



UKRAINE
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Prime Minister of Ukraine urges diplomats to actively defend business abroad

Prime Minister of Ukraine Denys Shmyhal believes that the protection of the rights and interests of Ukrainian business abroad should become a daily line of work for diplomatic institutions. "Ukrainian business, which has won a place in the markets of the world's countries, also needs support. This should become a daily line of work for diplomatic services. I urge you to be active and persistent in protecting our business," the government's press service said, citing Shmyhal.

The prime minister said that the role of every Ukrainian diplomat in promoting the economic interests of Ukraine in the world is extremely important, since in a pandemic, any business needs support and assistance.

The head of government also said that an equally important area of work of the diplomatic services is to attract foreign direct investment into the Ukrainian economy. According to him, the government has approved priority investment projects in a number of industries, such as energy, transport, processing industry.

"Such projects can be implemented with the involvement of investors, in particular on the terms of public-private partnership, international technical assistance or at the expense of credit funds and the budget. It is necessary for investors to create favorable conditions for them to confidently go to Ukraine. And they take the first step through diplomatic services," Shmyhal said.

HEADLINES



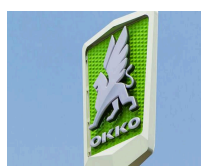
UKRAINE'S INTL RESERVES
EXCEED \$28.5 BLN



OCEAN SHIPYARD FROM
UKRAINE SIGNS MEMO WITH
STATE DEFENSE CONCERN OF
TURKEY TO BUILD CORVETTES



EIB TO ISSUE EUR 270 MLN
LOAN TO STATE-OWNED
BORYSPIL AIRPORT TO
IMPROVE INFRASTRUCTURE



OKKO GROUP HOLDING
PLANS TO INVEST \$500 MLN
IN SKI RESORT BUILDING IN
CARPATHIAN MOUNTAINS



DTEK PLANS TO EXPAND
POWER GRID ASSETS IN
UKRAINE AND EU
COUNTRIES



IN 2020 UKRAINIANS
PURCHASE 85,500
PASSENGER CARS

Ukraine's intl reserves exceed \$28.5 bln

Ukraine's international reserves have grown to over \$28.5 billion, which is 12.6% more than as of December 1, 2020 (\$25.3 billion), Head of the Council of the National Bank of Ukraine (NBU) Bohdan Danylyshyn has said.



“The international reserves of the NBU on December 28 remained at a level close to an eight-year high – more than \$28.5 billion, having increased by \$3.2 billion since the beginning of the year,” he wrote on Facebook.

He added that the balance of foreign exchange interventions of the NBU since the beginning of the year amounted to \$1.1 billion. As reported, at the beginning of this year, Ukraine's international reserves amounted to \$25.302 billion, and net international reserves some \$15.785 billion.

In the structure of reserves at the beginning of the year, securities accounted for 84.2%, cash, correspondent accounts and deposits for 10.9%, and gold for 4.8%.



Ukraine approves concept of Donbas economic development

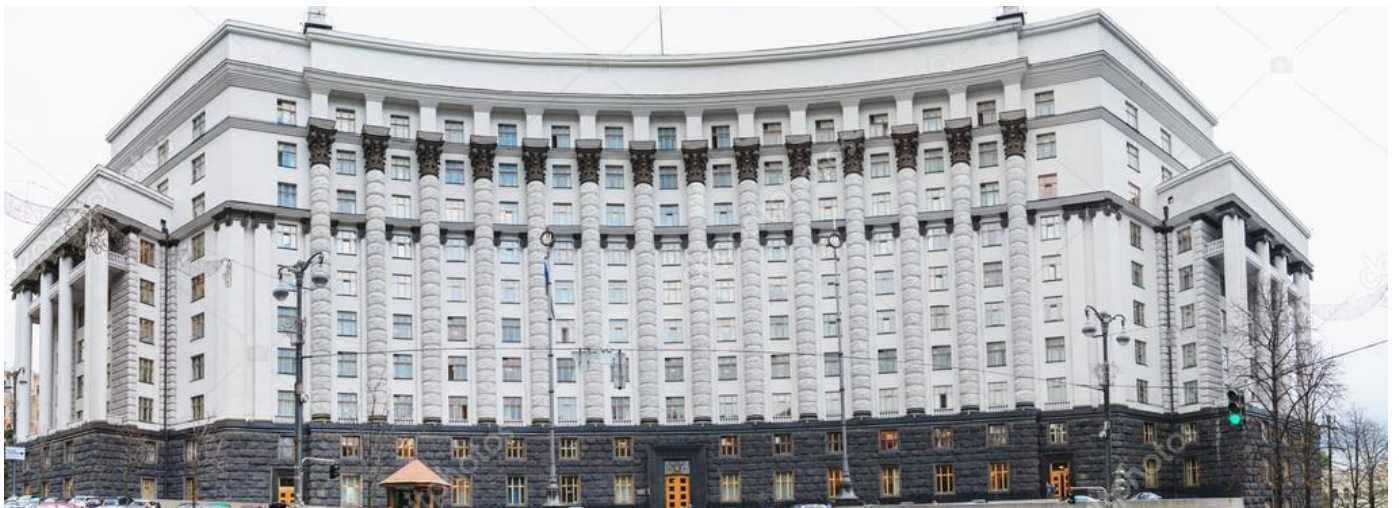
The Cabinet of Ministers of Ukraine has approved the Concept of economic development of Donetsk and Luhansk regions until 2030.

