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*Merry  
Christmas  
and a Happy New Year!*

## CHRISTMAS GREETINGS FROM OPEN4BUSINESS!

**D**ear Readers!  
OPEN4BUSINESS wishes You a merry Christmas, festive holidays and a happy New Year!

Let this joyful holiday season be filled with peace, happiness, positive events and good news!

OPEN4BUSINESS will continue to be a reliable and competent supplier of objective information. ■

## EBRD OPENS SECOND REGIONAL OFFICE IN UKRAINE

**T**he European Bank for Reconstruction and Development (EBRD) has opened a regional office in Kharkiv.

“Eastern Ukraine is also important for our work. It is important for the economy and for our cooperation not only in terms of large-scale projects, but also in terms of the development of small and medium-sized businesses. We are opening an office here because it is important to have an office here, in the region to work with small and medium-sized businesses,” EBRD Managing Director for Eastern Europe and the Caucasus Francis Malige said at a press conference in Kharkiv.

EU Ambassador to Ukraine Hugues Mingarelli noted the European Union supports reforms in Ukraine, in particular, advises on the issues of economy deregulation and support and development of small and medium-sized businesses.

“In this field the European Union funds a number of programs aimed at providing advice and support to small and medium-sized enterprises, training and improving their access to finance and credits,” Mingarelli said. ■

## VERKHOVNA RADA GRANTS TAX BENEFITS TO AVIATION INDUSTRY UNTIL 2025



Ukraine's Verkhovna Rada has approved granting preferences to Ukrainian aircraft building industry for the period from January 1, 2017 until January 1, 2025.

According to the document, for the period from January 1, 2017 until January 1, 2025 aircraft builders are exempted from paying VAT for imports of goods (apart from excisable goods) used for the needs of aircraft building and transactions to supply the results of research and design works to the customs territory of Ukraine. The aircraft builders are also exempted from paying profit tax. The saved funds will be considered the targeted financing for research and designs works, re-equipment of the technical base, increase of production and introduction of new technologies. The aircraft building companies are also exempted from paying land tax on parcels where industrial facilities are located. ■

## UKRAINIAN BUSINESS COMMUNITY OUTLINES STRATEGY FOR 2017



Industrialists, entrepreneurs and employers of Ukraine have summed up their performance in 2016 and outlined plans of the business community for next year. In particular, they noted the first positive results of joint efforts made by the business circles: the National Committee for Industrial Development has been established; the "Ukraine is a Country of Entrepreneurs" program is being implemented. Further, work with parliamentarians has been organized. Ideas from the public to develop the country is presented by the "Transformation of Ukraine" parliamentary group, the Office of the Business Representative in parliament.

The document provides for coordination of partners' efforts to fight corruption, lobby and adopt relevant legislation, remove similar obstacles to doing business, start up own business, raise investment funds, and others.

"Today, the joint efforts with our friends and partners bring positive results. The authorities have finally realized that deindustrialization is an unacceptable process in such an industry-oriented state. There are positive changes in the field of aerospace and wagon building," ULIE President Anatoliy Kinakh said. In his words, there is much work ahead to switch from words to deeds. After all, GDP does not demonstrate noticeable growth so far; the level of the population's financial solvency is low while necessary tax, customs, monetary reforms to stimulate business activity have not been enacted yet.

The business community focused its attention on the most practical initiatives whose implementation began in 2016 and will continue in future. The "Ukraine is a Country of Entrepreneurs" project will further be developed, according to the ULIE president. A number of forums held in Kyiv and regional centers gathered over 7,000 young businesspeople, experts, representatives of local administrations. The local authorities expressed readiness to partly offset rates of loans issued for the development of business and startups, using mechanisms of public-private partnership. In particular, Kyiv Mayor Vitaliy Klitschko announced the allocation of UAH 10 million for these purposes. After the forum, revised regional programs for the support of entrepreneurship and businesses were presented in the cities of Lutsk, Uzhgorod, Rivne, and other municipalities. These are first positive steps towards the ambitious goal of the project to create one million jobs in Ukraine.

The ULIE Board approved proposals regarding international business relations in the wake of a recent Ukrainian-Lithuanian forum with the participation of the Presidents of the two countries along with recommendations of the newly created Spain-Ukraine Business Council, and a number of forums and meetings with partners from Austria, Canada, Israel, Iran, the United States, and others.

