



UKRAINE
OPEN FOR BUSINESS

05 June 2020

Ukraine launches international flights from June 15

Prime Minister of Ukraine Denys Shmyhal states that the government will launch domestic flights from June 5, and foreign flights from June 15.

“From June 5, we will launch domestic flights, and foreign flights – from June 15. And we want cafes and restaurants to start hosting visitors inside from June 5,” he said at a government meeting on Wednesday.



HEADLINES



UKRAINE COULD PROFIT IN POST-CRISIS RESTRUCTURING OF SUPPLY CHAIN



BIG PRIVATIZATION IN UKRAINE TO BE LAUNCHED AS SOON AS CORONAVIRUS CRISIS OVER



UKRAINIAN PRESIDENT PLANS TO FIND \$3 BLN FOR BIG BRIDGES PROJECT



RDS PLANS TO OPEN N-01 KYIV-ZNAMYANKA HIGHWAY THREE MONTHS AHEAD OF PLAN



NOVA POSHTA GLOBAL STARTS REGULAR AIR DELIVERY FROM/TO US, CHINA



SEAPORTS OF UKRAINE INCREASE CARGO HANDLING BY 12.5% FOR FOUR MONTHS

Ukraine could profit in post-crisis restructuring of supply chain

Ukraine may benefit from the restructuring of supply chains that will follow the crisis, said regional economist at the European Bank for Reconstruction and Development (EBRD) and former head of the Central Bank of Macedonia Dimitar Bogov.



“Ukraine, with its geographical proximity to Western Europe and the size that can have economies of scale, has every opportunity to capitalize on such a post-crisis development. This crisis will also provide additional impetus to the information and communication technology, e-commerce and delivery services industries while challenging the business models of retail, real estate services and the sharing economy,” Bogov in an interview with Interfax-Ukraine.

In his opinion, this is one of the economic opportunities that will arise in response to the Covid-19 crisis in the long run.

“The crisis can lead to a more thorough study of supply chains with an emphasis on sustainability and diversification. In many sectors, one economy, often China, is now the dominant global supplier,” he said.

In some of these sectors, the economies of the EBRD regions already have comparative advantages and large export volumes, which could lead to further expansion of their exports, he added.

Council of EU adopts EUR 1.2 bln assistance package to help Ukraine

The Council of the European Union has approved a proposal of the European Commission to provide EUR 1.2 billion of micro-financial assistance to help Ukraine to cope with the economic fallout of the COVID-19 pandemic.

The respective decision was taken on May 20 under the written procedure during sitting of the EU Council.

It is expected that after this Kyiv and Brussels will begin negotiations regarding the future Memorandum, which should specify the conditions for the allocation of the second tranche. Further, the Memorandum should be ratified by the Verkhovna Rada of Ukraine, after which Ukraine will receive the first tranche in the amount of EUR 600 million, which is unconditional. The horizontal condition for obtaining macro-financial assistance is mandatory cooperation with the IMF.



Ukraine counts on \$10 bln of financial support from financial institutions in 2020



Ukraine counts on \$10 billion of financial support from various financial institutions in 2020, said Prime Minister of Ukraine Denys Shmyhal. "All these funds ... Their volume this year exceeds \$10 billion of financial support from various financial institutions, international financial organizations – the IMF, European bodies, the EU and partner countries," he said during an hour of questions to the government in parliament.

At the same time, Shmyhal noted that most often the allocation of finance depends on the agreement of Ukraine with the International Monetary Fund. "Therefore, it is very important that we move forward and receive these funds, so that next year we will have a 7% increase without rolling into the abyss and being not able to get out of it for another ten years," added Shmyhal.

Business Partner Compliance Check

Apply to the only
authorized partner of
D&B

+38 (067) 232-00-42

urakin@interfax.kiev.ua

Make your business safe!

Expert prospects of the servant of the people party at local elections in October 2020

The local election campaign has begun and the regional elites started investing in headquarters, advertising and PR campaigns. The local elites used the situation with the quarantine and poor coordination of events in the top-down system for self-promotion before the elections due on October 25, 2020, political technologist Kyrylo Molchanov, who is also an expert at the Ukrainian Institute of Politics, said.

In the second program "Expert Kitchen" on the Expert Club [YouTube channel](#), Molchanov made assessment of the incumbent mayors' chances to be re-elected for a new tenure at the upcoming elections.

The expert said that Hennadiy Kernes in Kharkiv, Vitali Klitschko in Kyiv and Hennadiy Trukhanov in Odesa have the highest chances to stay on their posts. He also noted that one should expect the most interesting election campaigns in Dnipro and Lviv, where Andriy Sadovy has lost his positions in recent years.

Speaking about prospects of parties, the expert said that some political forces continue dominating in certain regions where they used to be popular. The main struggle will take place between the Opposition Platform – For Life and the Servant of the People in southeastern Ukraine, between the Servant of the People and Batkivschyna in central regions, and the so-called pro-European and nationalist forces in western Ukraine.

According to Molchanov, the ruling party in general will fail to repeat the success of its previous campaigns as its popularity continues declining. Therefore, the Servant of the People will have to form coalitions with other parties in regions, which may result into unexpected political consequences both in Ukraine's regions and, hence, in the central government.

Find more details about the 2020 local election campaign in the video on the [Expert Club YouTube channel](#)

Big privatization in Ukraine to be launched as soon as coronavirus crisis over

The big privatization will be launched as soon as the coronavirus crisis is over, and the Dnipro Hotel will become its pilot project, President of Ukraine Volodymyr Zelensky has said.

