

#### SELECTION OF RECOVERY **PROJECTS WITH** ATTRACTION OF FINANCING FROM **EUROPEAN INVESTMENT BANK BEGINS**



The European Investment Bank (EIB), together with the Ministry for Communities, Territories and Infrastructure Development of Ukraine, announced the launch of the selection of projects for the recovery, rebuilding and overhaul of schools, kindergartens, administrative centers and housing and utility services, and providing housing for internally displaced persons (IDPs), the press service of the Ministry of Restoration has said.

The projects will be implemented through financial agreements between Ukraine and the EIB. These are the Ukraine Recovery Programme (projects from local governments) and the Emergency Loan Program for the Reconstruction of Ukraine (projects of public utilities and municipalities).

As the ministry said in the press release, the projects will be implemented in regions affected by the armed aggression of the Russian Federation and faced a burden on social infrastructure due to a significant number of IDPs. The project implementation period is from one to three years, depending on the programme. The funds will be sent to the communities as a subvention from the state budget.

The deadline for submitting projects for participation in the Ukraine Recovery Programme is until June 25 intercax-UKRAINE

#### **HEADLINES**

12 June 2023



DENMARK OPENED INVESTMENT FUND FOR **UKRAINE WORTH 1 BLN** DANISH KRONER



MACROECONOMIC **INDICATORS OF** UKRAINE FROM CLUB OF EXPERTS IN MARCH-**APRIL 2023** 



**ALMOST 25 THOUSAND** APARTMENTS WERE **BUILT IN UKRAINE IN** JANUARY-MARCH



"VETROPACK GOSTOMEL GLASSWORKS" **RESUMES WORK** 



**UKRAINE WILL REDUCE GRAIN EXPORTS BY THIRD** IN 2023



"EXPERTS CLUB" HELD SEMINAR TO TEACH JOURNALISTS BASIC FIRST AID SKILLS

## **UKRAINE NEEDS ANOTHER \$6.5 BLN FOR RECOVERY NEEDS**

Ukraine's unfunded needs for financing priority reconstruction this year amount to about \$6.5 billion more, with a total estimate of \$14.1 billion, Finance Minister Sergei Marchenko said in panel discussions at a meeting of the IMF and World Bank member countries in Montenegro.

"Timely attraction of these funds is crucial for creating proper living conditions for people, returning migrants and promoting economic growth in Ukraine," the minister said in a Finance Ministry press release on Friday.

According to him, the state budget-2023 provides \$3.3 billion for priority reconstruction, and international partners have provided guarantees of about \$4.3 billion.

Marchenko recalled that the needs of the energy sector for priority reconstruction are estimated at \$3.3 billion, humanitarian demining at \$400 million, reconstruction of destroyed and damaged housing at \$1.9 billion, critical and social infrastructure at \$5.8 billion, as well as \$2.8 billion needed to support the private sector.

It is noted that during the discussions the state of the economy in the countries receiving migrants and refugees was discussed, and the head of the Ministry of Finance thanked the governments of the receiving countries for their assistance and protection.

According to him, the factor of Ukrainian migrants has a positive impact on the economies of receiving countries, as Ukrainians spend money and actively integrate into the European labor market.

At the same time, Marchenko noted the priority of the Ukrainian government to create incentives for citizens to return home, and in this context it is important to rebuild the country.

The minister also informed that the governments of Ukraine and Great Britain are closely cooperating on the organization of a conference on the reconstruction of Ukraine, which will be held in late June in London:

"We plan to present reconstruction projects, as well as to discuss mechanisms of insurance against military risks. I am confident that the conference will consolidate international partners and donors and will facilitate their involvement in Ukraine's reconstruction." the Finance Minister said.

## RADA EXEMPTED FROM TAXATION DRONE MANUFACTURERS IN UKRAINE

The Verkhovna Rada has supported drone production in Ukraine by exempting components of unmanned aerial vehicles (UAVs) from value added tax and import duty for the time being.

Bills No. 9275 and 9276 were voted for by 284 and 289 people's deputies at the plenary session of the Verkhovna Rada on Monday in the first reading and as a whole, respectively, parliamentarian Yaroslav Zheleznyak (Golos faction) said in a Telegram.

The bills amend the Tax and Customs Codes and help optimize UAV production and supply processes.

In particular, for the duration of martial law, components (materials, units, equipment units, components) of UAVs that enterprises import for their own activities for the production and repair of unmanned aerial vehicles are exempt from VAT and import duty.



## DENMARK OPENED INVESTMENT FUND FOR UKRAINE WORTH 1 BLN DANISH KRONER

Friday, May 26, at the Ukrainian Investment Forum in Copenhagen, it was announced the launch of a Danish investment fund social program for Ukraine totaling DKK 1 billion, which is about \$133 million, the press service of the Ministry of Economy of Ukraine reported.

"Denmark is one of the leaders in financial assistance to Ukraine. Since the beginning of the full-scale invasion the total military support amounted to \$1.4 billion and the total humanitarian aid, including macrofinancial assistance – \$212 million. The Ukrainian government highly appreciates Danish support and looks forward to deepening bilateral cooperation and further involving Danish businesses in the reconstruction projects in Ukraine. Thus, special investment fund, created for Ukraine, will finance projects with the use of the best Danish technologies and innovative solutions and will be available for both public and private sectors", – noted the First Deputy Prime Minister – Minister of Economy of Ukraine Yulia Sviridenko.