The ULIE also awarded diplomas and gifts to partners from media organizations and experts.

"The year 2017 promises to be very active. And we'll proceed not only with the implementation of the initiatives we've already started, but will press for the achievement of visible and tangible results for the Ukrainian economy and our citizens," the head of the Ukrainian business community said. ■



## NEWLY CREATED SPAIN-UKRAINE BUSINESS COUNCIL TO DEVELOP BILATERAL ECONOMIC CONTACTS



**T**he Ukrainian business community has obtained a permanent platform for communication with Spanish partners, as the Spain-Ukraine Business Council has been established with its first meeting held in Kyiv. This initiative was put forth by the Ukrainian League of Industrialists and Entrepreneurs and the Embassy of Spain in Ukraine, the Office for Economic and Commercial Affairs.

The Council will include enterprises from both countries that are interested in developing business relationships and promoting their commercial interests within the joint networking. Among them are sunflower oil producer Ukroliya, ketchup and mayonnaise producer Chumak, Ukraine International Airlines, the Ukrmashbud Association of Machine Engineers of Ukraine, and others. The Spanish side will be represented by Fino Verde (vegetable production), Corte fiel (clothing), Credoline, and others. The initiators are convinced that their initiative will expand the possibilities of cooperation between Spain and Ukraine, will boost bilateral investment and trade whose level at the moment is far from the two economies' potential.

Work in this direction started some time ago. In particular, the Ukrainian League of Industrialists and Entrepreneurs has held a series of business meetings, including visits to Spain where it has a representative office.

The First Consul of the Spanish Embassy to Ukraine, Jorge Soler, said that the establishment of the Business Council was on time, as it will give real impetus to the development of economic and trade relations. He also assured that the diplomatic mission would fully support the Council.

The Business Council aims to maintain a constant dialogue with the economic, social and political agents of both countries that could contribute to completing the tasks the economies of Spain and Ukraine are facing. It will represent and safeguard general interests of both countries. Its main tool will be, among other things, the establishment of direct contacts between the members of the Council and representatives of the companies to eliminate barriers to trade or investment. To achieve this, the Council will closely work with government agencies, other associations, public and private organizations that are interested in the development of economic relations.

The Ukrainian side has already presented a number of own initiatives to Spanish colleagues that might be interesting to them. In particular, First Vice President of the ULIE Vasyl Khmelnytsky briefed them on the Bila Tserkva Industrial Park, the adoption of regulations on IT development in Ukraine and on their prospects for foreign firms and corporations.

The partners agreed to put cooperation on the maximum practical track. This suggests conducting business meetings, forums, as well as exchanging contacts and ideas.

"We are going to create an atmosphere for sharing experience, case studies in doing business, and exchanging expert opinions," participants in the meeting summed up. ■

## EXPANSION OF EU EXPORTS QUOTAS IS TOP PRIORITY FOR UKRAINIAN GOVERNMENT



**T**he expansion of EU exports quotas for Ukrainian goods is a top priority for the Ukrainian government, Deputy Minister of Economic Development and Trade, Ukraine's Trade Representative Natalia Mykolska has said.

"We are working with the European Parliament and EU member states to accelerate making the decision. We expect that in the near future when the European Parliament returns from holidays, committees will discuss it and then we will be able to say that the situation is moving... The government jointly with colleagues from profile Verkhovna Rada committees are working with European parliamentarians to make the decision a top priority of the agenda. We consider it as a top priority for us," she said at a briefing.

"The important moment that consultants, with whom we worked under the [export-credit agency] project – Germany's KfW, are ready to work with us in the project in the future and help us to quickly finish everything," she said. ■

## UKRAINE, EU ARRANGE FINANCING OF FOUR BORDER COOPERATION PROGRAMS FOR EUR 365 MLN

Ukraine and the European Union (EU) have signed agreements to finance four border cooperation programs in the amount of EUR 365 million.

“On December 19, 2016, a signing ceremony was held in Brussels. The Ukrainian government and the European Commission signed agreements on financing joint operation border cooperation programs for 2014-2020: “Ukraine-Romania,” “Ukraine-Hungary-Slovakia-Romania,” “Ukraine-Poland-Belarus” and “Black Sea Basin” under the European Neighbourhood Policy (ENP) tool,” the press service of the Economic Development and Trade Ministry has reported.