"As to medium-sized and big privatization, everything is ready. It will be launched after COVID-19. The first target – the Dnipro Hotel – is ready. As we promised, we started with public administration agency," he said at a press conference in Kyiv.

The president also said the rest of hotels on balance of the public administration agency will be handed over to the State Property Fund.

The privatization targets have been "cleared off" legal cases, Zelensky said.



Ukraine includes Panama in offshore zone list

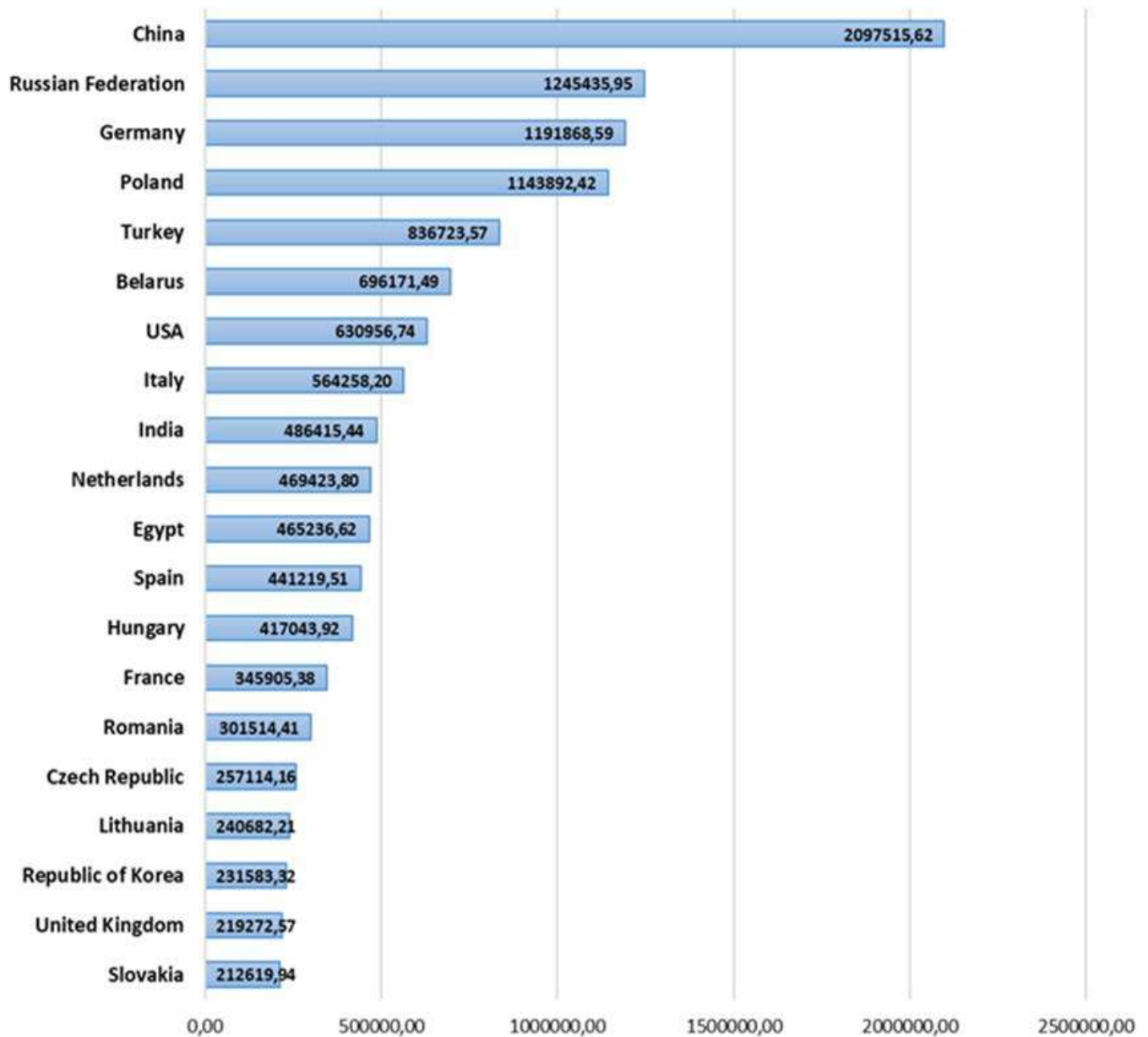
The Cabinet of Ministers has included Panama in the list of offshore zones.

The government made the relevant decision at a meeting on Wednesday.

According to an explanatory note, Panama earlier was put on the list of the EU offshore zones.



Top 20 countries of Ukraine's foreign trade partners of Jan-Feb 2020 (thousand USD)



