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Ukraine signs memorandum with European Union on EUR 1.2 bln loan

Ukraine signed a memorandum with the European Union of understanding and a loan agreement between Ukraine, the National Bank of Ukraine (NBU) and the EU on the country's receipt of macrofinancial assistance in the amount of EUR 1.2 billion.

On the Ukrainian side, the documents were signed by Finance Minister Serhiy Marchenko and NBU Governor Kyrylo Shevchenko.



HEADLINES



INFRASTRUCTURE PROBLEMS, TARIFFS, UNEMPLOYMENT MOST OF ALL RAISE CONCERN AMONG UKRAINIANS



UKRAINE OPENS VISA-FREE REGIME FOR CITIZENS OF AUSTRALIA, NEW ZEALAND AND ARABIAN PENINSULA



UKRAINE'S ECONOMY MINISTRY PREDICTS 4.6% GDP GROWTH IN 2021



BOSCH INCREASES SALES IN UKRAINE BY 10%



DNIPRO HOTEL IN KIEV TO BECOME BASE FOR E-SPORTS EVENTS



UKRAINE HARVESTS 20 MLN TONNES OF GRAIN

Infrastructure problems, tariffs, unemployment most of all raise concern among Ukrainians

The vast majority of Ukrainian citizens are concerned about infrastructure problems in their cities and villages, unemployment, housing and utility tariffs, as well as mass renaming of cities, villages and streets. Meanwhile, the issues of security and fight against corruption, which are being promoted by politicians, raise concern among fewer citizens.

This is shown by the results of a joint sociological survey, which was conducted by Active Group and the Expert Club and presented at a press conference hosted by the Interfax-Ukraine News Agency.



According to the survey, which was performed on July 10-12 via a phone interview, more than a half of citizens are concerned about quality of roads (54%), condition of public places (44.7%), condition of the infrastructure inside buildings (43.5%), unemployment (34.2%) and housing and utility tariffs (31.1%).

Almost a third of Ukrainian citizens (29.2%) are unhappy with mass renaming of streets, villages and cities all over the country.

Some 26.7% respondents are concerned about the lack of parking lots.

At the same time, the issues of security and corruption worry not more than one tenth of the population (10.6% and 8.7% respondents, respectively), while rural residents are not concerned about security and corruption at all.

While commenting on the results of the survey of Active Group and the Expert Club, co-founder of the Expert Club Danylo Bohatyriov said that he was not surprised by the fact that the population is concerned about infrastructure-related problems in the first place. It is a predictable response of people to broken roads and rotten communications. He added that while the authorities are at least trying to repair roads, the infrastructure of buildings lacks their attention even despite the fact that the housing and utility tariffs jumped by twelve times over the recent six years.

"The lack of jobs and the cost of utility services raise concern among almost equal number of respondents. And this is quite clear as the second problem originates from the first one. If they don't have jobs, they are unable to pay for utility services. It also appeared that the issue of renaming streets and other objects is a matter of concern for 30% of respondents. Earlier, experts used to underestimate the level of concern with the issue among the population and disregard it," the expert said.

Additional information about the survey is available on the website of Active Group and on the Expert Club YouTube channel

New quarantine rules to be in force in Ukraine from August 1

New quarantine rules will take effect in the country from August 1, Health Minister Maksym Stepanov said during a press briefing in Kyiv.

"From August 1, new rules regarding quarantine restrictions begin to operate in Ukraine. We have made a distribution into four zones, each will have different restrictions. The softest will be in the 'green' zone – mask mode, keeping a distance, one person per 5 square meters at public events, when visiting cinemas and theaters, the occupancy of the hall is no more than 50%, in public transport transportation is exclusively within the seating area. Regarding the crossing of the border between the 'red' and 'green' zones within the country, traffic will be limited in the 'red' zone, appropriate posts will be set up at the crossing," he said.

The minister stressed that new rules are introduced for the division of countries into "red" and "green" zones.

"Regarding the arrival from abroad from August 1, the statistics will be updated every seven days. We will also change the indicators – if we are currently measuring the number of active patients in the country, then from August 1 this will happen like in European countries. There will be two indicators – if the increase in patients over the past 14 days exceeds such an increase in the territory of Ukraine and if the percentage of increase in the last 14 days compared to the previous 14 days is more than 30 people," Stepanov said.

