

AGRI-LEGISLATION REVIEW in Ukraine (for October, 2012)

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Agricultural land

Allotment and change of the usage of land plots

The Law of Ukraine # 5395-VI 'On amendments to some legislative acts of Ukraine on improving the procedure for the allotment of the land plots and their use change' as of 02.10.2012; comes into force on 06.12.2012

The change of the purpose of the land plot use is implemented via the land plots' surveying projects. Allotment of the communal or state land plots is implemented by the Parliament of the Republic of Crimea, by the executive state bodies or by local bodies. The above mentioned government bodies take the decision on the land plots' allotment in cases: i) when the land plot is provided with the change of the land plots' use; ii) formation of the new land plots. Provision of the land plots in usage is made on the basis of the technical documentation on the organization of the land use that confirms the title for the land plot use.

The initiative on land auctions

The Draft Law # 11261 'On amendments to the section X 'Transition provisions' of the Land Code of Ukraine (on settling the issues on conducting the auctions)'; registered on 27.09.2012 upon the initiative of the peoples deputy (p/d) Smitukha G.E.; adopted as the basis in the 1st reading on 02.10.2012.; is being prepared for the 2d reading

The Draft foresees that the preparation of lots for the land auctions should also include the determination of the cadastre number of the land plot.

Suggestion to lift the moratorium on agricultural land sales

The Draft Law # 11315 'On amendments to the Land Code of Ukraine (on turnover of agricultural lands)'; registered on 10.10.2012.; adopted in the 1st reading on 16.10.2012; is being prepared for the 2d reading (initiator – p/d Miroshnychenko U. R.)

The Law on circulation of agricultural land is suggested to be adopted instead of the Law on Land Market that is to be adopted according to the requirements of the Land Code of Ukraine. It has been suggested to condition the lifting of the moratorium on this law. In particular, the purchase and sales of agricultural land is prohibited before the Law on agricultural land circulation comes into the force, but not before the 1st of January 2015.

That Statute of the State Land Bank has been approved

The Decree of the Cabinet of Ministers of Ukraine #934 'On the approval of the Statute of the public joint-stock company 'State Land Bank' as of 25.07.2012; came into force on 19.10.2012.

According to the Statute, the founder of the Bank is the state represented by the Cabinet of Ministers of Ukraine. The purpose of the Bank is establishing favorable conditions for the development of economy and of agriculture, for the functioning the land market, for supporting domestic agricultural producers (predominantly small and medium peasant farms), for strengthening and realizing agricultural production and trade potential, for developing agricultural production, as well as for receiving the profits from conducting the banking and other activities. The core function of the Bank is banking and other financial activities that are allowed according to the current legislation. In particular, the Law of Ukraine 'On banks and banking' foresees that the Bank has the right to manage the land plots and the titles on the land plots.

The Statute capital of the Bank makes up UAH 120 m.

Suggestion to cancel the fee for the land related paper work

The Draft Law # 11312 'On amendments to the Land Code of Ukraine (on the fee-free privatization of land plots)'; registered on 09.10.2012.; is being considered in the Committee (initiator is p/d Mischenko S. G.)

The draft law suggests canceling any kind of fees for the paper work that certifies the land ownership right, documents on land organization (valuation of land, production of

technical documentation, project for land organization).

Suggestion on the fee-free transfer of land plots

The Draft Law # 11314 'On Amendments to the Land Code of Ukraine (on the norm for the fee-free transfer of land plots)', registered on 10.10.2012; being discussed in the Committee (initiator is the p/d Ganuschak U. I.)

The draft law postulates that the fee-free transfer of land plots is related only to the land plots with values not exceeding the average in Ukraine and of corresponding quality. If the value does exceed the average, the difference between the actual and average values is to be transferred to the local budget.

Suggestion on the communal land

The Draft Law # 11318 'On securing the right of communal ownership of land'; registered on 11.10.2012.; is being considered in the Committee (initiator is p/d Bilozir O. V.)

The draft law suggests allocating the land within the territories of the village and local councils to the communal ownership.

Food Safety and Quality

The requirements on the HACCP system implementation are approved

The Order #590 of the Ministry of Agricultural Policy and Food 'On approval of the requirements on the development and implementation of the actual procedures that are based on the principles of the Food safety management system HACCP' as of 01.10.2012; comes into force on 02.05.2013.

According to the Order, the operators of production capacities have to develop and implement the efficient HACCP system that allows controlling all the food dangerous factors. The requirements of the Order are mandatory for implementation by the operators of food production or circulating capacities. The order does not cover the slaughter houses with the daily production capacity lower than 10 heads of cattle, 30 heads of pigs, 50 heads of sheep and goats.