The purpose of the document is to determine the conceptual approaches and main directions of the strategy for the economic development of Donbas for the creation of regulatory, institutional and organizational conditions for the formation and development of the economy of Donetsk and Lugansk regions.

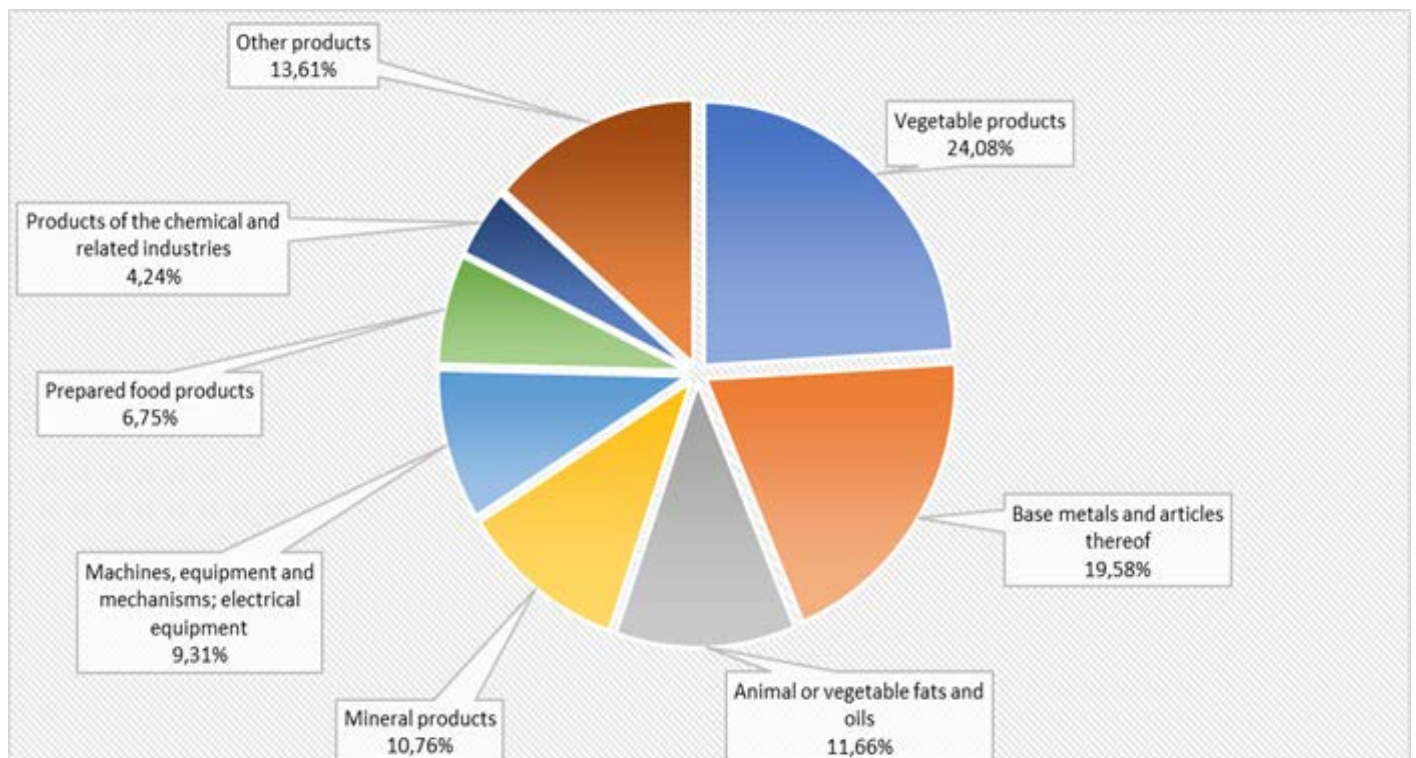
According to the concept, the reboot of Donbas economy will take place in two stages: firstly, under current conditions in the controlled territory of the regions, secondly, throughout Donetsk and Luhansk regions after reintegration.