Ukraine opens visa-free regime for citizens of Australia, New Zealand and Arabian Peninsula

President of Ukraine Volodymyr Zelensky has signed a decree establishing a visa-free regime for citizens of Australia, New Zealand and the countries of the Arabian Peninsula. Corresponding decree No. 289/2020, dated July 21, was published on the website of the head of the Ukrainian state. It comes into force on the day of its publication. "To establish, from August 1, 2020, a visa-free regime of entry into Ukraine and transit through the territory of Ukraine for citizens of Australia, New Zealand, the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the Kingdom of Saudi Arabia, if their stay in Ukraine does not exceed 90 days during 180 days. The Cabinet of Ministers of Ukraine is to take the measures expiring from this decree," the text of the document reads.



Ukraine and Egypt discuss steps to develop trade

President of Ukraine Volodymyr Zelensky had a phone conversation with President of Egypt Abdel Fattah Al-Sisi, during which they highly appreciated the trade and economic cooperation between the countries, discussed further steps to develop mutually beneficial cooperation, the press service of the President's Office said.

"The President of Ukraine expressed interest in further strengthening trade and economic cooperation with Egypt, our country's largest trading partner on the African continent and in the Middle East. Zelensky noted the contribution of Ukrainian companies to ensuring food security in Egypt, and stressed the importance of successful implementation of projects of Ukrainian enterprises in this country," the message reads.

In addition, the topic of strengthening cooperation in the space industry was separately discussed.

"Given the considerable experience and the available industrial and engineering base, Ukraine is interested in resuming mutually beneficial cooperation with Egypt in such areas as satellite production and management, modernization of ground-based flight control base and equipment for testing spacecraft, training and education of Egyptian specialists. I am convinced that our states have a significant potential for cooperation in the use of outer space for peaceful purposes," the President of Ukraine said.

The presidents also exchanged invitations on visiting the two countries after the stabilization of the situation with the coronavirus.

Ukraine updates list of red zone countries

The Ministry of Health of Ukraine has updated the list of countries of the "red zone," those arriving from which must undergo a two-week self-isolation or undergo PCR testing for coronavirus disease COVID-19 in laboratories accredited by the Public Health Centre.



The United States, Panama, French Guiana, Oman, Bolivia, Israel, Armenia, Honduras, Belgium, Brazil are included in the top ten countries with the highest rates of active cases of COVID-19 per 100,000 population as of July 27.



In addition, neighboring Moldova, Russia, Romania, Belarus, as well as Ukraine itself, where the rate of COVID-19 disease per 100,000 of the population is 66.70, are on the "red list." In general, the list of "red zone" countries published on the website of the Ministry of Health of Ukraine includes 62 countries.

The "red" zone includes countries where the incidence rate of coronavirus exceeds 40 cases per 100,000 population.

Ukraine's economy ministry predicts 4.6% GDP growth in 2021

The Ministry for Development of Economy, Trade and Agriculture of Ukraine predicts growth of GDP in 2021 at 4.6% with inflation of 7.3%, according to a draft resolution put on the agenda of the government meeting.



According to the document, in 2022, GDP would grow by 4.3% with inflation of 6.2%.

According to the draft resolution, export growth is expected 2.9% next year and 6.4% in 2022, while import growth is projected at 10.6% and 10%, respectively.

The trade deficit will amount to \$10.4 billion in 2021 and \$13.6 billion in 2022, the ministry said.



Citizens of Ukraine can fly on vacation to Bulgaria, Turkey, Egypt, Albania, Montenegro and Croatia

As of July 29, Ukraine can freely fly on vacation to the following six countries: Bulgaria, Turkey, Egypt, Albania, Montenegro and Croatia, Minister of Infrastructure Vladyslav Krykliy said on his Telegram channel on Wednesday.

He said that it is possible to get to Bulgaria only if there is a negative test for coronavirus (COVID-19) disease, made within 72 hours before arrival. In order to get to Croatia the travelers have to show mandatory negative PCR test at entry, made within the last 48 hours. He said that after visiting Montenegro, a 14-day self-isolation upon arrival in Ukraine is required.



According to the minister, entry and return to Turkey, Egypt and Albania are without restrictions.