First Deputy Prime Minister of Ukraine, Economic Development and Trade Minister Stepan Kybiv and Director for Neighbourhood East in the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) Lawrence Meredith signed the agreements.

The total budget provided by the EU to finance four programs would be over EUR 365 million.

The implementation of the programs would help to realize joint projects with program member countries in the following spheres: improvement of infrastructure of border districts, solving of general problems in the security and order area, support of border management and border safety, migration management, environment protection over climate changes and disasters and use of alternative energy.

The programs envisage support of business, development of small and medium-sized enterprises (SME), support of education, research, innovations, development of local culture and historic heritage preservation.

The implementation of the border cooperation programs would help to carry out effective and mutually beneficial cooperation of the Ukrainian border districts and partner countries via the realization of joint projects, exchange of experience and best practices with the partner countries in various spheres, attract additional resources for sustainable development and increase competitiveness of Ukrainian border districts. ■

## P2P LENDING IN UKRAINE REACHES UAH 5 BLN – NBU HEAD



The volume of the P2P lending market since the launch of this service in Ukraine has reached UAH 5 billion, Head of the National Bank of Ukraine (NBU) Valeriya Gontareva has said.

“The P2P platform at present has increased by almost UAH 5 billion,” she said at the Vector 17 forum in Kyiv. At the same time, the NBU head once again warned the P2P platform has no state guarantee of money refunds.

“People need to take a contract, read, who owes them money, and understand there is no bank in the agreement,” Gontareva said.

P2P (Peer-to-Peer) lending is a way of borrowing between persons not related to each other without the involvement of a financial intermediary (a bank, a credit union, etc.). Usually loans are provided through the online platforms of intermediaries that charge a fee for granting loans and credit verification instruments.

PrivatBank (Dnipro) launched the P2P lending service in March 2016. ■

## GROWTH OF INDUSTRIAL PRODUCTION IN UKRAINE ACCELERATES TO 3.7% IN NOV 2016



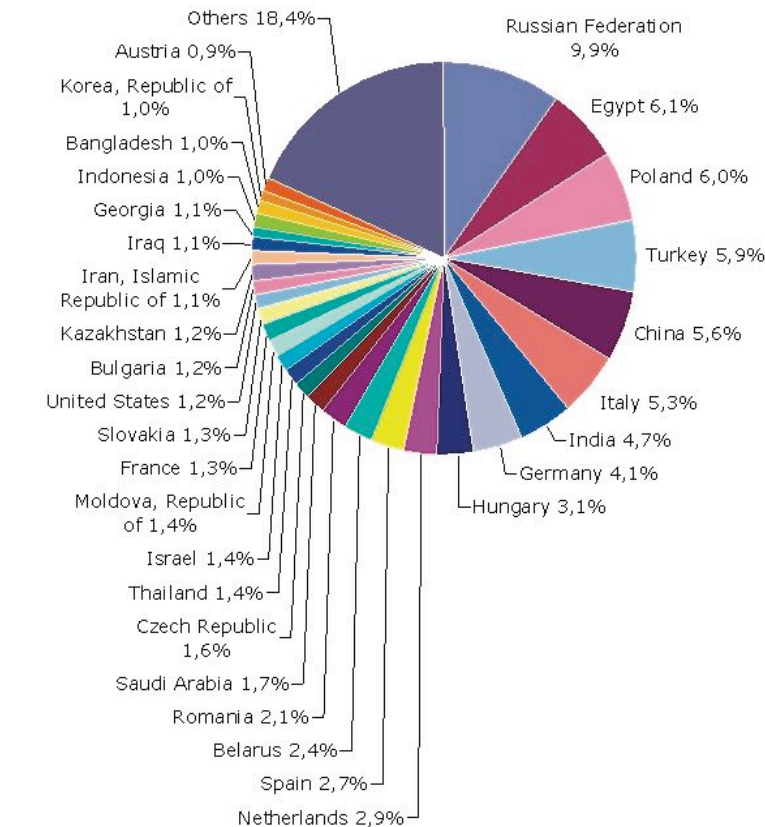
Industrial production in Ukraine in November 2016 increased by 3.7% compared to the same month of 2015, while in October it rose by 0.8%, in September by 2%, and in August by 3.4%, the State Statistics Service has reported. According to a new formula of data provision, the agency said that adjusted for the effect of calendar days industrial production in November from November last year rose by 2.3% against 1.6% in October, 2.2% in September and 1.5% in August. In general, for the 11 months of 2016 the growth in industry accelerated to 2.1% from 1.9% in the ten months and 2% for the first eight and nine months.