The order establishes the model chart of the technological process for the HACCP implementation.

Suggestion to cancel the labeling 'GMO-free'

The draft law # 11299 'On amendments to some laws of Ukraine on informing the population on the content of the GMOs in food', registered on 05.10.2012, is being discussed in the Committee (initiator is the Cabinet of Ministers of Ukraine)

The draft law suggests indicating on the labels the information only about the presence of the GMOs in food. This information is reflected on the food labels if the share of the GMOs in food does not exceed 0.9%.

Customs and Taxes

Suggestion to reduce income tax rate for physical persons

The draft law #11302 'On amendments to the Tax Code of Ukraine and to other legislation acts of Ukraine (on reducing income tax rate to 10%), registered on 05.10.2012; is being discussed in the Committee (initiator is p/d Mischenko S. G.)

The Draft Law suggests reducing income tax rate to 10% for physical persons.

Miscellaneous

The Single State Register for Animals has been introduced

The Order # 578 of the Ministry for Agricultural Policy and Food of Ukraine 'On the approval of the Position on the Single State Register of Animals' as of 25.09.2012; came into force on 26.10.2012.

According to the Order the juridical and physical persons that are engaged in raising and keeping animals, slaughtering and utilization of animals, in selling animals, in providing the services on artificial insemination and organizing animals' exhibitions, should submit to the register the information on the

identified animals, enterprise, their raising and keeping, slaughtering, utilization, death etc.

Conditions for licensing the trade in breeding resources (genetics) have been introduced

The Order #589 of the Ministry for Agricultural Policy and Food of Ukraine 'On the approval of the licensing conditions on trade with breeding (genetic) resources, conducting of genetic expertise and anomalies of animals' as of 01.10.2012; comes into the force soon

The Order introduces the licensing of the trade in breeding resources, conducting genetic expertise of anomalies of animals. The licensing Organ is the Ministry for Agricultural Policy and Food of Ukraine. The Order lays down how the license is obtained and approves corresponding submission forms.

New version of the Law of Ukraine 'On Seeds and Plants'

The Law of Ukraine # 5397-VI 'On Amendments to the Law of Ukraine 'On Seeds and Plants' as of 02.10.2012.; comes into force on 03.12.2012.

The law determines legislative, organizational and financial background of the seed market; increases the requirements to production, packaging and trade in seeds and plants. The Law streamlines the structure and functioning of the state bodies involved in controlling in the field of seeds and plants; increases the responsibility of the governmental in this field.

Suggestion to change the pricing and quotas on the sugar market

The Draft Law # 11307 'On amendments to the Law of Ukraine 'On the state regulation of production and regulation of the sugar marketing' (on production and marketing sugar on domestic market)', registered on 08.10.2012.; being discussed in the Committee (initiator is the Cabinet of Minister of Ukraine)

The draft law forbids the marketing of the sugar above the domestic quota. The draft law cancels the minimal prices on sugar beets and on sugar of the quota A, as this sugar is included in the list of objects under the state

price regulation. Approval of the minimum prices is foreseen by other legislation acts.

The draft law on feed

The draft law # 11349 'On feed', registered on 16.10.2012.; discussed in the committee (initiator is the Cabinet of Ministers of Ukraine)

The draft law foresees regulation of the relationships between the feed market players. The purpose of the Law is to secure the production of safe and of decent quality feed and products of animal origin.

The initiative to simplify the procedure for establishing a peasant farm

The draft law # 11381 'On amendments to some legislative acts of Ukraine on establishing peasant farms', registered on 25.10.2012.; being discussed in the Committee (initiator is the Cabinet of Ministers of Ukraine)

The draft law suggests fixing the requirements to the documents that confirm the experience of working in agriculture for the person that applies for peasant farming. These changes are introduced to the Land Code of Ukraine, to Law of Ukraine 'On peasant farm'. It is foreseen that the documents that confirm the qualification of a peasant farmer are: i) a record from the work-book of the citizen of Ukraine confirming the experience of working in agriculture not less than 3 years, or ii) copy of the document certifying the education in the field of agriculture and forestry.

The draft law on food security has been developed

The draft law # 11378 'On Food Security of Ukraine', registered on 24.10.2012; discussed in the Committee (initiator is the Cabinet of Ministers of Ukraine)

Food security is recognized as the socio-economic and ecological state where the population is supplied with the safe and of decent quality basic food that is necessary for the rational feeding. The law defines a couple of indicators for monitoring the food security situation in the country.

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