Akhmetov, Pinchuk, Poroshenko head top 100 richest businessmen in Ukraine

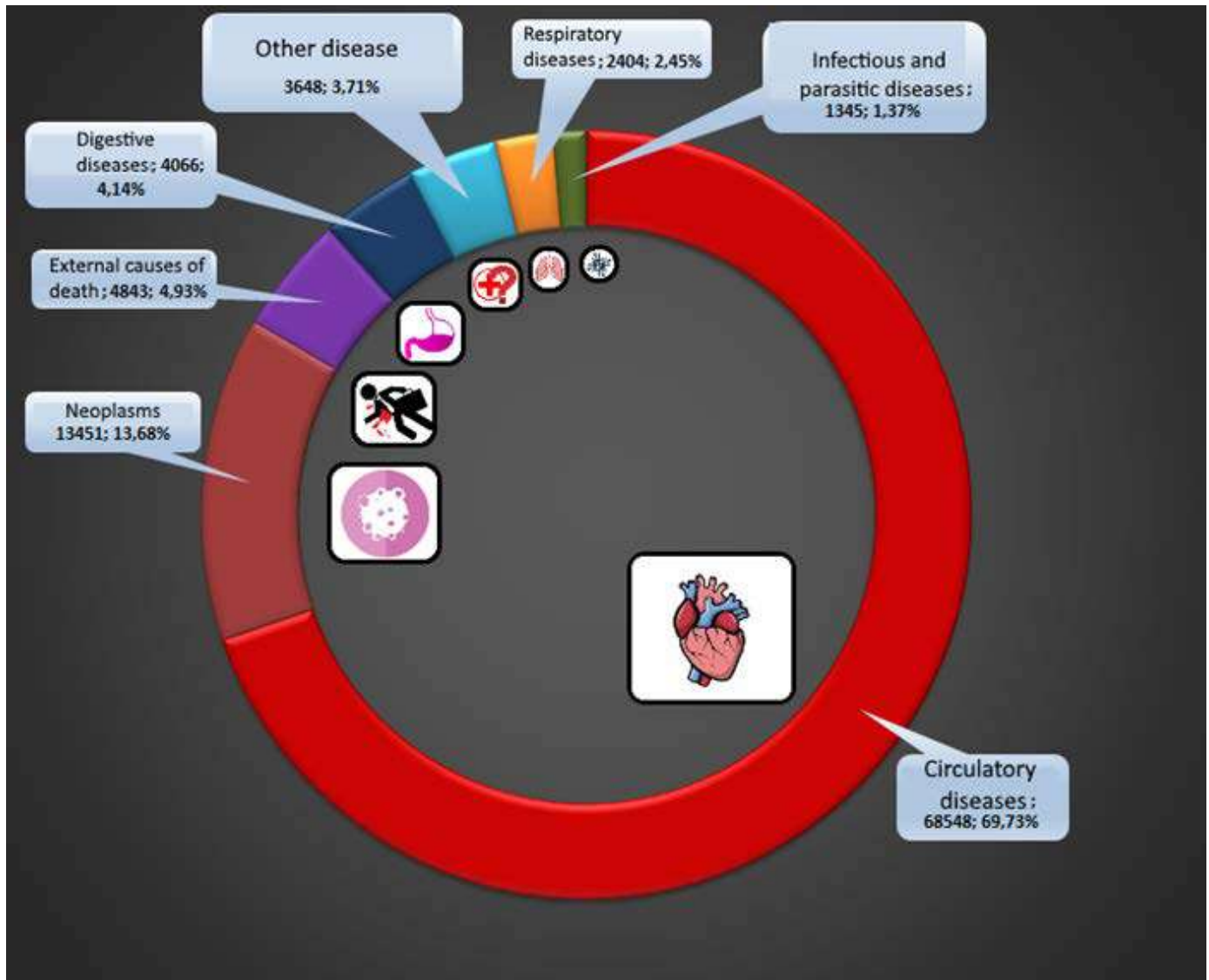
Rinat Akhmetov with a \$2.8 billion fortune is No.1 in the top 100 wealthiest businessmen of Ukraine, the total fortune of whom exceeded \$31 billion, and compared with the peak 2013 the fortune of Akhmetov plunged by almost 83%, Forbes has said on its website. According to the ranking of the Forbes Ukraine publication, which was published first since 2016, the owner of Interpipe Group Victor Pinchuk with a \$1.4 billion fortune came in at No. 2 and the fifth president of Ukraine, leader of the European Solidarity party Petro Poroshenko (\$1.4 billion) is No. 3.



Poroshenko returned to the list of U.S. dollar billionaires after a five year break: in 2014, U.S. Forbes estimated his fortune at \$1.3 billion.

Eight people in the list have a fortune no less than \$1 billion, including two, who are the co-owners of the Epicenter hypermarket chain – Oleksandr and Halyna Hereha. The list of the U.S. dollar billionaires is locked by former owner of PrivatBank Ihor Kolomoisky.

Main reasons for mortality of the Ukraine's population in Jan-Feb 2020



Ukrainian Chamber of Commerce and Industry congress reelects Chyzhykov president

Hennadiy Chyzhykov will remain on the post of president of the Ukrainian Chamber of Commerce and Industry (UCCI) for another five years. The UCCI congress held as a video conference made the unanimous decision on May 19. "The Ukrainian Chamber of Commerce and Industry has the largest regional and international presence among organizations that represent the interests of Ukrainian business. The UCCI has great potential for development," Chyzhykov said in a report of the chamber.



UCCI delegates also approved the chamber's mission: creating conditions for business development, opening new markets for Ukrainian exports, and promoting the integration of Ukrainian business in the global economy.

The Ukrainian Chamber of Commerce and Industry unites more than 8,000 Ukrainian enterprises, which, according to the organization, provide 70% of the export earnings of Ukraine. The UCCI system unites 25 regional chambers and has representative offices in 55 countries.

The President of Ukraine, international and national partners – the heads of the EUROCHAMBRES, the World Chambers Federation (WCF), the American Chamber of Commerce, the European Business Association, the business ombudsman, the embassies of Argentina, Croatia, the Czech Republic, Vietnam and others congratulated the delegates of the UCCI congress.

Africa to be in limelight of renewed council of exporters and investors under fa ministry of Ukraine

Africa will be in the limelight of the renewed Council of Exporters and Investors under the Foreign Affairs Ministry of Ukraine, said Foreign Minister Dmytro Kuleba adding that development of cooperation with the African states was one of the priorities of the foreign policy of Ukraine. "Only few days ago, we launched the Council of Exporters and Investors at the Ministry of Foreign Affairs. It now unites 120 leading Ukrainian export-oriented companies. The purpose of this agency is to simplify trade and investment between nations, and Africa will be in the limelight of this Council," he said in a video address on the occasion of Africa Day posted on ministry's Twitter.