Industrial production in November compared to October this year increased by 0.8%, and taking into account the seasonal factor by 0.7%.

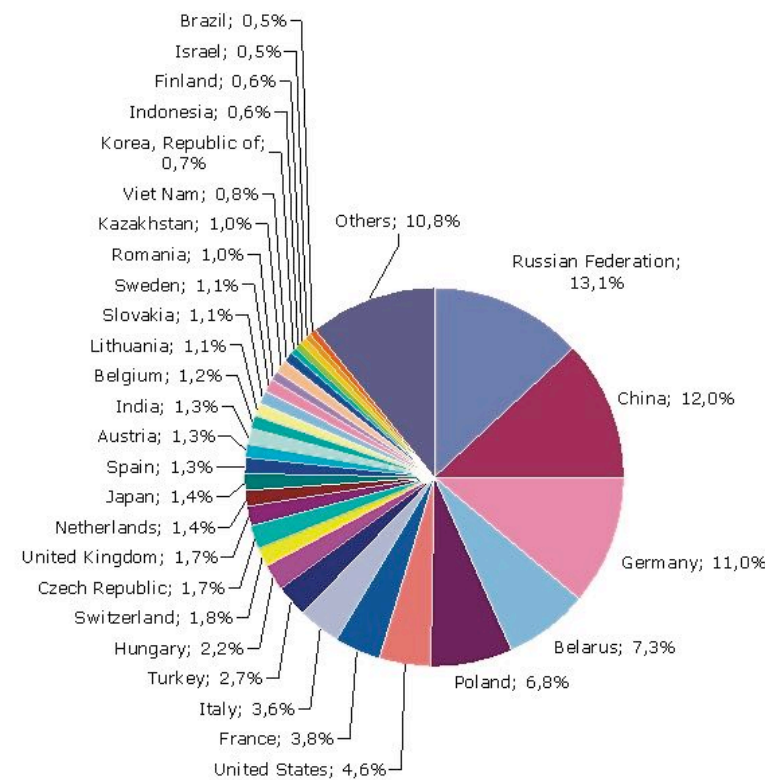
Industrial production in January-November 2015 from January-November 2014 fell by 14%, and in general over the past year industrial production in Ukraine declined by 13.4%, while in 2014 by 10.1%, in 2013 by 4.7%, and in 2012 by 0.5%. ■



# UKRAINE'S FOREIGN TRADE IN GOODS, JANUARY–SEPTEMBER 2016, EXPORTS, THSD. USD



# UKRAINE'S FOREIGN TRADE IN GOODS, JANUARY–SEPTEMBER 2016, IMPORTS THSD. USD



## MORTGAGE CREDITING SLIGHTLY INTENSIFIES IN 2016 – NBU



Mortgage crediting of individuals slightly intensified in 2016, demand on mortgage is growing, as well as the number of applications for mortgage credits approved by banks, according to a December report on financial stability published by the National Bank of Ukraine (NBU). “The crediting conditions poll conducted among banks in Q3 2016 shows that demand on mortgage credits is slightly growing along with the number of applications for mortgage credits approved by bank. Deposit corporations credit purchase of apartments and houses both on the primary and secondary markets. According to intermediaries, the share of residential housing bought in credit does not exceed 5%,” the NBU said. The regulator said the conditions for provision of new mortgage credits are tough. Along with buyers of apartments banks also credit constructors both in Kyiv and the regions. “Large companies take credits for the period of up to three years. Smaller companies receive short-term credits from banks used to support the pace of construction if they fail to quickly sell apartments. However, the crediting of constructors is small. The key source of financing is own funds of companies and payments by apartment buyers,” the central bank said.

## PRIVATBANK BECOMES FULLY STATE-OWNED BANK – DEPOSIT GUARANTEE FUND

**T**he Individuals Deposit Guarantee Fund and the Finance Ministry of Ukraine on December 21 signed an agreement to sell 100% of shares in PrivatBank, the press service of the fund has reported.