According to Prime Minister of Ukraine Denys Shmyhal, these territories require additional incentives that will create an attractive platform for involving investments.

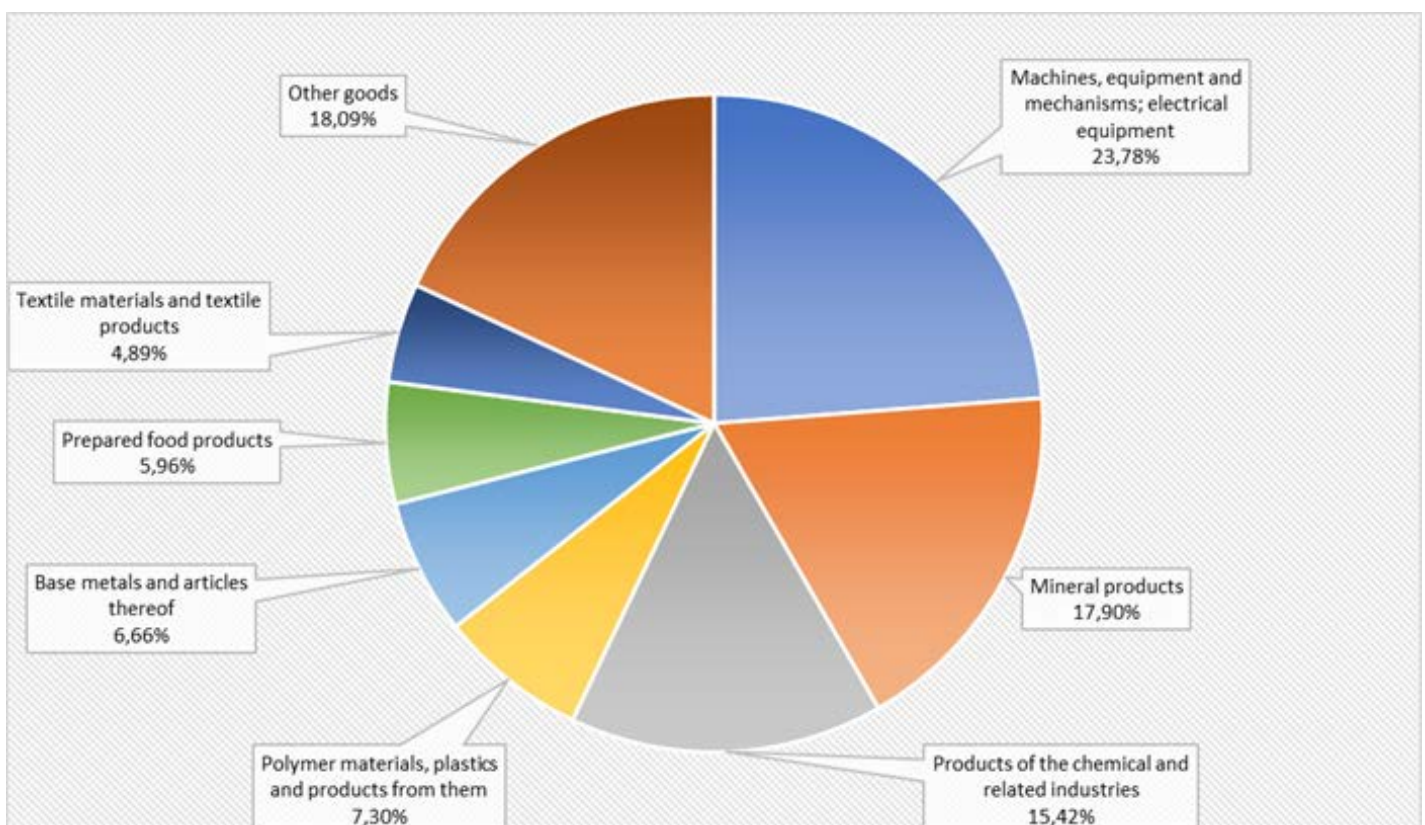
In particular, this is about development in the direction of the real sector of the economy, industrialization, the development of critical infrastructure and logistics.



