the country. Voronin also instructed the government to undertake a set of measures in order to heighten state control over the production and sale of meat and to regulate meat imports. - *Source: MoldPres*

Moldova registers highest inflation among CIS countries

The Republic of Moldova reported for the last eleven months the highest increase of consumption prices in the CIS, the analyzed inflation rate reaching 12.4% (January - October 2006 compared to January - October 2005) according to the data of the CIS Statistic Committee.

This kind of inflation has been attested elsewhere only in Tajikistan (11.1%), while the average per Commonwealth was of 9%.

In time of November 2006 in comparison with the previous month food products in Moldova increased in price at 2.5%, non-food-at 1.7% and services provided to population at 0.5%. The highest growth of prices among food products was registered at: grapes (41.9%), fresh fruits (19.5%) including apples (21.2%), diet eggs (14.0%). At the same time reduction of prices for citruses (2.5%), beef and pork (2%), sugar (0.6%) was registered.

Three CIS countries reported decreases in industry; they are respectively, Kyrgyzstan, by 12.1%; Moldova, by 7%; and Armenia, by 0.9%.

Moldova's macroeconomic situation was affected this year by external shocks, among them doubled price for natural gas and restrictions imposed on foreign trade with Russia. - *Source: Basa-Press News Agency, InfoMarket; Edited by: usapec.kz*

Moldova's foreign trade value got close to \$3 mln.

Moldova's foreign trade reached in ten months this year the level of 2.92 billion dollars, 12.3% up compared to the similar period of 2005;

however, it is marked by an even speedier increase of commercial deficit of 37.7%.

Although exports increased a bit in the recent months and in October a 16.5% increase was registered in comparison with the previous month and respectively a 3.6% increase compared to the same period last year, these mark-ups are not able to lead to a recovery of the handicap in the period prior to this one. In October, imports went 15.1% up compared to earlier month, and 29.5% up in comparison with October 2005.

The National Statistic Office announced that exports went 6.9% down in ten months, while imports went 16.2% up in comparison with January-October 2005. During this period, the Republic of Moldova exported goods worth 815.7 mln USD and imported goods worth 1 billion 108.7 mln USD.

“The considerable difference in exports and imports developments entailed the accumulation in January-October 2006 of a deficit counting for 1 billion 293.0 mln USD”, the statisticians state.

Moldova’s foreign trade is seriously affected by Russia’s embargo on Moldovan wine imports in the first place. Thus, goods export to CIS member countries went 24.1% down, and respectively 46.9% down for goods exported to Russia. Russia’s share in the total exports from Moldova went dramatically down from 33.0% in 2005 to 18.8%.

Moldovan goods supply to other markets also went down, as for instance to the USA (-63.0%), and to Italy (-14.2%). The significant reduction of food supplies, drinks and tobacco (-31.7%), raw skin and taw skin (-68.3%) had the highest negative impact on exports.

The Ministry of Economy and Trade stated earlier that the degree of diversifying exports is decreasing, the Republic of Moldova becomes dependent on export of certain types of goods such as agricultural and food products, textiles, whereas the degree of concentrating exports is very advanced. - *Source: Basa-Press News Agency*

U.S. Secretary of State says U.S. will further back Moldova’s efforts to settle Transdnistrian conflict

Deputy Premier, Foreign and European Integration Minister Andrei Stratan, on a two-day official visit to Washington DC, has had a meeting with U.S. Secretary of State Condoleezza Rice, the Foreign and European Integration Ministry’s press service has said.

Stratan expressed Moldova’s gratitude for the United States’ consistent and continuous support for Moldova’s efforts to ensure territorial reintegration, economic growth and progress along the democratisation path. The Moldovan official highly appreciated the USA’s participation in the negotiations aimed at identifying a solution to the Transdnistrian conflict, which would observe Moldova’s sovereignty and territorial integrity.

Minister Stratan also highlighted the importance of the USA’s assistance for Moldova’s efforts to successfully implement economic and democratic reforms. In the context, he pointed to the importance of the assistance programmes offered to Moldova by the Millennium Challenge Corporation.

For her part, Condoleezza Rice emphasised that Moldova is a good friend of the United States and assured that the Washington administration will contribute to overcoming the difficulties hindering the development of Moldova. The successful implementation of reforms by Moldova will significantly contribute to the fulfilment of the European integration goal, and the international community, the USA particularly, will continue their joint efforts streamlined towards a final settlement of the Transdnistrian issue, the U.S. Secretary of State added. - *Source: MoldPres*

Happy holidays!

May the coming year bring you joy, happiness and prosperity!

