

May 30, 2006

### Dear USAPEEC members!



XVIII International exhibition fair „AGRO-2006” - the largest agricultural show in Ukraine will be held on June 13-17, 2006 at the Expocentre in Kyiv. Organizers of this exhibition are: Ministry of Agrarian Policy of Ukraine, Ministry of Industrial Policy of Ukraine, Ukrainian Academy of Agrarian Sciences.

USAPEEC is renting a booth at this trade show and we will be glad to accommodate any interested USAPEEC member company. For more information about this show please send an e-mail to: [bella\\_usapeec@yahoo.com](mailto:bella_usapeec@yahoo.com)

## Ukraine



### Ukraine is taking enhanced measures to prevent the spread of bird flu

The Veterinary Service has been performing daily monitoring of poultry since dead seagulls, sandpipers and cormorants were found on April 20 in Kherson region.

On April 27, Alexander Ostapchuk, the deputy Head of Department of Veterinary Medicine in Kherson region said that neither H5N1 virus nor Newcastle disease were found in birds. According to him the cause of the plague was a helminthic disease.

However, on May 12, Sergey Kolomyts, the Head of this Department told that H5 subtype virus was confirmed by the researches held in Ukrainian State laboratory of veterinary medicine.

The State Department of Veterinary Medicine is taking enhanced measures to prevent the spread of avian flu in Ukraine.

The commission decided to establish a 10-kilometer observation zone with a permanent monitoring over the health condition of poultry, to permanently inform the International Epizootic Bureau on cases of bird flu and to establish a police and veterinary checkpoint at the beginning of the Arabat Spit.

The case is under a permanent monitoring of the Department of Veterinary Medicine in Kherson region and the Veterinary Service. - *Source: Ukranews; Edited by: usapeec.kz*

### Yatseniuk expects WTO talks to end before September

Acting Economy Minister Arsenii Yatseniuk expects all bilateral and multilateral talks on Ukraine's entry to the World Trade Organization to end before September 2006.

He noted that the position of Ukraine on its entry to WTO has improved after signing a bilateral protocol on access to markets of goods and services with Australia. As Yatseniuk put it, Australia was the key country on Ukraine's way to WTO.

The Ministry of Economy has a plan to continue the WTO talks even if the Verkhovna Rada refuses to endorse the remaining package of 6 bills required for WTO membership, Yatseniuk said.

- *Source: Ukranews*

### Poultry production increases in Ukraine

Ukraine is likely to produce 550,000 MT of poultry this year, compared with 419,200 MT in 2005, according to a report published in Kiev by the Poultry Producers Union of Ukraine. Ukraine's poultry output fell to 419,200 MT in 2005 from 515,000 MT in 2004 due to culling and falling demand because of bird flu, but the industry is recovering this year, the report said.

By 2010 Ukraine plans to be producing 800,000 MT of poultry a year, including 500,000 MT of broiler chicken meat.

The report said in the last few years, despite bird flu, a number of serious investors entered the

poultry market and considerable financial resources had been invested in upgrading the existing facilities and creating new ones.

Currently only six kilograms of poultry is consumed every year per head of population in Ukraine, compared with 13.6 kilograms in 1990, so there is great potential for development, the report said.

Poultry livestock in the country on May 1 totaled 156 million heads, an increase of 5.4% compared with the same date last year. - *Source: Cattlenetwork;*

*Edited by: usapeec.kz*

### **Ukraine suffers from Russian meat import ban**

Two meat processing plants in Ukraine have been closed and another 20 are under threat of closure because of a ban on meat imports imposed by Russia.

The import ban was imposed on January 20 because of Russian concerns over animal health and food safety. The difficulties in the Ukraine's meat-processing industry have increased because the Ukrainian domestic market was flooded with foreign imports.

According to analyst reports from the Ukraine, livestock prices have fallen up to 40 percent, since the ban was imposed, while retail prices have remained unchanged. Meanwhile, the Russian Ministry of Agriculture has reported an increase in meat production of 2.6 percent this year, reaching 2.2 million metric tons.