Kuleba said that Ukrainian companies were already exporting grain, drinks, meat, equipment and machinery to the African countries. "The IT sector is one of the most promising in our relations," the minister added.

He emphasized that one of the priorities of Ukraine's foreign policy was the development of cooperation with the African states.

According to Kuleba, now 20,000 students from Africa are studying in Ukraine, and Ukraine will be glad to see more of them.

"I'm glad that more and more Africans are choosing Ukraine for higher education. Currently, 20,000 students from the African countries are studying in our country, and we welcome more," said the foreign minister.

National bank of Ukraine relaxes approval rules in bank licensing sphere

The National Bank of Ukraine (NBU) has relaxed the harmonization procedures in the field of licensing banks, in particular, approaches to monitoring the financial condition of legal entities and the property status of individuals who are substantial owners of the bank, the regulator's press service said on Tuesday.

The relevant changes were approved by NBU Board resolution No. 66 dated May 25, 2020 on approval of changes to the regulation on licensing banks, which was posted on the website of the central bank and comes into force on May 27, 2020.

According to the document, the National Bank has reduced the amount of information that the substantial owner of the bank must provide annually. In particular, from now until February 1, such individuals will have to submit a written assurance of the absence of grounds for the deterioration of their property status or signs of unsatisfactory financial condition, which must meet the requirements stipulated in the banks licensing regulations.

Thus, in 2020, substantial owners of banks will not submit documents stipulated in the regulation within their annual assessment of financial or property status, the NBU said.

Five Ukrainian manufacturers register clinical trials of medicines for COVID-19 treatment

Pharmaceutical manufacturers of Ukraine register clinical trials of medicines for the treatment of coronavirus (COVID-19), Health Minister Maksym Stepanov has said.

"There are internal enterprises that register clinical trials of medicines, which they produce in our country. Currently, they are Farmak, Borschahivsky Chemical Pharmaceutical Plant, Darnitsa pharmaceutical company, Biopharma and Interchem. They are trying to create medicines to treat COVID-19, including symptomatic ones. For example, Darnitsa brought in a substance for the production of hydroxychloroquine, while Biopharma registered a clinical trial of Bioven," he said during a press briefing in Kyiv.



Interchem receives health ministry's permit for clinical testing of Amixin for effectiveness in COVID-19 treatment

Double liability company Interchem, a pharmaceutical company based in Odesa, has received the permit of the Health Ministry of Ukraine for conducting clinical testing of antiviral medicine Amixin for effectiveness in treatment of coronavirus (COVID-19).

Director General of the company Anatoliy Reder told Interfax-Ukraine that a respective decree of the Health Ministry was signed on May 14.

He also said that the company requested the consideration of the application on clinical trials of Amixin due to the fact that the medicine had previously shown its effectiveness against a number of dangerous viral infections. During preclinical trials, it was proved that tilorone (the active substance of Amixin medicine) has antiviral activity against a number of strains of ordinary coronaviruses.

Several international research centers have already conducted and are carrying out testing of tilorone against SARS-CoV-2 coronavirus.



“As we can see, not only do we consider Amixin as a potentially effective medicine against COVID-19, but also researchers abroad,” Anatoliy Reder said.

Reder said that, in particular, such trials were conducted at the Institut Pasteur Korea (South Korea), and in two research centers in the United States as well.

“Based on the data of preclinical trials showing the highly effective antiviral effect of tilorone against SARS-CoV-2, we applied to the Health Ministry for approval of the third phase of clinical testing to expand the range of use of Amixin medicine and obtain evidence on its efficiency and safety for treating patients with COVID-19 infection,” he said.

According to Reder, clinical trials of Amixin will be conducted by research centers in three cities of Ukraine. In general, a trial may take three to four months from the moment the Health Ministry gave a permit for conducting it to the pharmaceutical company.

Interchem is one of the leading pharmaceutical companies in the country.



Ukrainian Farmak to use German scientists' protocol of testing antiviral medicine efficiency against coronavirus

PJSC Farmak pharmaceutical company (Kyiv) will use the German scientists' protocol of clinical trials of the antiviral medicine efficiency, produced by Farmak for coronavirus (COVID-19) treatment, the company's press service said with reference to Chairperson of the Supervisory Board of Farmak Filya Zhebrovska.

“This medicine was tested apart from human trials and showed good results. We need to come to clinical trials and conduct them, so that in the autumn we know that this medicine is effective and it can fight COVID-19. German scientists helped us indeed. They have prepared the clinical trial protocol correctly, so that we can investigate if this medicine is working according to all necessary criteria. This is a big, hard and expensive work,” she said.



