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Change in the Ukrainian Seed Association's Leadership

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Report Highlights:
On April 1, 2015, FAS/Kyiv learned that Mr. Valeriy Khadzhmatov succumbed to pressure from members of the Ukrainian Seed Association (Association) to step down as their Executive Director. Mr. Khadzhmatov had served as Executive Director of the Association for many years. In December 2014, Mr. Khadzhmatov went rogue by unilaterally proposing new seed certification and registration reform legislation that ran counter to the interests of the Association as a whole and specifically against U.S. seed company interests. Mr. Khadzhmatov is best characterized by U.S. seed companies based in Ukraine as a "self-promoting gangster of the seed industry".

General Information:
On April 1, 2015, FAS/Kyiv received the official confirmation (in Ukrainian) that Mr. Valeriy Khadzhmatov had stepped down as Executive Director of the Ukrainian Seed Association (Association). There had been rumors of his ousting for some time although Mr. Khadzhmatov was a stealth political player and managed to maintain his position amidst disagreements with member companies and allegations of corrupt practices. Mr. Khadzhmatov's ties with U.S. seed companies (which were once members of the Association) were severed after he publically advocating against their interests in the Parliament and proposed draft legislation to the Cabinet of Ministers on the Association's behalf that carved a role for himself and his companies to benefit. He is also known for working with shadow companies that would guarantee expedited procedures for seed registration that circumvented the nearly three-year approval process.

According to the information obtained from a group of seed industry representatives, Mr. Khadzhmatov's actual decision to resign from the Association was made on March 22, 2015. His decision was strongly influenced by pressure exerted by current members of the Association as well as former members who he threatened retaliation after they decided to quietly part ways with him. In December 2014, a large cohort of companies both domestic and international decided to leave the Association. The group included Syngenta, Monsanto, Bayer, Pioneer as well as other domestic firms. However, Khadzhmatov refused to let them leave and was trying to wield his power as chair of the council for the approval of new plant varieties registration against these firms. The decision to leave the Association was mainly due to disapproval of Mr. Khadzhimatov's professional actions in the legislative field during 2014. He still holds a position of Assistant/Advisor of Member of Parliament (MP) Leonid Kozachenko (in Ukrainian) of the Petro Poroshenko Bloc- the President's political party on a voluntary basis.

For more detailed background information on Mr. Khadzhimatov's issues with U.S. seed companies please refer to internal GAIN report FAS-Kyiv Discusses U.S. Seed Companies' Legislative Reform Strategy _Kiev_Ukraine_12-8-2014



Khadzhimatov's seedy past catches up to him