Foreign trade turnover by the most important positions in Jan-Sept 2020 (export)



Foreign trade turnover by the most important positions in Jan-Sept 2020 (import)



Ocean Shipyard from Ukraine signs memo with state defense concern of Turkey to build corvettes

Ocean Shipyard (Mykolaiv) has signed a memorandum with the state defense concern of Turkey on joint activities to implement a project to build a series of corvette class ships for the Ukrainian Navy in pursuance of a framework military agreement signed in October this year during a meeting of the two presidents in Ankara, as well as a contract for building corvettes signed by the parties in Kyiv on December 14.

According to the company's press release, in order to localize the corvette program, the state defense concern of Turkey conducted an audit of the technical capabilities of Ukrainian shipbuilding enterprises.

“ Ocean shipyard was selected and included in the corvette program, taking into account the unique technical capabilities of the enterprise, the availability of professional personnel and the current program of modernization of production assets.

The memorandum provides for the conclusion of separate contracts between the parties within clearly agreed terms and specific steps of cooperation within the framework of the corvette program.

PJSC Mykolaiv Shipyard Ocean specialized in the building and repair of container ships, tankers, tugs, barges with a deadweight of up to 350,000 tonnes.



EIB to issue EUR 270 mln loan to state-owned Boryspil airport to improve infrastructure and expand capacity

The European Investment Bank (EIB) will allocate EUR 270 million to the state-owned enterprise Boryspil International Airport for the implementation of an investment plan to improve infrastructure and expand capacity. According to a posting on the bank's website, the board of directors approved the project on December 16 this year.

“ The EIB document states that the total cost of this project is approximately EUR 351 million, but other sources of co-financing are not specified.

According to the financial institution, this operation is covered by the EU guarantee for EIB loans outside the EU, and the organizer of the work must ensure that any procurement procedures are carried out in accordance with the EIB procurement guidelines and EU public procurement rules.

“Major works include the rehabilitation of the western airfield system, including the western runway (18R-36L), which has been operating for more than 50 years and is in poor condition, the associated parallel taxiway, the airfield ground lighting and the instrument landing systems, plus a range of other associated airside infrastructure works,” the bank said on its website.



Ukroboronservice and Qatari QTerminals sign memo of cooperation

Subsidiary of the state-owned company (SOE) Ukrspecexport – SOE Ukroboronservice and the design company of the Qatari port operator QTerminals W.L.L. – QTerminals Olvia LLC signed a memorandum of understanding and cooperation in the presence of Minister of Infrastructure of Ukraine Vladyslav Kryklyi.

The press service of the Ministry of Infrastructure said on Tuesday evening, the parties will work intensively to ensure proper implementation of the concession agreement and further efficient and profitable operation of the port.