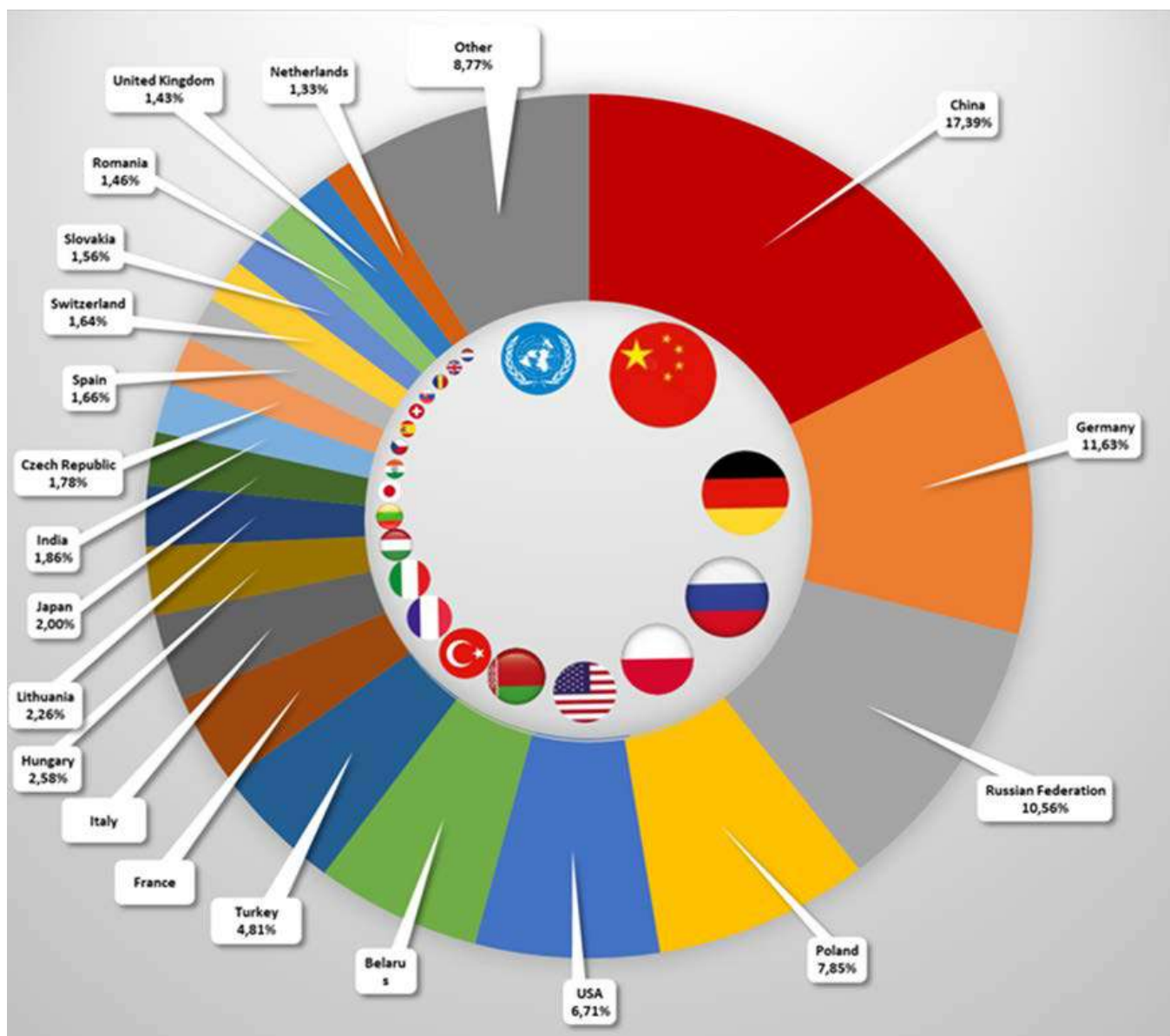
“There are good studies on our antiviral medicine at Oxford and Frankfurt universities,” Chairperson of the Supervisory Board of Farmak Filya Zhebrovska said.

Zhebrovska said that significant financial funds are needed for the development of COVID-19 vaccines, which Ukraine and the Ukrainian pharmaceutical companies do not currently have.

“The European Investment Bank organized a consortium together with the WHO and allocated EUR 7.6 billion for the development of vaccines for COVID-19. Neither Farmak, nor Ukraine, unfortunately, have such financial capacities. Perhaps we can join to these works at some stage,” she said.

Farmak is the leader in the pharmaceutical market of Ukraine in terms of sales. It exports products to 20 countries.

Main trade partners of Ukraine in % from total volume (import from other countries to Ukraine) in Jan-Feb 2020



Chinese corporation becomes first resident of Ukrainian project

DCH Group of Oleksandr Yaroslavsky and ZTE Corporation, a large Chinese telecommunications equipment manufacturer, have signed a memorandum of cooperation under the Ecopolis KhTZ project, the DCH press service has said.