“Since the moment of the transfer the state is the owner of 100% of shares in the bank in the person of the Finance Ministry. This was made thanks to coordinated actions of the Finance Ministry, National Bank of Ukraine (NBU), Deposit Guarantee Fund, National Commission for Securities and the Stock Market, National Depository of Ukraine, Ukrgasbank and Ukreximbank,” the fund said on its Facebook page.

All the required procedures were settled within 72 hours: reserves for active transactions have been formed, additional shares have been issued and placed, amendments to the bank’s regulations have been made, the transition balance has been formed and all the procedures for selling the shares and reshuffle the owners of the bank have been finished.

“PrivatBank’s capital is negative. According to the law on the individuals deposit guarantee system, the Deposit Guarantee Fund sold all the shares of the bank to the Finance Ministry for UAH 1,” the fund said. ■

## UKRAINE, BELARUS TO JOINTLY PRODUCE TRACTORS, COMBINES AND WAGONS IN 2017-2020



**U**kkraine and Belarus have prepared a roadmap for the development of cooperation in 2017-2020, in which the priority is the development of engineering projects, the press service of the Ministry of Economic Development and Trade has said.

According to the report, Deputy Minister of Economic Development and Trade of Ukraine Yuriy Brovchenko and Deputy Industry Minister of Belarus Dmitry Korchik met on December 23 to discuss the development of industrial cooperation between the two countries.

It is planned Ukraine and Belarus will jointly produce trolleybuses, expand the range of lifts of total production. It is also planned to organize a number of joint ventures, in particular, for production of agricultural machinery, together with Gomselmash holding. According to the ministry, in January-August this year the trade turnover between Belarus and Ukraine totaled \$2.3 billion, which is 9% more than in the corresponding period last year. ■

## OVER UAH 250 MLN FROM CITY BUDGET WILL BE SPENT ON SUBWAY CONSTRUCTION IN KHARKIV



**K**harkiv City Council has approved the city budget for 2017, according to which it is planned to allocate UAH 250.8 million for building the third subway line from the Metrobudivelnikiv station to the Odeska station.

According to director of the budget and finance department Tetiana Taukeshcheva, the total revenues of the Kharkiv budget are set at UAH 10.994 billion, including own revenues in the amount of UAH 6.721 billion, transfers of UAH 4.272 billion.

“Part of the city’s financial resources is formed by the target transfers from the national budget to the budget of Kharkiv. Education (UAH 875.5 million) and medical (UAH 1.237 billion) subventions, as well as reversible grant in the amount of UAH 193 million are taken into account at the level of volume defined in the national budget for 2017,” she said.

In addition, the Kharkiv budget will receive subsidies in the amount of UAH 2.157 billion (including UAH 1.135 billion on the benefits and subsidies to the population) for implementation of state social programs. ■



## UKRAINIAN INFRASTRUCTURE MINISTRY PROPOSES MEASURES TO DEVELOP ELECTRIC CAR MARKET, PRODUCTION

The state should create conditions for development of the electric transport market in Ukraine and stimulate national production, Ukrainian Infrastructure Minister Volodymyr Omelyan has said.

"I am sure that with the current staff and technological resources, Ukraine must produce electric cars. Our ambitious goal is the arrival of at least three strategic investors from top ten manufacturers to the country," the ministry's press service reported, citing Omelyan. The minister said that Ukraine's goal is to have the share of electric car sales of total car sales of 15% in 2020 and own production of electric cars.

According to the minister's presentation posted by the press service, as of November 2016 a total of 1,630 electric cars were in Ukraine. Their annual growth is 13.2%, and their sales share is 0.7%.

The minister proposes to exempt imports of electric cars from paying VAT until January 1, 2021. It would cut the price of electric cars by 16.8%, as well as to exempt from paying the registration fee to the Pension Fund for primary registrations until January 1, 2021 (minus 4.8% of the cost) and paying excise duty until January 1, 2021 (the cost of the car will fall by EUR 109).

For production of Ukrainian electric cars it is proposed to exempt sale of electric cars from paying VAT until January 1, 2021, the registration fee to the Pension Fund, setting a zero duty on imports of spare parts to electric cars, setting a delay in paying VAT on imports of spare parts and the introduction of a beneficial rate for land tax for electric car manufacturers until January 1, 2028. ■

## ETALON CORPORATION SEEKS TO SUPPLY 10-METER BUS MADE JOINTLY WITH DAF TO EUROPE BY LATE 2017



Etalon Corporation seeks to start supplies of the Tulpan 10-meter buses meeting Euro 6 emission standards designed jointly with DAF to Eastern Europe in Q3 or Q4 2017, Corporation President Volodymyr Butko has said.