The Ukraine Ministry of Agriculture said that the country was reporting a rise in production for the fourth month in a row, while Russia had seen a fall in production over the last two previous years. In 2005, Russia's meat production fell 2.7 percent to just 7.6 million metric tons, caused by a drop in cattle and pig livestock. This year Russia has seen a rise in pig livestock of three percent to 14.6 million heads. - *Source: Meatnews*

### **Ukraine may refuse from meat import by the end of the year**

Agricultural Policy Minister of Ukraine Aleksander Baranovskiy is convinced that by the end of the year Ukraine may refuse from the meat import. He disclosed this to journalists on May 15.

Baranovskiy noted that this year they forecast a growth of the meat production, in particular, pork. Thus, during 4 months of 2006, Ukraine increased

meat production by 19% compared with the last year. The amount of pork livestock has increased to 1 mln heads last year. The forecast outcome for 2006 is 2 mln heads. According to Baranovskiy, a reconstruction of 200 pig farms is to be completed in the near future.

The prime cost of meat production will decrease due to employment of new technologies transferred from Denmark. This gives a high performance with a reduction of man's power. Denmark is planning to purchase 3 meat-packing factories in Ukraine.

- *Source: Unian*

### **Ukraine GDP up by 3.5% in April**

According to acting Prime Minister Yurii Yekhanurov, with the reference to the preliminary data of the State Statistics Committee, Ukraine's real gross domestic product rose by 3.5% in April, compared with April 2005.

In January-April, GDP grew by 2.7% against January-April 2005.

According to Yekhanurov, the largest growth since the year start is registered in construction (6.7%), in the transport industry (6.2%), in the farming and forestry industry (4.4%), in the sphere of trade (4.2%).

Ukraine's real gross domestic product rose by 4% to UAH 32,616 million in March, compared with March 2005 and in January-March, GDP grew by 2.4% against January-March 2005 to UAH 93,086 million.

The Economy Ministry prognoses the GDP growth at the rate of 2.8% in 2006. - *Source: Ukranews*

### **Yuschenko forecasts new cabinet will start to work in June**

«There are all grounds to believe that Ukraine will have a new government in June». - President Viktor Yuschenko noted.

Yuschenko also told that in the nearest time he plans to hold another meeting with leaders of parties and blocs participating in the future coalition.

The 30-day period that the Constitution set for convening the first session of new parliament begins the day after the publication of election results in official newspapers. - *Source: Ukranews;*

*Edited by: usapeec.kz*

## **Meat imports from Poland resumed**

Polish meat exporters will be able to sell their products on the Ukrainian market as of May 20, following a 60-day ban.

Only 19 companies will be allowed to resume exports, while others will have until the end of May to file for permits.

The exports will be conducted under much stricter supervision than before.

Negotiations between veterinary and customs services of Ukraine and Poland were held on May 5, 2006. The Head of the Ukrainian Veterinary Service Ivan Bisiuk and Chief Veterinary Doctor of Poland Krzysztof Jazdzewski defined conditions of meat imports from Poland to Ukraine. Polish Minister of Agriculture Krzysztof Jurgiel said that the meat was illegally smuggled into Ukraine by Ukrainians, which was no reason to ban official trade.

The Ukrainian side demands obligatory accompanying documents to products imported to Ukraine and its transit only in border-crossing checkpoints with veterinary control. The Polish veterinary service assumed obligation to inform the Ukrainian veterinary service about each parcel of meat products imported from Poland to Ukraine, and from Poland to Moldova via Ukraine. The meat will cross the border at two posts: in Dorohusk and Kortchova. A third one in Hrebenne will be opened in autumn.

However, on May 30, a new case of smuggling of Polish meat products through Ukrainian border has been registered again. Therefore, today, Ivan Bisiuk has stated that this incident will make ongoing negotiations with Polish counterpart more complicated. - *Source: unian, Ukraine Government Portal; Edited by: usapeec.kz*

## **Meat imports from New Zealand**

On May 17 Ukraine has banned imports of meat products from New Zealand due to the violations of veterinary standards. The Ukrainian Veterinary Service recorded imports of meat products from New Zealand through the Odessa region with certificates bearing no production date or expiry period. The products also lacked special identification markings. The Ukrainian Veterinary Service

sent originals of the certificates back to New Zealand for verification.