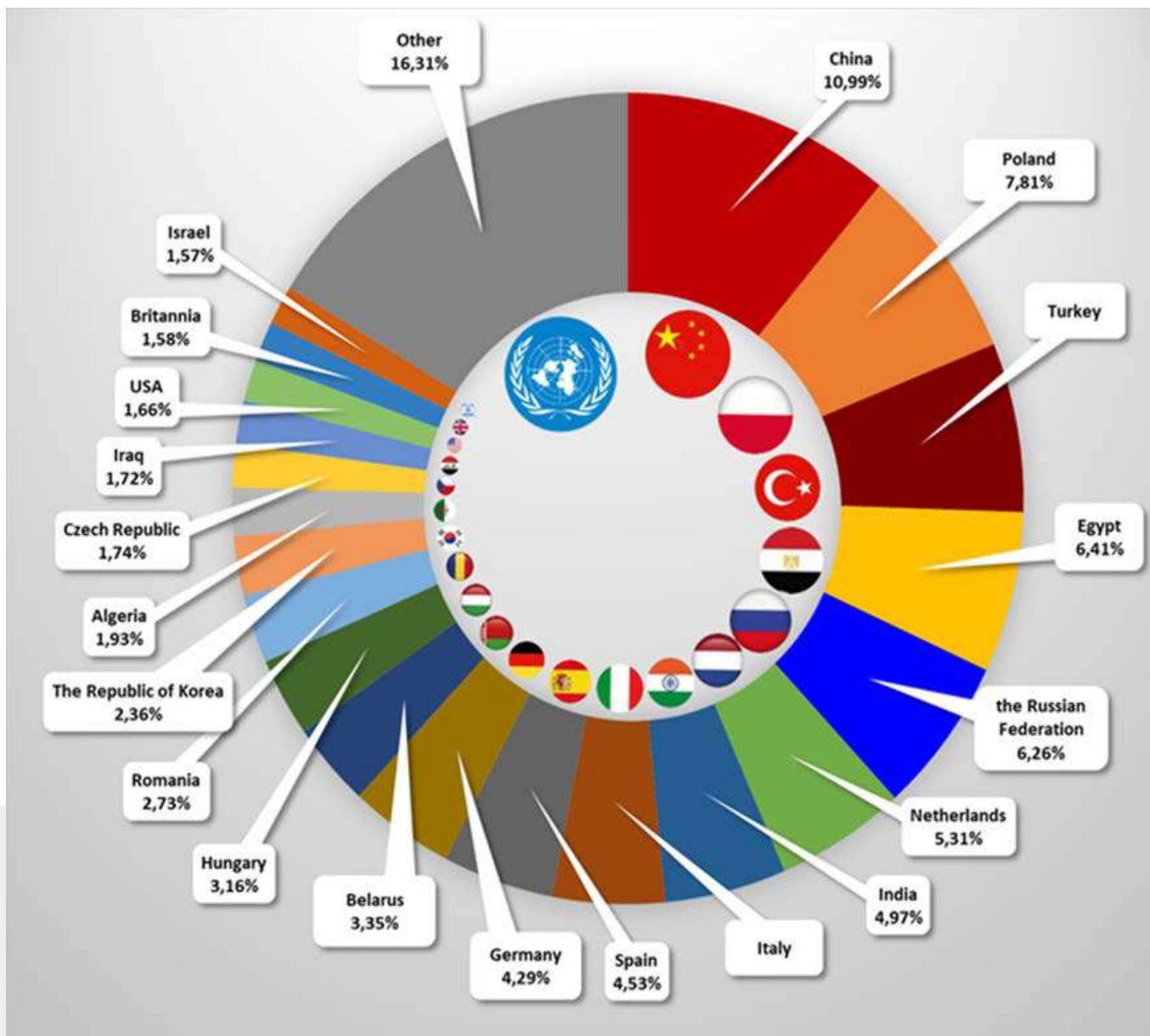
The document was signed on behalf of DCH by the managing company of the Ecopolis KhTZ business park, and on behalf of ZTE – the Ukrainian division of ZTE Ukraine Corporation. The ceremony was held in a video conference format due to quarantine restrictions in Ukraine.

According to the report, ZTE became the first Ecopolis KhTZ business resident in the industrial park (industrial cluster) and the technology park (IT and R&D clusters). The promising areas of cooperation are the creation of a ZTE office, an R&D center, and a production site in the territory of Ecopolis KhTZ.

“You are the first in the development of the Ecopolis KhTZ technology cluster. I hope other Chinese companies will follow you, such as, for example, Alibaba Group,” DCH said.

In turn, the vice president of ZTE Corporation emphasized the compliance of the Ecopolis KhTZ project with his company’s strategic priorities, and the CEO of ZTE Ukraine said that ZTE is ready to offer its expertise for the implementation of Smart City digital transformation projects in Kharkiv.

Main trade partners of Ukraine in % from total volume (export from Ukraine to other countries) in Jan-Feb 2020



Nova Poshta Global starts regular air delivery from/to United States, China

Nova Poshta Global (NPG), a member of Nova Poshta group of companies, launches scheduled flights from/to the United States and China.

The company's press service said on Tuesday that flights by the order of Nova Poshta Global will be operated several times a week and deliver both parcels from Ukraine and purchases made by Ukrainians in online stores of these countries.



"We launched scheduled flights with our regular partners Lufthansa, LOT and UIA, and last week we began cooperation with Ukrainian airline SkyUp. We deliver on average about 25,000 parcels weighing more than 38 tonnes per week from the United States," the press service said, citing Nova Poshta Global CEO Yuriy Benevysky.

According to Nova Poshta Global, orders from the United States increased by 4.7 times in the first quarter of 2020 compared to the same period in 2019, which was due to cooperation with the American online store iHerb, namely, some 230,000 parcels with a total weight of 360 tonnes were delivered from that store for the first quarter of 2020. According to the data provided, the number of deliveries of NP Shopping service has also increased in particular some 81,000 parcels were delivered in the first quarter, which is 32% more than in the same period in 2019.

RDS plans to open N-01 Kyiv-Znamyanka highway three months ahead of plan

Construction on the N-01 Kyiv-Znamyanka highway, which in three sections is being carried out by RDS group of road construction companies within the government's and president's "Big Construction" program, is three months ahead of schedule, the company has said..



"We are ahead of schedule on the N-01 highway. There are only three sections. According to the contract, we must hand over the first one in September, the second one in October, the third one in November, but we will finish everything in July," Yuriy Shumakher, the co-owner of the group, told Interfax-Ukraine.



