LAW OF UKRAINE

On Amending certain Laws of Ukraine on informing the public of the content of genetically modified organisms in foodstuffs

The Verkhovna Rada [parliament] of Ukraine has decided as follows:

I. to amend the following laws of Ukraine:


   1) add point 4 as follows to the first part of Article 36:

      "4) withdrawal of foodstuffs produced using GMO until they have been officially registered";

   2) point 10 of the first part of Article 38 shall be worded as follows:

      "10) if foodstuffs contain duly registered genetically modified organisms or components (ingredients) that are made of registered genetically modified organisms, this shall be indicated by the words "containing GMO" on the labelling of the foodstuff if the genetically modified organisms (GMO) constitute more than 0.9% of the foodstuff. The rules for the marking of foodstuffs that contain genetically modified organisms or have been produced using them have been confirmed by the Cabinet of Ministers of Ukraine".

2. Point 5 of the first part of Article 15 of the law of Ukraine On consumer rights protection (Proceedings of the parliament of Ukraine, 2006, No 7, p. 84) is amended as follows:

   "5) indication that foodstuffs contain genetically modified organisms if the proportion of GMO exceeds 0.9%"

II. Final provisions

1. This law comes into force on the date on which it is published.

2. Three months after this law has come into force, the Cabinet of Ministers of Ukraine must bring its regulations into line with this law and take the measures necessary for its implementation.

Head of the parliament of Ukraine

EXPLANATORY MEMORANDUM

for the draft law of Ukraine On Amending certain Laws of Ukraine on informing the public of the content of genetically modified organisms in foodstuffs

1. Explanation of the need for this law of Ukraine to be passed

   In the draft law, it is proposed to amend certain laws to make it obligatory for foodstuff labelling to show information about the presence of genetically modified organisms in foodstuffs if GMO account for over 0.9% of a foodstuff.
The problem is essentially that under two laws passed by the parliament of Ukraine on 17 December 2009 (No 1778 On the safety and quality of foodstuffs concerning the information to be provided to the public regarding the presence of genetically modified organisms in foodstuffs (GMO) and No 1779-VI On the amendment of certain laws of Ukraine on the provision of information concerning the use in production of genetically modified organisms) all foodstuffs must be marked as "containing GMO" or "GMO free".

Following the adoption of the laws of Ukraine of 17 December 2009 No 1778 and 1779, Ukraine became the first country in the world to oblige the producers and importers of foodstuffs to indicate "GMO free" in the marking of all foodstuffs without exception, even including those foodstuffs that cannot contain GMO by their very nature or for practical reasons (salt, water, foodstuffs that do not contain proteins, etc.).


The main purpose of marking foodstuffs is to ensure that consumers are reliably informed about the contents of foodstuffs.

In view of the fact that Ukraine has declared its wish to join the EU, its historical and geographical proximity to the EU Member States, the existence of economic links (the large quantity of raw materials supplied to Ukraine by the EU Member States) and also the desire of Ukrainian manufacturers to sell their own products on EU markets, it is proposed not to impose legal requirements to indicate the absence of GMO, since such requirements are not currently imposed in the Member States of the EU.

2. Purpose and means of achieving it
The draft law of Ukraine has been prepared in order to avoid burdening economic agents with unjustifiable costs by making them investigate foodstuffs that have no connection to genetic engineering to determine whether or not they contain GMO and to bring Ukrainian law into line with European requirements.

3. Legal aspects
This regulatory area is governed by the following laws of Ukraine:
- On the safety and quality of foodstuffs;
- On consumer rights protection;
- On the official biosafety system applicable to the creation, testing, transportation and use of genetically modified organisms;
- On the accession by Ukraine to the Cartagena Protocol on Biosafety to the Convention on Biological Diversity.

4. Financial and economic reasoning
Implementation of the draft law of Ukraine will not entail further costs for the State Budget of Ukraine.
5. Opinion of interested bodies
The draft law must be agreed with the Ministry of Economic Development and Trade of Ukraine, the Ministry of Finance of Ukraine and the Ministry of Justice of Ukraine.

6. Regional aspect
This draft law of Ukraine takes account of the needs of the regions.

7. Prevention of corruption
The draft law of Ukraine does not contain any rules or procedures that might create a risk of corruption.

8. Public consultation
The draft law of Ukraine will be placed on the website of the Ministry of Agrarian Policy and Food of Ukraine.

9. Opinion of the social partners
The draft law of Ukraine does not concern social and industrial relations and does not need to be agreed with the social partners.

10. Assessment of regulatory effect
The draft law will amend the laws of Ukraine On the safety and quality of foodstuffs and On consumer rights protection, in particular with regard to the definition of concepts and by abolishing the requirement for "GMO free" to be indicated on the labelling of foodstuffs.