He said that the key event of this year for the corporation was the start of cooperation with DAF. Two models of 10-meter intercity buses – A08420 and A08430 (for the European market) with front engines meeting Euro 5 emission standards have been designed jointly with the company.

"We presented the bus at an exhibition in Hannover (Germany) in September 2016. The bus aroused the interest. We have contacts of representatives of several interested countries. We are not ready to supply them, as Euro-6 standard is in effect in Europe now. DAF has supplied Euro-6 chassis. We plan to design a first bus by next summer. We will test it and then certify to start supplies to the European market," Corporation Vice President Valeriy Kuptsov said. "DAF helps us. It gives us its dealers. The company also expressed desire to sell buses on the Ukrainian market. We understand that this could be only a 'club' bus in Ukraine. Companies can buy them to transport employees or sports teams. We do not consider them for transportation of passengers," Butko said. The buses could be exported to Baltic state, Poland, Slovakia, the Czech Republic and Romania. ■

## IT OUTSOURCING SERVICE EXPORTS FROM UKRAINE TO GROW 15-20% IN 2016 – GLOBALLOGIC DIRECTOR

IT outsourcing service exports from Ukraine would grow by 15-20% in 2016 compared to \$2.5 billion in 2015, Managing Director of GlobalLogic Ukraine Ihor Beda has said in an interview with Interfax-Ukraine.

"The sector is expanding and the growth pace resumes. It is not at the level seen before crisis when we got used to grow by 30-35% a year. I expect that this year IT outsourcing service exports will grow by 15-20%, and in the current conditions it is not bad," he said.

He said that GlobalLogic Ukraine with the 12% growth target increased software design exports by 15-17%. "I can say that GlobalLogic faced a task to have growth of around 12% this year. It is obvious that we would grow by at least 15% and even more – 17%," Beda said.

GlobalLogic Ukraine is a large IT companies in Ukraine. It is part of GlobalLogic (the United States). The offices in Ukraine have been since 2006 with over 2,700 employees in Lviv, Mykolaiv and Kharkiv. ■

## LUCKY LABS MULLING OPPORTUNITIES FOR STRATEGIC ACQUISITIONS WORTH \$20-30 MLN ABROAD



**L**ucky Labs international IT company, headquartered in Ukraine, is mulling opportunities for strategic acquisitions in Europe and, in general, in the world, according to a press release from Lucky Labs.

According to the report, the company primarily focuses on acquisitions worth \$20-30 million in Britain, Germany, or Latvia.

“From the beginning we focused on absorption of manufacturers of innovative applications around the world. Once we managed to collect a strong portfolio of gaming and marketing applications, we want to continue to grow in international markets and, first of all, in Britain, Germany and Latvia, where we see particularly ambitious startups with fantastic ideas,” reads a press release citing Lucky Labs co-founder Rustam Gilfanov.

“We will be glad to appeals from new startups that develop games. We are ready to assist them in realizing their ideas,” another co-founder of Lucky Labs Serhiy Tokarev said.

Lucky Labs is an international group of IT companies. It has been engaged in software development for more than 10 years. Its central office is located in Kyiv. It employs more than 500 people. ■

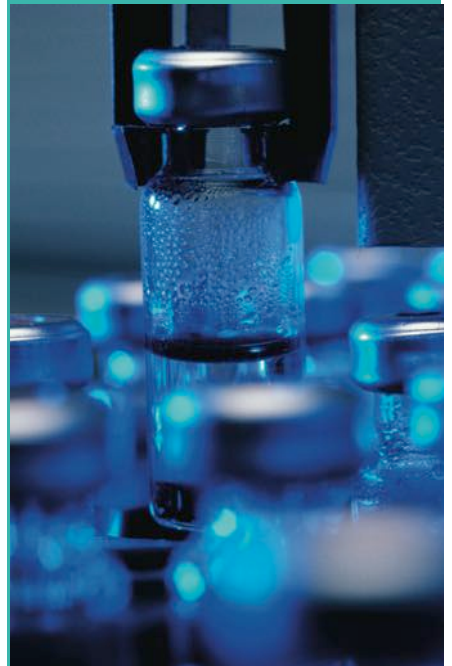
## UKRAINE, EIB AGREE ON EUR 30 MLN LOAN TO UNIVERSITIES FOR RAISING ENERGY EFFICIENCY

**U**kkraine has agreed with the European Investment Bank (EIB) on raising a loan of EUR 30 million for the project “Higher Education. Energy Efficiency and Sustainable Development.”