However, New Zealand Food Safety Authority (NZFSA) asserts that the report was actually about non-New Zealand meat that had been fraudulently passed off as being New Zealand product. "We are not aware of any exports of New Zealand meat to the Ukraine for some years. It would be expected that Ukraine officials would refuse entry of any such shipment that they had detected," says Tony Zohrab, NZFSA's Director of Market Access. He has also added that the traditional paper-based systems are not as secure and unscrupulous traders in other countries have on occasion been able to pass off consignments as being from New Zealand. NZFSA is working internationally to encourage the uptake of electronic certification for exports of their product and reduce such risks as well as provide efficiency gains to New Zealand producers. According to NZFSA, the use of electronic certification system can protect importing nations from such deceptions, since a paper-based system is not as secure. - *Source: Interfax; Edited by: usapeec.kz*

## **Ukraine faces an economic breakthrough**

At the opening on May 18 a public meeting of leaders of entrepreneurs' associations, Prime Minister of Ukraine Yuri Yekhanurov has called business circles to take more active stand in further reformation of Ukrainian economy.

He noted that business must outline new approaches to the most important problems in the sphere of business undertakings. According to the Premier, entrepreneurs must become the power's partners in working out of issues connected with Ukraine's integration into the European community and Ukraine's accession to the WTO.

"Ukraine has a unique chance – three and a half years without elections to modernize the country and to make economic break-through happen," Yekhanurov said. - *Source: for-ua.com*

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## Moldova



### Moldova begins bird flu prevention training program

The Moldovan Ministry of Agriculture and the USAID funded Agribusiness Development Project (ADP) have launched the Avian Influenza Prevention Training Program with the bold objective of reaching every household in Moldova that is raising poultry. The program, implemented by the Citizens Network for Foreign Affairs (CNFA), the National Agency for Rural Development (ACSA), and the Association of the Veterinarians of Moldova (AMV), complements the Moldovan Government's efforts to reduce the risk of avian influenza spreading into Moldova. Trained specialists are organizing seminars in villages and small towns to provide small poultry growers and local authorities with information about how to prevent Avian Influenza. Over the next three months the trainers will hold 875 such seminars and will distribute 10,000 posters and 100,000 leaflets describing internationally recognized "best practices" that can reduce the possibility of an outbreak of Avian Influenza in Moldova. To underscore these "best practices" and to provide real examples of how to safely raise poultry in private households, the program will establish three model poultry farms. ACSA's regional centers and Moldova's region-level veterinarian departments will serve as a continuing resource for the population by providing information on Avian Influenza prevention.

According to Moldovan Minister of Agriculture, Anatolie Gorodenco, "USAID assistance will help Moldova achieve a significant decrease in the number of poultry raised under risk conditions, and will further reduce the potential spread of this disease." - *Source: Moldova.usaid.gov*

### U.S. says Moldova has many friends ready to help it

Although Moldova faces many difficulties, it has a lot of friends who are ready to help it resolve its problems; Vice President of the United States Richard B. Cheney has told at a meeting with President Vladimir Voronin during the Summit of Heads of State from the Baltic and Black Sea Regions in Vilnius. Voronin and Cheney discussed prospects of bilateral relations between Moldova and the United States,

as well as actions taken by Moldovan authorities for territorial reintegration and approach to the European Union (E.U.). The talks also focused on problems such as cooperation between Moldova and international financial organizations, commercial-economic relations of Moldova with the Russian Federation and other states. Also, President Voronin had a meeting with E.U. Council Secretary-General Javier Solana, E.U. high representative for foreign policy and common security. The dialogue envisaged a series of issues of actuality concerning the cooperation between Moldova and the E.U., including the settlement of the Transnistrian conflict. Solana regretted the Varnitsa incident, saying that such situations will be settled with much calm and responsibility. President Voronin highlighted the special importance of the decision to accept Moldova as full rights member of SEEC, noting that this action encourages the European integration aspirations of Moldova. Voronin and Solana tackled problems on commercial cooperation between Moldova and the E.U., the Russian Federation and other countries. - *Source: Basa.md; Edited by: USAPEEC.kz*

### Foreign minister reaffirms Moldova's course for European Integration

On the occasion of the Europe Day of May 9, Moldovan Deputy Premier, Minister of Foreign Affairs and European Integration Andrei Stratan issued a Statement saying that Moldova's striving for European integration is "a strategic and irreversible course".