It is compulsory for foodstuff labelling to show information about the presence of registered genetically modified organisms or that components (ingredients) have been produced from registered genetically modified organisms and it is forbidden to place foodstuffs made with the use of GMO in circulation until they have been officially registered.

11. Expected results
The adoption of this law of Ukraine will make it possible to ensure that the rights of consumers and the health of the people of Ukraine are protected and that the international obligations of Ukraine are met, eliminate excessive barriers to the development of businesses in the food industry and avoid imposing unjustifiable expense on economic agents.

First Deputy Minister of Agrarian Policy and Food of Ukraine
M. D. Bezlugiy

/ /2012

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Analysis of the regulatory effect of the draft law of Ukraine
On Amending certain Laws of Ukraine on informing the public of the content of genetically modified organisms in foodstuffs

1. The problem that is to be solved by means of official regulation
Following the adoption of the laws of Ukraine of 17 December 2009 No 1778 and 1779, Ukraine became the first country in the world to oblige the producers and importers of foodstuffs to indicate "GMO free" in the marking of all foodstuffs without exception, even including those foodstuffs that cannot contain GMO by their very nature or for practical
reasons (salt, water, foodstuffs that do not contain proteins, etc.).

In the draft law, it is proposed to amend certain laws to make it obligatory for foodstuff labelling to show information about the presence of genetically modified organisms in foodstuffs if GMO account for over 0.9% of a foodstuff.

2. The goals of official regulation
The draft law of Ukraine has been prepared in order to avoid burdening economic agents with unjustifiable costs by making them investigate foodstuffs that have no connection to genetic engineering to determine whether or not they contain GMO and to bring Ukrainian law into line with European requirements.

3. Determination of alternative ways of achieving the set goals and arguments in favour of the selected method.
It is possible to achieve the objectives of the legislation by amending the Law of Ukraine On the safety and quality of foodstuffs and On consumer rights protection, in particular with regard to the definition of concepts and by abolishing the requirement for "GMO free" to be indicated on the labelling of foodstuffs.

It is compulsory for foodstuff labelling to show information about the presence of registered genetically modified organisms or that components (ingredients) have been produced from registered genetically modified organisms and it is forbidden to place foodstuffs made with the use of GMO in circulation until they have been officially registered.

4. Mechanism used to solve problems and the appropriate measures
The problem is essentially that under two laws passed by the parliament of Ukraine on 17 December 2009 (No 1778 On the safety and quality of foodstuffs concerning the information to be provided to the public regarding the presence of genetically modified organisms in foodstuffs (GMO) and No 1779-VI On the amendment of certain laws of Ukraine on the provision of information concerning the use in production of genetically modified organisms, all foodstuffs must be marked as "containing GMO" or "GMO free".


In view of the fact that Ukraine has declared its wish to join the EU, its historical and geographical proximity to the EU Member States, the existence of economic links (the large quantity of raw materials supplied to Ukraine by the EU Member States) and also the desire of Ukrainian manufacturers to sell their own products on EU markets, it is proposed not to impose legal requirements to indicate the absence of GMO, since such requirements are not currently imposed in the Member States of the EU.

5. Explanation of why it will be possible to achieve the set goals when the law has been passed
The adoption of this law of Ukraine will make it possible to ensure that the rights of consumers and the health of the people of Ukraine are protected and that the international
obligations of Ukraine are met, eliminate excessive barriers to the development of businesses in the food industry and avoid imposing unjustifiable expense on economic agents.


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<tr>
<th>Benefits</th>
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<td>Bringing of Ukrainian law into line with</td>
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<td>Elimination of expenditure on the investigation of foodstuffs that do not have any connection with genetic engineering</td>
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<td>Availability of reliable information about the contents of foodstuffs</td>
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7. Validity of the law
The law will enter into force on the date on which it is published, for an unlimited period.

8. Indicators of the effects of the law
The law applies to economic agents operating businesses in the foodstuff production sector. Compliance with the requirements of the law is not expected to cause any additional expenditure in terms of time or costs for economic agents. Economic agents have been informed of the basic provisions of the law. The draft law has been placed on the official website of the Ministry of Agrarian Policy of Ukraine and has been discussed with trade associations representing businesses in the food industry. The application of the draft law is not expected to result in any income for the budget.

9. Methods to be used to monitor the results
Basic and subsequent monitoring of the results of the law will be carried out in accordance with the requirements of Article 10 of the Law of Ukraine On the principles of official regulatory policy in the area of commercial activity. Basic monitoring of the results of the draft law will be carried out until the date on which it enters into force. Statistical methods will be used to monitor the results. Subsequent monitoring of the results of the law will be carried out one year after it enters into force and within two years at the latest.

Director of the Department of Food of the Ministry of Agrarian Policy and Food of Ukraine

O. I. Kuts

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