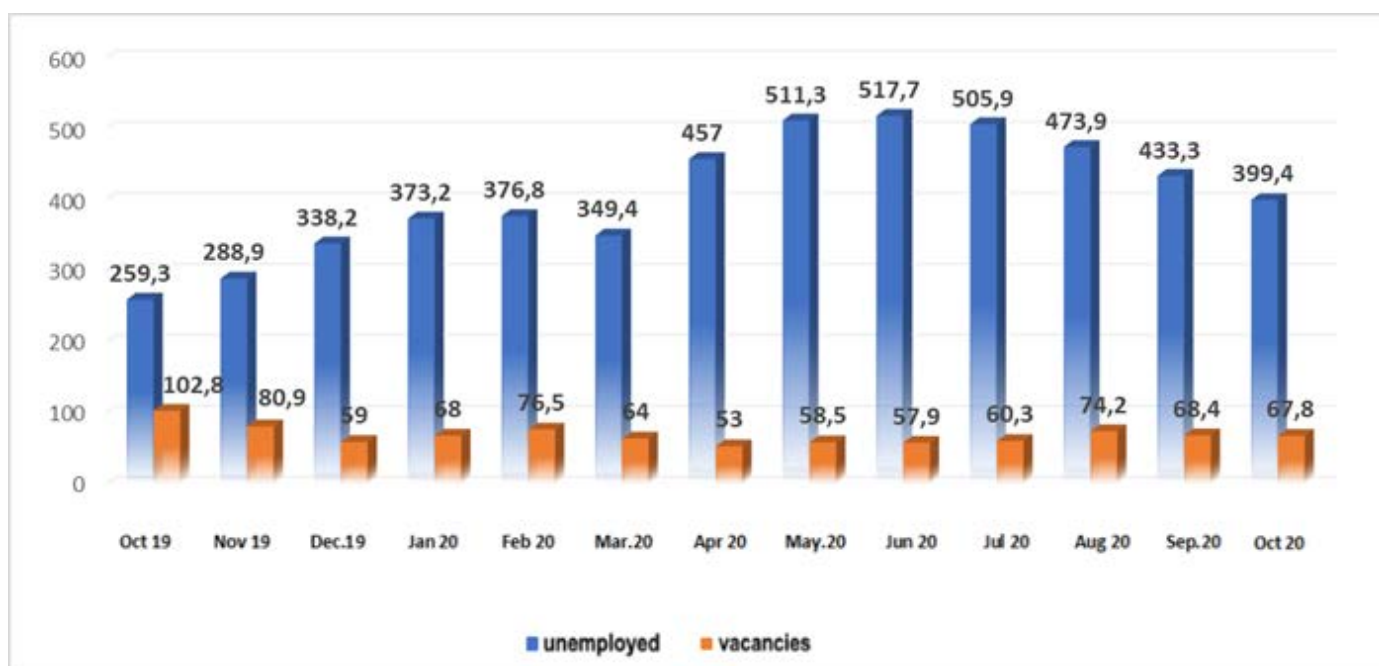
“Olvia specialized seaport is our second concession project, under which we hired the world’s leading operator – Qatari company QTerminals, which manages the largest commercial port of Qatar – Hamad with the value of more than \$7 billion. Today, the design company of the concessionaire QTerminals Olvia and Ukroboronservice signed the first memorandum of understanding and cooperation within the framework of this concession, which is an important achievement of the transition period,” the ministry’s press service said, citing Kryklyi.

The minister said that, among other things, the document regulates issues related to the common use of infrastructure facilities, and will help the parties to unite efforts to develop strategic infrastructure around the port.

According to him, QTerminals Olvia LLC and SOE Ukroboronservice will jointly make efforts to carry out reconstruction and dredging works, increase the capacity of approach roads and the railway that leads to the port. And the Ministry of Infrastructure, as a concessionaire, will provide ongoing support to the concessionaire in establishing cooperation in the concession project with other state-owned enterprises.

The memorandum also provides for measures aimed at cooperation of the parties with local authorities and public authorities of Mykolaiv region, state-run enterprises and departments in order to ensure sustainable development, as well as the investment attractiveness of the region in which the project is being implemented.

Number of unemployed in Ukraine and job opportunities, May 2019 – Oct 2020



Interpipe attracts EUR 37 mln loan

The international vertically integrated pipe and wheel company Interpipe concluded an agreement with JSB Ukgasbank to sign a general loan agreement for the amount of EUR 37 million.

According to a company's press release, the general agreement provides for a EUR 30 million amortized loan for five years and a revolving credit line for EUR 7 million for three years.



Interpipe Chief Financial Officer Denys Morozov said that Interpipe has raised its first loan after completing the debt restructuring in October 2019.

"It has been obtained as part of the implementation of the Company's strategic goals and allows reducing the interest burden for the Company. We are especially pleased that the financing for the Ukrainian industrial company has been secured at the

OKKO Group Holding plans to invest \$500 mln in ski resort building in Carpathian mountains

OKKO Group Holding plans to start construction of a ski resort in 2021 on the territory of the Slavske amalgamated territorial community (Lviv region). Taras Lozynsky, the deputy head of the department of tourism and resorts of the Lviv Regional Administration, told Interfax-Ukraine that the investment will amount to \$500 million.