Krykliy also said that a PCR test can be done before departure, right at the airport, namely, at Boryspil, Lviv and Odesa airports, as the PCR laboratories have been installed for quick testing.

"The data on entry changes every day depending on the epidemiological situation in the countries. Therefore, be sure to check the information before traveling," he also said

Privatization in Ukraine could bring \$1 bln to budget in coming years

Privatization of large-sized enterprises in Ukraine could bring \$1 billion to the national budget in the coming years, Ukrainian Prime Minister Denys Shmyhal has said.

"We also have high expectations from large-scale privatization, which should bring about \$1 billion to the budget in the coming years," the prime minister said during a government meeting.



Affordable loans 5-7-9% program to show results in Ukraine in coming month

The Affordable Loans 5-7-9% program will show results in the coming month as small and medium-sized businesses need such loans following the recent lockdown restrictions, Prime Minister of Ukraine Denys Shmyhal has said.

“I am sure this program [Affordable Loans 5-7-9%] will show results literally in the coming month and this more than UAH 30 billion is exactly the borrowing base which could be refinanced this year,” he told reporters.

The prime minister also said that the government is ready to continue implementation of this program next year as well.



25,000 households in Ukraine install PV panels

As of July 1, 2020 some 25,600 households installed PV panels and utilize clean electricity.



“In the second quarter of 2020, another 1,500 households switched to PV panels. The total amount invested by families exceeds EUR 520 million, and the total capacity of all PV panels is 658 MW,” the press service of the State Agency for Energy Efficiency and Energy Saving said.

The leaders among the regions in the use of alternative generation are: Dnipropetrovsk – almost 3,500 MW, Ternopil – more than 2,200 MW, Kyiv – more than 2,000 MW, Ivano-Frankivsk – more than 1,900 MW and Zakarpattia – almost 1,600 MW.

Startup with Ukrainian roots raises \$11.25 investments

Mobalytics, a startup with Ukrainian roots, has announced the closure of the series A funding round in the amount of \$11.25 million, investments will be used for the creation of a personal assistant for gamers.

Mobalytics told Interfax-Ukraine that the round was headed by the venture funds Almaz Capital and Cabra VC. Other investors who participated in the round include HP Tech Ventures, General Catalyst, GGV Capital, RRE Ventures, Axiomatic, and T1 Esports.

"Being among the first investors, Almaz Capital supported Mobalytics at every stage of the startup's growth from the launch of the first game to the emergence of several game genres on the platform. The team did this masterly, creating all the conditions for scaling their product," Danylo Stoliarov, a partner of Almaz Capital, said.

The startup plans to use the attracted investments to further develop the product, improving analytics and a personalized approach to each user. In addition, Mobalytics intends to increase the number of supported games on the platform and expand its technical and product teams over the next six months.

The Mobalytics team has been building and testing the GPI (Gamer Performance Index) for four years.

Mobalytics is an analytics platform and personal gaming assistant designed to help video game fans hone their skills. In 2016, the startup won the TechCrunch Disrupt Battlegrounds.

One of the largest parts of the startup team is located in Ukraine, the head office is located in Los Angeles (the United States), two of the three project founders are also Ukrainians.



Dnipro hotel in Kiev to become base for e-sports events

A group of investors plans to create the world's first hotel fully prepared for e-sports events on the basis of Dnipro hotel in Kyiv, the co-founder of the Ukrainian multi-gaming e-sports organization Natus Vincere (NAVI), the founder of the DreamTeam gaming platform, Oleksandr Kokhanovsky, has said. "The victory in the auction for Dnipro hotel was won not by Russian oligarchs, but by Ukrainian IT specialists. We will turn it into the first hotel in the world fully prepared for e-sports events. It will include not only the attributes of a top hotel (restaurants, bars, SPA zones, and fitness centers), but also unique e-sports elements: training zones, an e-sports stage, special rooms for professional players, as well as the world's best players' lounge," he said on Facebook.

According to Kokhanovsky, a group of partners and investors will work on the project.

He also noted that a presentation of the Ukrainian Professional E-sport Association was scheduled for September, which plans to have a large infrastructure cybersport project.

"This is a whole ecosystem, which includes the creation of a modern multifunctional e-sports arena with all-Ukrainian and international tournaments, an e-sports academy, educational projects and an e-sports association uniting key market players who will develop the industry and help improve the legislative framework," the founder of NAVI said.