The relevant agreement was signed in Brussels on Monday, the Ukrainian Economic Development and Trade Ministry of Ukraine wrote on Twitter.

Ukrainian Deputy Minister of Education and Science Roman Hreba said earlier they already identified seven universities that will participate in the first stage of the project and soon will announce a tender to choose universities for the project’s second stage. The project is designed for five years. ■

## EBRD TO ISSUE \$3.8 MLN TO ECOFARM TO COMPLETE PLANT IN SLAVUTA



**T**he European Bank for Reconstruction and Development (EBRD) will issue a credit of up to \$3.8 million to Ukrainian pharmaceutical manufacturer Ecofarm (Ecopharm) to complete the construction of production facilities according to GMP standards in Slavuta and procurement of appropriate equipment, the EBRD press service has said.

The loan will be granted for seven years in the framework of the EBRD direct financing program aimed at providing local small and medium enterprises with easier access to long-term financing, the report says.

The project also foresees investment support in the framework of the EU4Business program, which will help Ecofarm in its implementation.

Ecofarm is a Ukrainian pharmaceutical company, founded in 1998. It specializes in production of plant antiviral drugs.

According to information in the state register, the ultimate beneficial owner of the company through Valora Financial Services (the British Virgin Islands) is citizen of Switzerland Ruslan Novik. ■



## INVESTMENT IN GRAIN DRYING COMPLEX AT BILOVODSKY BAKERY COMES TO UAH 56 MLN

**P**JSC Bilovodsky bakery (Sumy region) has opened the renovated grain drying complex, according to the website of Sumy Regional State Administration. The total capacity of the complex is 17,000 tonnes, investment in its launch reached UAH 56 million. The plant not only stores grain but also produces animal feed and flour.

According to the National Commission on Securities and the Stock Market, the owner of 91.1% of the bakery is Cypriot company Firstmed Management.

The net profit of the company for 2015 increased by 44.7%, to UAH 12.68 million, net income by 36.7%, to UAH 104 million. ■

## EIB AGREES FUNDING FOR GRAIN LOGISTICS PROJECTS IN UKRAINE

**T**he European Investment Bank (EIB) has agreed on financing for the projects of Ukrainian grain market operators to expand and modernize their logistics infrastructure. According to the bank's website, the board of directors made the decision on December 14 this year.

It is expected that the project will eliminate the existing bottlenecks associated with grain transportation and storage, reduce the cost of transportation by road, as well as increase the annual volume of agricultural products exports, the EIB said.

The bank did not indicate the amount of funds provided for these projects. ■

## UKRGZVYDOBUVANNIA TO INVEST UAH 30 BLN IN NEW EQUIPMENT AND DRILLING IN 2017



**P**JSC Ukrgezvydobuvannia plans in 2017 to invest UAH 30 billion in drilling and purchase of new equipment, head of the company Oleh Prokhorenko has said at a press conference in Kyiv.

According to him, it is planned next year to drill about 100 new wells, overhaul 500 existing wells, as well as carry out operations on intensification of production. Prokhorenko said this would allow in 2017 to increase gas production from 14.6 billion cubic meters to 15.1 billion cubic meters.

As reported, Ukrgezvydobuvannia plans by 2020 to invest \$3 billion in purchase and modernization of drilling rigs, as well as attract third-party contractors for work on its fields. The program includes the purchase of 30 new drilling rigs (by 2020), the modernization of 32 existing ones. In addition, the plan for 2017 is to buy 15 drilling rigs from international contracting companies. ■

## SUMITOMO ELECTRIC BORDNETZE-UKRAINE OPENS NEW PLANT IN CHORTKIV

**S**umitomo Electric Bordnetze-Ukraine (Ternopil region), a manufacturer of cable products for Volkswagen Concern, and 100% in which is owned by Japan's Sumitomo Electric Bordnetze, has opened the first stage of a new production site in Chortkiv (Ternopil region) with the participation of President of Ukraine Petro Poroshenko.