"This is a very long-term project that will last about four years. It will start in 2021. Now all issues with the land have been resolved, the next step is the development of the project, design estimates and the start of construction work," he said.

According to Lozynsky, the resort will be built 15 km far from Slavske in the villages of Verkhnia Rozhanka and Volosianka.

"Austrian experts came to study the slopes, the height of the mountains, infrastructure and these settlements were included in the strategy," Taras Lozynsky said.

According to him, the resort will be eight or nine years ahead of Bukovel in technical development. The complex will include over 60 km of skiing pistes. The project will be implemented in three stages.

"OKKO registered all its shares in Slavske and, accordingly, the tax paid by the company remains here in the community. These funds will be reinvested in the development of ski infrastructure, in the Slavske brand, in road repairs and community development," Lozynsky added.

OKKO Group is an all-Ukrainian holding, the flagship of which is the network of OKKO filling stations (Concern Galnaftogaz). The OKKO Group includes more than 10 diversified businesses in the field of production, trade, construction, insurance, service and other services.

The holding also includes the Vash Dom housing construction company, which is engaged in the design, construction and implementation of housing projects.

The shareholders and institutional investors of the holding companies are the European Bank for Reconstruction and Development, Goldman Sachs, Horizon Capital, Renaissance Capital, Genesis AssetManagers, LLP, and others.

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DTEK plans to expand power grid assets in Ukraine and EU countries

DTEK is interested in purchasing new power grid assets in Ukraine and EU countries, CEO of the company Maksym Timchenko has said.

“In our long-term strategy, we are talking about expanding the portfolio of assets, we are ready to further participate in the acquisition of grid companies both in Ukraine and beyond,” CEO said when presenting DTEK’s new strategy until 2030.

As reported, the operating holding DTEK Grids is engaged in the distribution of electricity in Kyiv city, Dnipropetrovsk, Donetsk, Kyiv and Odesa regions.

DTEK was established in 2005 to manage the energy assets of the System Capital Management Group (SCM, Donetsk) of Rinat Akhmetov.

The functions of strategic management of the enterprises of the group that make up the vertically integrated chain for the extraction and enrichment of coal, production and sale of electricity were delegated the holding.



Logistics company Marken from US opens pharmaceutical depot in Ukraine

Logistics Company Marken (the United States) has opened a pharmaceutical depot in Kyiv, according to a company’s press release published by PRNewswire.

“Ukraine continues to be important in Eastern Europe’s clinical trial market and our Kyiv depot will strengthen our position in the region,” Marken President Ariette van Strien said.



Marken’s depots include space for pallet storage and a full range of temperature-controlled storage options including refrigerators and freezers, the press release said.

Marken is a wholly owned subsidiary of the UPS Healthcare division. The company has a network of 56 depots for pharmaceutical products and biological samples around the world.

Mobile operator Lifecell plans to connect another 148 settlements to 4G network

The mobile operator lifecell plans to connect another 148 settlements to the 4G network by the end of December, where more than 200,000 people live.

According to the operator's statement on Thursday, in November 2020, high-speed Internet from lifecell appeared in 452 settlements throughout Ukraine.



“Among them, 80 settlements are unique, as until this year there was no 4G coverage from any mobile operator,” the company said.

At the same time, over the past six months, high-speed mobile communication 4G from lifecell has appeared in 1,250 settlements where more than 800,000 people live.

To improve communication, the operator installed 301 new base stations during 2020 and upgraded another 764 stations.

In general, in 2020, more than 1 million residents of different regions of Ukraine received access to high-speed mobile Internet from lifecell.

Now access to 3G and 4G communications from lifecell is already available to 75% of Ukrainian residents.



British-based Ferrexpo raises production of pellets by 5%

British-based Ferrexpo Plc, which in Ukraine, in particular, controls Poltava and Yeristovo ore mining and processing plants (Poltava GOK and Yeristovo GOK), in January-November of this year, according to recent data, increased the total production of pellets by 5% compared to the same the period of 2019, to 10.16 million tonnes. A representative of the company informed Interfax-Ukraine that during this period the output of concentrate increased by 4.8%, to 12.7 million tonnes.

