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Ukraine

Post: Kiev

Liberalization of Administrative Procedures for Agricultural Trade

Report Categories: Trade Policy Monitoring Approved By: Dwight Wilder, Agricultural Attaché

Prepared By: Denys Sobolev, Agricultural Specialist

Report Highlights:

In January 2016 Ukraine amended national legislation by easing the administrative procedures for importers and exporters of selected agricultural products. The administrative procedures that have been changed impact: imports of reproduction materials for animals; imports or transit for products of plant origin; and exports of products of plant origin designated for feed use.

General Information:

The Parliament of Ukraine has adopted the Law of Ukraine # 867-VIII "On Amendments to Certain Laws of Ukraine intended for Deregulation in Agricultural Sector" (<u>in Ukrainian</u>) that eases out some administrative procedures for importers and exporters of selected agricultural products, including:

1. Liberalized a number of administrative procedures, which were previously envisaged in the Law of Ukraine #3691-XII "On Animal Breeding" (in Ukraine), setting the specific requirements for certification of reproduction materials (semen, embryos and ovules), pedigree animals and accreditation professionals involved in animal reproduction.

This measure will potentially increase competition on the domestic market for breeding services and lead to increased imports of reproductive materials as soon as the economic situation in the country starts improving. According to Post's estimates, this measure will have the most significant positive impact on the imports of Bovine Semen (HS Code 051110). Ukraine annually imported approximately \$2.4 million worth of this product both in 2013 and 2014. The United States and Canada were the major trading partners.

2. Abolished quarantine permit requirements for the import or transit for products of plant origin and is now in accordance to the updated version of the Law of Ukraine #3348-XII "On Plant Quarantine" (in Ukrainian). From now on such shipments should be accompanied by a phytosanitary certificate only. Customs authorities have also been tasked to make public the complete information about import bans for certain products of plant origin, originating from specific countries, including due dates and substantiation for such measures on its web page. These amendments will likely result in a slight decrease of transaction costs for all importers for products of plant origin (HS Codes 06 to 15), thus making them more affordable on the domestic market.

3. Abolished mandatory issuing of veterinary certificates of products of plant origin designated for feed use both for inland shipments and exports. This measure will likely slightly decrease logistics and transaction costs for feed grains exported from Ukraine, making them more competitive on the international market.