Reaffirming that course, the Republic of Moldova once again stated its commitment to all the criteria of achieving the task of accession to the united Europe based on democratic values, solidarity, and human rights observance, the Minister said.

The Minister highlighted that this year the Europe Day coincided with a very important event on the country's way to Europe - Moldova's accession, as a full-bodied member, to the Southeastern Europe Cooperation Process (SECP). That happened during the May 4 SECP Summit held in Thessalonica (Greece). The forum's Final Declaration said unambiguously about the European perspective of SECP member states. - *Source: Infotag.md*

## **Irreversibility of Moldova's European course is a guarantee of Transnistrian settlement – President Voronin**

The irreversibility of Moldova's pro-Europe course is the chief guarantee of Transnistrian conflict settlement, Moldovan President Vladimir Voronin stated in the Friedrich Ebert Foundation on Monday, where he made a report about Moldova's European integration. "Voronin said, in particular, that European integration is one of the strategic priorities of the Moldovan Communist Party which won parliamentary elections in this republic in 2001 and 2005.

"With all the strategic character of our relations with CIS countries, they remain relations of a purely foreign-political character. They are not an alternative to that common and global development course which is based on solid democratic standards, on all what presents a circle of European values", said the Moldovan President. "On the other hand, an understanding has come that European Union is not an external political choice, but, first and foremost, the choice of the path of domestic state modernization. Therefore, the establishment, on 13 November 2002, of a Commission for European Integration became the birthday of Moldova's European choice". He stressed that the course for European integration was largely the reason of a new perception of all what is called guarantees of Transnistrian settlement. "In November 2003 we just could not agree to one of the conditions of country reintegration - that the Russian military presence on our soil shall continue until the year 2020. To agree to such a proposal would mean to give up the chosen road of development, to make Moldova hostage to the frozen conflict for at least 1.5 decades. Such kind of guarantees is an anachronism. As a rule they guarantee nothing except preserved division lines", Voronin emphasized. In his opinion, the core of the conflict is that an authoritarian militarized clan has formed in Transnistria that reigns by means of "political police" and hides behind the

shield of the Russian military presence. Voronin characterized as "very important" the joint efforts Chisinau, Kiev and the European Union started last March to establish order on the Transnistrian segment of the Moldova-Ukraine state border, for these efforts "have upset the smooth operation of the black offshore in Transnistria, and created conditions for trouble-free and legal activities by Transnistrian enterprises". - *Source: Infotag.md*

## **U.S. ambassador acknowledges positive changes in Moldova**

U.S. ambassador to Moldova Heather Hodges has said the United States appreciates Moldova's efforts to reach a settlement in Transdnistria.

The Moldovan presidential press service told Interfax that, at a meeting with President Vladimir Voronin on May 17, marking the end of her term in Chisinau, Hodges acknowledged the positive changes that have taken place in Moldova both in the direction of European integration, in the settlement of the Transdnistrian conflict and in relations with international financial institutions.

The ice has broken on the Transdnistrian problem, she said. Thanks to the new customs mode, Moldova has resumed control over the border, and the operations of the EU mission helped to make the process more effective, she said.

Voronin thanked Hodges for her fruitful work that "coincided with a very complex period of time for the republic."

"The cooperation with you and the assistance given by the United States allowed us to overcome the difficulties that we faced," he said. Voronin said that, with U.S. assistance, the Transdnistrian settlement process intensified, Moldova joined new European and regional agreements and cooperation resumed with international financial organizations.

As an expression of gratitude for her contribution to the advancement of U.S.-Moldovan relations Voronin decorated Hodges with the Order of Merit.

- *Source: Interfax*