In November, the company produced 980,000 tonnes of pellets and 1.2 million tonnes of concentrate. According to the company, Ferrexpo in the first quarter of 2020 compared to the same period in 2019 increased its total pellet production by 7.4%, to 2.725 million tonnes. In particular, the production of pellets with a 65% iron content was 2.652 million tonnes (an increase of 9.1%), with a 62% iron content some 73,330 tonnes (a decrease of 31.8%).

Ferrexpo is an iron ore company with assets in Ukraine. Ferrexpo owns 100% of shares in Poltava GOK, 100% in Yeristovo GOK and 99.9% in Belanovo GOK.



Biopharma plans to invest up to \$23 mln in development of plasma centers network by 2025

Biopharmaceutical company Biopharma (Kyiv) plans to invest from \$20 million to \$23 million in the development of a network of plasma centers by 2025, Biopharma President Kostiantyn Yefymenko said.



“We plan to invest about \$15 million in the next three years (in 2021, 2022 and 2023) in the development of blood plasma processing facilities at our site in Bila Tserkva. And we plan to invest in plasma centers during this time about \$20-23 million by 2025,” he said in an interview with Interfax-Ukraine.



Yefymenko said that the company already has seven plasma centers, including in Cherkasy, Kyiv, Kharkiv, Dnipro, Konotop, Shostka and Sumy.

In 2021, Biopharma plans to build four more plasma centers in Kamianske, Mykolaiv and Poltava.

“As for the fourth plasma center [...] we are now thinking whether it will be Kryvy Rih or Kherson. We intend to build plasma centers and blood centers in every regional center of Ukraine in five years,” Yefymenko said.

In 2020 Ukrainians purchase 85,500 passenger cars

In 2020, Ukrainians purchased and registered 85,500 passenger cars, which is 3% less than in 2019, Ukrainian Motor Vehicle Manufacturers Association (Ukrautoprom) said.

“Compared to other European markets, the fall in car sales in Ukraine does not look so dramatic. However, the reason for this is the extremely low consumer activity in the new car market, which developed even before the coronavirus [COVID-19] pandemic, caused by both a fall in the purchasing power of the population focused on the segment of inexpensive cars and the policy of liberalization of imports of used cars, which radically changed the structure of demand in the Ukrainian car market,” according to the association’s website.



According to the association, in the structure of the car market 80% fell on the initial registration of imported used cars and 20% on new cars.

At the same time, in 2020, on the new car market, six out of 12 months showed positive dynamics compared to the same months of the previous year: January (more by 34%), February (more by 21%), June (more by 12%), July (more by 10%), September (more by 6%), and December (more by 7%), while the negative dynamics was formed in March (less by 15%), April (less by 47%), May (less by 15%), August (less by 16%), October (less by 6%) and November (less by 17%).



According to Ukrautoprom, Renault became the market leader for new passenger cars, as in 2019 some 14,360 cars were registered (2% less than a year earlier). Renault Duster became the best-selling model of this brand with 5,534 registrations.

In second place is Toyota, which increased sales by 6%, to 13,315 cars, including 5,689 compact crossovers Toyota RAV-4, which became the bestseller of the year. The third result was kept by Kia, despite the drop in registrations by 20% to 6,089 cars. The volume-forming model in Kia sales was Kia Sportage which was chosen by 5,043 buyers. The fourth place, like a year ago, was given to Skoda, Ukrainians purchased 5,061 cars of this brand (19% less), and the best sales were for Skoda Octavia 1,855 cars. Hyundai closes the top five (in 2019 it was the sixth) 4,031 cars (21% less), where Hyundai Tucson crossover became the most sold 2,280 cars. According to the group, taking into account December sales, in general in 2020 the market of new passenger cars decreased by 3.3%, to 86,000 cars compared to 2019.

AstraZeneca to determine options for supply of vaccines against COVID-19 to Ukraine in near future

Minister of Health of Ukraine Maksym Stepanov has held talks with Executive Director for International and Government Affairs of AstraZeneca Alec van Gelder on the timing and logistics of deliveries of the COVID-19 vaccine to Ukraine.