According to him, almost 100 people work at the facility, employees comply with sanitary safety standards. The company said that it had signed agreements on this site for a total of UAH 658 million with the Automobile Road Service of Cherkasy region. Repairs are underway in Horodysche and Smila districts. Some 36.8 km of old pavement have been dismantled. The new coating will be two-layer. The bottom layer of asphalt concrete pavement has been laid. In Horodysche district, some 14 km of the upper finish layer have been laid. Now traffic is in a reverse mode. RDS Group is included in the top three road construction companies of Ukraine. It includes Kyivshliakhbud" and Rostdorstroy. The core business is construction, reconstruction and maintenance of roads and bridges, construction of airfield complexes. The ultimate beneficial owners of RDS Group are Ukrainian citizens Yuriy Shumakher and Yevhen Konovalov.

Ukraine increases electricity exports by 15% in Jan-April

Ukraine increased electricity exports by 15% (by 319.4 million kWh) in January-April 2020 compared to the same period in 2019, to 2.449 billion kWh, the Ministry of Energy and Environment Protection has told Interfax-Ukraine.

Electricity supplies from the Burshtyn thermal power plant (TPP) energy island to Hungary, Slovakia and Romania increased by 24.7% (by 351.2 million kWh), to 1.772 billion kWh.



Electricity supplies to Poland increased by 24.2% (by 106.4 million kWh), to 546.7 million kWh.

Electricity supplies to Moldova amounted to 130.3 million kWh, which is 51.5% (138.2 million kWh) less than in January-April 2019.

Thus, Ukraine imported 1.705 billion kWh of electricity, in particular 1.012 billion kWh was supplied from Slovakia, some 408.6 million kWh from Hungary, some 152.3 million kWh from Belarus, some 78.3 million kWh from Romania and some 53.4 million kWh from Russia over the first four months.

Ukraine should re-look at development of nuclear power generation – minister

Ukraine should re-look at the development of nuclear power generation, including focusing on the implementation of projects that increase the ability to maneuver, acting Minister of Energy and Environmental Protection Olha Buslavets has said.

Commenting on the relevance of the Ukraine-EU Energy Bridge project in an interview with Interfax-Ukraine, she said that, in the context of the construction of new facilities, it is more advisable to focus on the construction of small modular reactors (SMR).

“The decisions on the energy bridge are related to the completion of reactors three and four of the Khmelnytsky NPP. My personal expert conviction: we need to reconsider what exactly needs to be developed in nuclear power generation. If we talk about new construction, we should talk about small modular reactors with the possibility of regulation. We already have a power system that is very overloaded with basic capacities. Energoatom is 55% of our electricity production, which, I will remind you, is not regulated,” acting Minister of Energy and Environmental Protection Olha Buslavets said.

In addition, Buslavets expressed the opinion that for Ukraine, which plans to synchronize with the European Network of Transmission System Operators for Electricity (ENTSO-E) by 2023, it would be more expedient to focus all its efforts on this project.

“When the energy bridge project was only being worked out, I did not see the point in a separate project if there were plans for general synchronization with the European system. It would be more expedient to focus all efforts on general integration, rather than being distracted by some separate projects and give separate conditions,” the acting minister said.

State-run Ukravtodor offers system of levying fees for using roads for foreign trucks based on GNSS



The Reform Support Team of the State Automobile Roads Agency of Ukraine (Ukravtodor) is designing a project on road pricing for foreign trucks with the maximum loaded weight of 12 tonnes and more.

An expert of the Reform Support Team at Ukravtodor told, they plan to charge fees only on vehicles of foreign carriers with the maximum loaded weight of 12 tonnes or more, which carry out transit traffic through Ukraine.

The project is planned to be implemented on the basis of the Global Navigation Satellite System (GNSS).

According to the calculations of the Ukravtodor's Reform Support Team, the implementation of the GNSS system on international roads will make it possible to receive additional revenues of UAH 8.9 billion to the Road Fund annually.

The payback of the project will be about one year, and profitability will be about 80%.

With the help of this system, it is possible to levy fares for crossing bridges, tunnels and cities, parking; control movement and automatic formation of the route for large-size vehicles, as well as bring the transportation market to the transparent plane.

This will also help implement Directive 1999/62/EC of the European Parliament and of the Council of 17 June 1999 on the charging of heavy goods vehicles for the use of certain infrastructures.

Ukrainian president plans to find \$3 bln for big bridges project

Ukrainian President Volodymyr Zelensky plans to find financing in the amount of \$3 billion for the construction program to restore bridges across Ukraine.

"There is a planned large program, which I am looking another \$3 billion for, as this is my responsibility. These are all the bridges of our country," he said during a press conference.

According to the president, only in Ivano-Frankivsk region there are about 1,900 bridges of different sizes. Zelensky also said that it is planned to complete the construction of a bridge in Zaporizhia in two and a half years.



Vodafone increases revenue in Ukraine by 28% in Q1

The mobile operator Vodafone Ukraine in the first quarter of 2020 reached an income indicator of UAH 4.39 billion, which is 28% more than in the same period in 2019.

According to a press release, the operator's OIBDA (operating income before depreciation of fixed assets and intangible assets) increased by 30% compared to the first quarter of 2019 and reached UAH 2.3 billion. OIBDA margin increased to 53.3%.

"In the first quarter, Vodafone Ukraine's net loss amounted to UAH 744 million, which is connected with the exchange rate difference on the revaluation of eurobonds of \$500 million issued by the company in February 2020 – the hryvnia devaluation at the end of the quarter compared to the rate on the date of receiving the loan amounted to 15%," the company reports.



Kyivstar provides possibility to remotely switch to operator's contract tariff

Kyivstar mobile operator launches the possibility to switch to the company's contract tariff remotely, one can order free courier delivery of SIM cards and contracts throughout Ukraine.

According to the operator's press release, both existing Kyivstar subscribers and new customers who decide to join the national telecoms operator's network can use this service.