He also thanked the State Property Fund for the professional and modern approach to organizing the auction for the sale of the hotel, saying that privatization in Ukraine has stepped to a qualitatively new level.

"Regarding the cost and terms, we will try to cope in one and a half or two years and invest about \$20 million," he said.

Ukraine retains refinancing rate at 6%



The Board of the National Bank of Ukraine (NBU) has retained the refinancing rate at 6%, the central bank said on Thursday.

"The Board of the NBU has decided to keep the refinancing rate unchanged at 6% per annum. On the one hand, it will keep prices from growing under conditions of economic recovery in 2021-2022, and on the other hand it will leave enough space for further decrease in cost of loans to the individual character level," it said.

According to the statement, the central bank revised its forecast for refinancing rate for 2020 from 7% to 6% per annum with its further growth to 6.5% in 2021.

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Bosch increases sales in Ukraine by 10%

Bosch in Ukraine in January-June of this year, despite the difficulties due to the situation with the coronavirus crisis, increased sales by more than 10% compared to the same period in 2019, CEO of Robert Bosch Ltd. Vitaliy Bulda has said.

"We started the year quite successfully. In April-May, due to the coronavirus crisis, we "sagged" in trade, but June showed a record growth and, in general, in the second quarter, I think, we grew by several percent. Now we are working out our lag – July has become even better than June in sales," Bulda said during an online conference, adding that half-year growth has not been as desired, "but we did everything to take additional share in the falling market."

At the same time, he refrained from forecasting sales for the current year, noting that the main task is to keep the company.

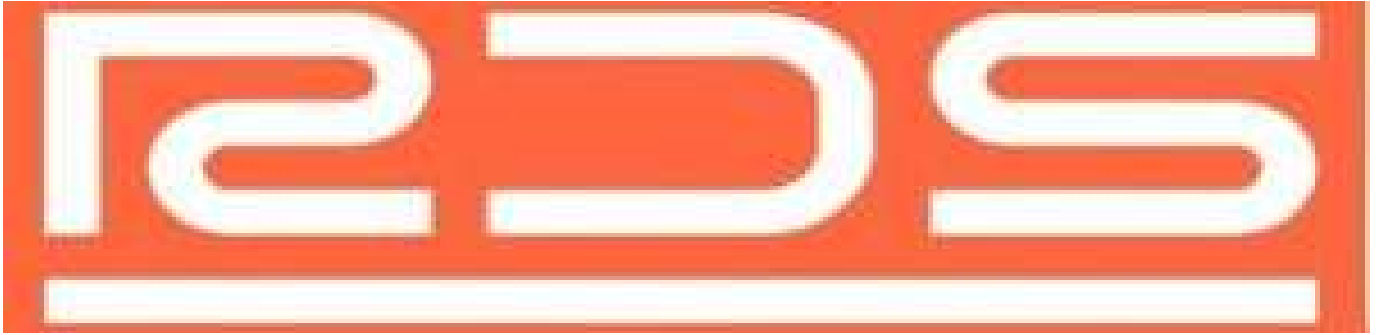
"We do not know what will happen until the end of the year, so our submitted budgets are understated, but today we see that if something more unusual than has already happened does not occur, we will fulfill it (the budget). And I am sure we will remain financially a stable company and we will do our best to take the market share that our competitors give us," he said.

In his opinion, it is more expedient to sum up the results based on the results of the third, or better, the fourth quarter, which will show everything.

Bosch in Ukraine started its work in 1993. The company currently employs 357 people. As reported, in 2019, the company's sales grew by 34% from 2018, to EUR121 million.



Ukrainian RDS Group to build roads in Kherson region – owner



The RDS Group of road construction companies will repair a section of M-14 road in Kherson region, which will be the ninth region of Ukraine in which the company carries out works, the co-founder of RDS, Yevhen Konovalov, told Interfax-Ukraine.



“Our production will be based in Nova Kakhovka. The south, Kherson region are strategically important for the development of both passenger flow and trade infrastructure of our country,” he said.

According to Konovalov, the group plans to join projects in other regions of the country within the president's Big Construction program by the end of this year.