"When it was decided that the new production will be in Chortkiv and there was nothing, nobody believed that in December the plant will be launched and 500 new jobs will be created, and in 2018 their number will exceed 2,000. In March [the investor] was transferred Agromash plant, and there was only wind here, there were no walls, only ruins, and those who come here, including Audi representatives, thought nothing will happen. But the uniting of the potential of Ukrainian, German and Japanese investments have done their job," the president said at the opening ceremony.

"We discussed with the investor what wage will be. First we talked about UAH 3,800-4,000. But no, it will be up to UAH 6,000! And we agreed that by the end of the year we'll raise it by another 15% – and this will be a gift from the president," Poroshenko said.

Sumitomo Group is one of the largest Japanese corporations. The group consists of companies working in the financial sector, engineering industry, electrical industry, ferrous and nonferrous metallurgy, and many others. ■

## SHARE OF AGRICULTURAL PRODUCTS EXPORTS OF TOTAL EXPORTS FROM UKRAINE REACHES 40.7% IN JAN-OCT



Ukraine in January through October 2016 exported agricultural products for \$11.84 billion, and this was 40.7% of total national exports. Ukraine's Agricultural Policy and Food Ministry said in a press release that over the period imports of agricultural products to Ukraine totaled \$3.1 billion. The surplus of trade with agricultural goods totaled \$8.73 billion.

Grain crops had the largest share of Ukrainian exports (\$4.8 billion), fats, vegetable oil amounted for \$3.1 billion and finished food for \$1.8 billion. ■

## ODESA COGNAC PLANT STARTS SUPPLYING ITS PRODUCTS TO AUSTRALIA, POLAND

Private joint-stock company Odesa Cognac Plant, a large cognac producer in Ukraine, has signed contracts to supply its products to Australia and Poland.

"Odesa cognac plant would increase production and sales this year. We are entering new markets. Two weeks ago we shipped a batch of our products to Australia. Now we have signed a contract to supply cognac to Poland," Board Chairman Eduard Horodetsky told reporters.

He said that now the enterprise is expanding geography of shipments and developing on the U.S. market. The company exports its products to 14 countries. He said that the cognac production facilities were located by 55% during the year. "Our distilling capacity is 30 million liters of wine a season. Now around 8 million liters of cognac spirit is aging," he said. ■

## UKRAINE EXPORTS 20.1 MLN TONNES OF GRAIN SINCE START OF 2016/2017 MY



Ukraine since the beginning of the 2016/2017 marketing year (MY, July-June) and as of December 15, 2016 had exported 20.06 million tonnes of grain. According to the Ministry of Agricultural Policy and Food, the country exported about 10.62 million tonnes of wheat, 4.07 million tonnes of barley and about 5.26 million tonnes of corn.

In addition, 165,100 tonnes of flour had been exported on that date.

As reported with reference to the Ministry of Agricultural Policy and Food, Ukraine in the 2015/2016 marketing year exported 39.487 million tonnes of grain, which is 13.5% more than in the previous season.

According to the ministry's forecasts, grain exports in the 2016/2017 MY could reach 40 million tonnes. ■

The Ukrainian League of Industrialists and Entrepreneurs (ULIE) is the largest union of business associations and individual enterprises in Ukraine with its members ranging from vertically integrated corporations to small and medium enterprises (SMEs). For already more than 20 years the League's key mission is to promote and protect interests of the Ukrainian business within Ukraine and beyond. With its central offices in Kyiv, ULIE manages 28 regional subsidiaries, 73 branches, 22 representative offices and 34 commissions on key sectors of the economy.

The League is also a signatory to 155 international agreements on cooperation and has representative offices in 21 countries, including Representative Office in the EU in Brussels.

The Ukrainian League of Industrialists and Entrepreneurs Representative Office in the EU:

168 Avenue de Cortenbergh, 3rd floor, B-1000 Brussels, Belgium

T/F: +32 (0) 2 736 72 13

uspp.ua/en

The Ukrainian League of Industrialists and Entrepreneurs

Head Office:

34 Khreshchtyk Street, Kyiv 01001, Ukraine

Tel: +380 (44) 278 30 69

Fax: +380 (44) 226 31 52

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Maksim Urakin is a project director of the Biweekly news digest of the Ukrainian League of Industrialists and Entrepreneurs