"For several months, the Ministry of Health of Ukraine has been establishing active and effective communication with the head office of AstraZeneca. Today we have already discussed the logistics and delivery terms of vaccines against COVID-19 from AstraZeneca in Ukraine. Our state is completely ready to receive vaccines. A plan for vaccination of the population has been fully developed," Stepanov said, the press service of the Ministry of Health of Ukraine reported on Facebook.

Alec van Gelder, in turn, noted readiness for active cooperation with Ukraine.

"We thank the Ministry of Health of Ukraine for consistency and openness. Now we will process options for the supply of vaccines in Ukraine in the near future," he summed up.



Myronivsky Hliboproduct creates branch 'MHP logistics'

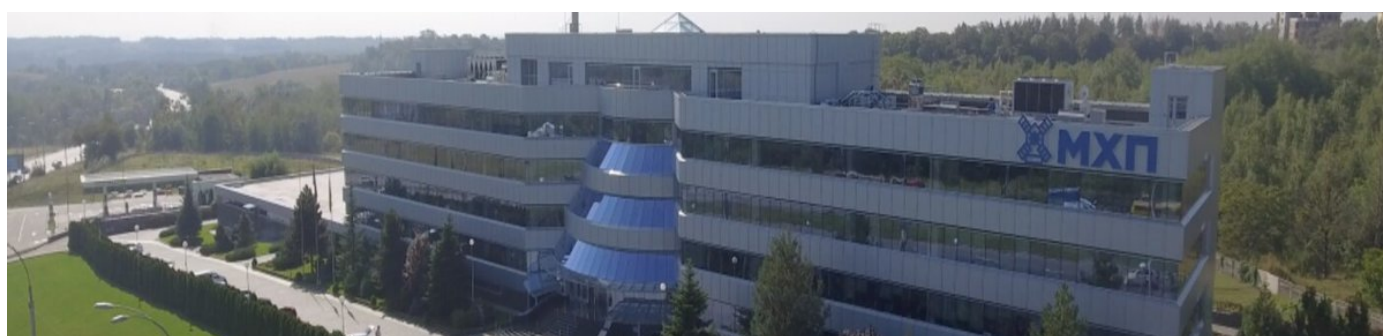
PrJSC Myronivsky Hliboproduct (MHP) has created a branch "MHP Logistics" (Kyiv), the company said in the disclosure system of the National Securities and Stock Market Commission.



"The functions that the branch will perform include all types of cargo transportation by road," the company said.

According to the company, the decision to create the branch was made by the Supervisory Board of MHP on December 21, 2020.

MHP is the largest chicken producer in Ukraine. It is also engaged in the production of cereals, sunflower oil, meat products. MHP supplies the European market with chilled half-carasses of chickens, which are processed, including at its factories in the Netherlands and Slovakia.



Number of IT companies in Lviv in 2020 up by 7% despite pandemic

As of 2020, some 26,500 IT specialists work in Lviv, 80% of whom are technical specialists, according to the IT Research 5.0 industry study conducted by the Fama research agency at the request of Lviv IT Cluster.

According to the study, as of 2020, some 492 IT companies operate in Lviv, which is 7% more than a year earlier (461 companies). At the same time, 45 IT companies closed their offices in 2020.

At the same time, the number of Lviv IT specialists in the current year has also increased – up to 26,500 (24,000-25,000 in 2019) despite the fact that 16.7% of IT companies laid off part of technical workers in the first half of 2020, and 38.9% laid off part of non-technical workers.



The average wage of an IT specialist in Lviv in 2020, according to the study, was \$ 2,080, despite the fact that 44% of IT companies reduced income of their employees in the first half of 2020.

“Among the companies surveyed, absolutely all switched to remote work in the first half of 2020, of which 22% partially and 78% fully. Moreover, 78% of companies as of November 2020 partially returned workers to their offices,” the report says.

According to IT Research 5.0, in 2020 the average age of developers in Lviv is 29 years, while last year the figure was less – 28 years. According to the qualification level, the distribution is as follows: the share of Junior specialists – 24%, Middle – 38% and Senior – 38%.

This digest is a mutual project of the Interfax-Ukraine News Agency and the [Open4business.com.ua](https://open4business.com.ua). Maksim Urakin is a project director of the Biweekly news digest of [Open4business.com.ua](https://open4business.com.ua).

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