According to the ProZorro system, Rostdorstroy LLC, which is a part of the RDS Group, won two lots in the tender for medium repairs of M-14 Odesa-Melitopol-Novozovsk road in Kherson region worth UAH 22.998 million and UAH 46.98 million (PJSC Khmelnytsky Road Construction Department No. 56 won two other lots).

In addition, Rostdorstroy has passed prequalification along with Khmelnytsky Road Construction Department No. 56 and Avtomagistral-Pivden LLC in several more tenders for medium repairs of this road in Kherson region.

In 2020, the State Agency of Automobile Roads of Ukraine (Ukravtodor) plans to repair 177.5 kilometers of national roads in Kherson region for UAH 2.1 billion, including 36.1 kilometers of M-14 Odesa-Melitopol-Novozovsk road.

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.



EBRD could provide loan to Ukrposhta

The European Bank for Reconstruction and Development (EBRD) could provide a senior sovereign-guaranteed loan of up to EUR 53 million for the acquisition and equipping of postal vans and for the development of modern automated sorting hubs in the cities of Kyiv, Lviv and Dnipro.

Tranche 1 of up to EUR 23 million is intended for the acquisition and equipping of postal vans to be deployed in rural areas across the country and Tranche 2 of up to EUR 30 million for the development of modern automated sorting hubs in the cities of Kyiv, Lviv and Dnipro and an associated network of regional sorting depots.

According to the EBRD, the total cost of the project is EUR 102 million, which includes EUR 53 million of EBRD loan, a EUR 30 million loan of the European Bank for Reconstruction and Development (EIB) and own funds of Ukrposhta in the amount of EUR 19 million.



European Business Association urges to unlock registration of agrochemicals

The European Business Association (EBA) has addressed Prime Minister of Ukraine Denys Shmyhal with a request to resume the work of the system of state registration of pesticides and agrochemicals, which was suspended in late May 2020, according to a statement posted on the association's website on Tuesday.

According to the member companies of the EBA Agrochemical Committee, the problems have become relevant since the renaming of the Ministry of Energy and Environmental Protection of Ukraine and the establishment of the Ministry of Environmental Protection and Natural Resources.

"At the end of May, the Scientific Expert Council at the Ministry recommended 100 chemical products as a result of the meeting. However, as of today, the Ministry of Environmental Protection and Natural Resources has not yet made a decision on their registration. Therefore, the abovementioned chemical products are not included in the State Register of pesticides and agrochemicals approved for use in Ukraine," the EBA said.

The association also noted that if chemicals are not included in the State Register, Ukrainian and international importers and manufacturers of plant protection products will not be able to provide farmers timely with a significant number of next-generation products. "Due to this situation, legal businesses suffer losses as they fail to sell their products. As the result, the state budget lacks revenues from taxes and customs duties estimated at millions of hryvnias," the association said. In addition, the EBA noted that the use period of PPPs is quite short. Accordingly, the farmer will buy what is available on the market.

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Ukraine harvests 20 mln tonnes of grain

As of July 23, 2020 Ukrainian farmers harvested 20.6 million tonnes of grain and leguminous crops from an area of 5.7 million hectares (38% of the forecast).



According to a report on the website of the Ministry of Economic Development, Trade and Agriculture posted on Friday, July 24, 12.8 million tonnes of wheat from an area of 3.5 million hectares (53%) was harvested, 6.4 million tonnes of barley from an area of 1.7 million hectares (75%), and 385,000 tonnes of peas from an area of 173,000 hectares (74%).

In addition, 1.2 million tonnes of rapeseed were harvested from an area of 623,000 hectares (55%).

According to the ministry, the leaders in terms of harvest volumes since the beginning of the harvesting campaign are Dnipropetrovsk (2.7 million tonnes from an area of 787,000 hectares), Zaporizhia (2.7 million tonnes from an area of 776,000 hectares), Kherson (2.5 million tonnes from an area of 823,000 hectares), Mykolaiv (2.5 million tonnes from an area of 844,000 hectares) and Donetsk (2.2 million tonnes from an area of 596,000 hectares) regions. The Ministry of Economic Development, Trade and Agriculture predicts that Ukrainian agricultural producers will harvest 68 million tonnes of grain crops in 2020 compared with 75 million tonnes in 2019.

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