"For this, it's enough to choose the best contract rate in the Kyivstar online store at shop.kyivstar.ua and place the delivery. During its confirmation, subscribers will be able to immediately enter all the necessary data to sign an agreement and receive an already completed document for signing. Delivery will be carried out at a time convenient for the subscriber by prior agreement," Kyivstar noted.



Maxevents presents a new online speaking club and business english course



Kyiv-based company MaxEvents, which specializes in public event and communications management, presents a new format of learning business English during the quarantine.

The course titled "Nothing Personal, Just Business English" will be held in the format of a speaking club according to the 90/10 principle, which means that students will get 90% of speaking opportunities during the course and 10% will be given to the teacher. Marketing and public relations, recruiting and HR management, retail and real estate market trends, online sales, pitch decks for investors and many other important issues will be discussed during the classes. The course will become a platform for intensive training of speaking skills in business English, vocabulary development and learning how to keep up any business conversation with foreign colleagues. The speaking club is open for new active students. The groups will consist of a maximum of ten people so that each student can have a speaking opportunity during a live business discussion.

If you are not ready for speaking yet, you can join the classes as a listener with access to all materials of the course and an opportunity to upgrade to the status of speaker. The course includes 20 online classes on the Zoom platform. The course includes 20 online classes on the Zoom platform.

The course will be held by Maryana Kushnir, a business English teacher and communications specialist with 20 years of work experience in international companies and organizations.

The course fee is UAH 3,900. Payments are accepted from both legal entities and individuals.

www.maxevents.info

+38(67)9705259

prmaxevents@gmail.com

Seaports of Ukraine increase cargo handling by 12.5% for four months

In January-April 2020, the seaports of Ukraine handled more than 55 million tonnes of cargo, which is 12.6% more compared to the same period in 2019.

According to the statement of the Ukrainian Sea Ports Authority on the state-owned enterprise's website, traditionally, the leaders in transshipment are grain and ore.

Over the indicated period 18.7 million tonnes (5% more) of grain and 13.8 million tonnes of ore (30.5% more) were handled. Handling of coal doubled to 2.5 million tonnes and that of crude oil increased by five times to 800,000 tonnes. Transshipment of containers by Ukrainian ports amounted to 357,700 TEU (up by 17.2%).

According to the Sea Ports Authority, handling of exported cargo increased due to a rise in transshipment of grain to 18.2 million tonnes (by 5.3%), iron ore to 10.9 million tonnes (by 45.4%), oil to 2.2 million tonnes (by 8.8%). Four seaports led in terms of cargo handling: Pivdenny, Mykolaiv, Chornomorsk and Odesa. In general, they processed 47.7 million tonnes of cargoes, which is 87% of the total volume of cargo handling by Ukrainian seaports.



Astarta agroholding receives net loss of EUR13.32 mln in Q1

Astarta agroholding in the first quarter of 2020 received a net loss of EUR13.32 million, which is 2.7 times more than in the same period last year.

According to the company's report on the Warsaw Stock Exchange, its revenue in the reporting period decreased by 9.8%, to EUR101.34 million due to lower sales in the crop segment, which accounted for 39% of consolidated sales compared to 52% in January-March 2019. EBITDA increased by 1.7 times, to EUR27.78 million amid an increase in the share mainly in crop and sugar segments. EBITDA margin increased from 14% to 27% in the first quarter of 2020. Gross profit rose by 47.3%, to EUR29.87 million.

Crop production ranked first in the structure of consolidated revenue and amounted to 39%. The segment revenue declined by 33%, to EUR39 million, mainly due to a 17% year-on-year decline in corn sales, to 236,000 tonnes. Most of the grain and oilseed crop in 2019 was sold by the end of the first quarter of 2020. The export share increased to 96% compared with 91% in the corresponding period of 2019.

The sugar segment revenue grew by 46%, to EUR28.76 million (28% of revenue) due to an increase in sugar sales by 44%, to 78,000 tonnes in January-March 2020 and an improvement in sales prices to EUR352/tonne compared to EUR316/tonne in the first quarter of 2019. During the reporting period, Astarta exported 7,000 tonnes of sugar (at the level of January-March 2019), as world prices remained low.



This digest is a mutual project of the Interfax-Ukraine News Agency and the Open4business.com.ua. Maksim Urakin is a project director of the Biweekly news digest of Open4business.com.ua.

Contact Info: urakin@interfax.kiev.ua, info@open4business.com.ua <https://www.facebook.com/ukraineopen4business>, <https://twitter.com/uaopen4business>

+38(044) 270 65 74

Export of agricultural products of MHP globally has not changed



Due to the COVID-19 coronavirus pandemic, the export of agricultural products of the Myronovsky Hliboproduct (MHP) globally has not changed; the geography has slightly shifted from Europe towards Asia, the owner of the MHP, Yuriy Kosiuk, has said.

"Globally, nothing has changed. Europe has slightly fallen due to lower consumption, although all of our enterprises are located there. The Arab markets, Africa have grown. Japan is a little closed, but in the near future, I think, everything will reopen. The only thing is that the geography has shifted slightly from Europe to Asia," he said in an interview with the Novoye Vremia publication.

According to Kosiuk, the countries of the Arabian Peninsula have already made a request to support and secure them in the supply of meat.

"This issue became especially acute after the opening of markets. Many companies in these countries closed due to COVID-19 cases at production facilities. A similar situation in the United States: closures of production facilities due to outbreaks of COVID-19, shortage in the domestic market, half-empty shelves in stores. In Ukraine, thank God, this did not happen," the owner of the company said.

SUBSCRIBE FOR UPDATES