As Deputy Minister of Economy Alexander Griban noted, the main cooperation between Ukraine and Denmark is establishment of mutually beneficial relations, when Ukrainian companies not only import Danish products, but also localize the production of such products in Ukraine.

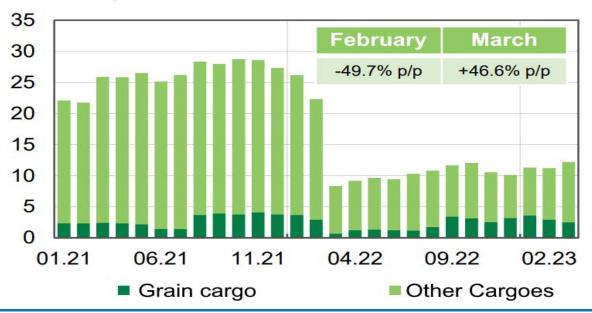
"We are interested in Danish technologies and we see big prospect in application and localization of Danish companies in Ukraine in priority branches. In particular, these are renewable energy, construction materials, technologies of municipal economy renovation as well as defense and dual-purpose technologies", he said.

In addition, the forum announced funding approval of two pilot projects in the field of agriculture and agroprocessing. The question is about the affected companies of the southern region – "Nibulon", which will receive a credit of 25 mln Euros, and "Agrofusion" – 15 mln Euros. Also, loans will be granted to agricultural companies located near the front line in Mykolayiv, which will restore the destroyed production facilities, buying equipment from Danish exporters.

According to Griban, the Danish fund will not only provide financial guarantees, but will also directly carry out lending, which puts it on a separate level of financial institutions that have opened their programs for Ukraine. Also, the Danish government plans to significantly increase the limits and expand the financial assistance program for Ukraine.

"We don't have to wait for the war to stop. We would like to attract Danish business in the early stages of Ukraine's recovery. We must act and support the Ukrainian economy," stressed Morten Bedskov, Minister of Entrepreneurship of Denmark.

## FREIGHT TRANSPORTATION IN UKRAINE BY RAIL IN 2021-2023, MLN TONS



## MACROECONOMIC INDICATORS OF UKRAINE FROM CLUB OF EXPERTS IN MARCH-APRIL 2023

The main macroeconomic indicators of Ukraine testify to the increasing role of international structures in keeping Ukrainian economy in operating mode.

The International Monetary Fund, which earlier estimated the dynamics of the Ukrainian economy this year from 3% of its decline to 1% of growth, is inclined to the fact that GDP growth in 2023 may be at the upper limit of this range. At that, as the head of the National Bank Andrey Pyshnyy said, the negative scenario of Ukraine's GDP fall by 10% this year and 2% next year, contained in the EFF program, confirms the IMF readiness to support Ukraine even in the worst case scenario.

The World Bank estimates that Ukraine's GDP may grow by 0.5% in 2023 and by 3.5% in 2024 after falling by nearly 30% (29.2%, to be exact) last year. At the same time, the World Bank in January 2023 predicted rapid growth of Ukrainian GDP: by 3.3% this year and by 4.1% next year.

The International Monetary Fund in its April review of the global economy (World Economic Outlook: A Rocky Recovery) once again abandoned its forecast for Ukraine beyond 2023, although in the EFF program approved at the end of March it gave a forecast until 2027.

Ukraine's real gross domestic product, after growing by 3.4% in 2021, fell by 29.1% in 2022 due to full-scale Russian military aggression, such official data was released by the State Statistics Service of Ukraine.

The National Bank of Ukraine improved its forecast for the growth of gross domestic product of the country in 2023 to 2% from 0.3% in the January forecast, which is largely due to the reduction of security risks, the restoration of the energy system, as well as soft fiscal policy.

International rating agency S&P has affirmed long-term issuer credit ratings of Ukrainian capital Kiev in foreign and national currency "CCC+" with a stable outlook, indicating that the city has demonstrated good financial performance in 2022, despite the difficult environment.

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The founder of the Kiev analytical center "Club of Experts" drew attention to a significant reduction in the foreign trade balance of Ukraine. "The negative balance of Ukraine's foreign trade in goods at the beginning of 2023 increased by more than 3 times and amounted to almost \$4 billion, we will watch the next months, but if this trend persists until the fall of 2023, the country may face a strong imbalance of the main macroeconomic indicators," – said Maksim Urakin.

According to the authorities, in January-February 2023, Ukraine's foreign trade deficit with goods increased 3.4 times compared to the same period of 2022 – up to \$3.713 billion from \$1.083 billion.

At the same time, the state budget deficit of Ukraine in March 2023 decreased to 59.2 billion UAH from 88.8 billion UAH in February, including the general fund deficit to 72.6 billion UAH from 93.2 billion UAH.

State budget expenditures for support of the AFU in the form of purchase of military equipment, weapons, ammunition, defense products, and personal protective equipment, amounted to UAH 34.4 billion in March (15.3% of total expenditures), compared with UAH 31.9 billion in February (14%), and UAH 28.7 billion in January (15.6%).

Ukraine's public debt and publicly guaranteed debt in 2022 increased by \$13.4 billion to 78.5% of GDP by the end of 2022 from 48.9% in 2021.

According to the National Bank, the deficit of Ukraine's consolidated balance of payments in February was \$722 million after a surplus of \$1.208 billion in January, but the deficit is 2.1 times smaller than in February 2022, when it was \$1.52 billion.

International reserves of Ukraine as of April 1, 2023, according to preliminary data, amounted to \$31.878 billion, which is 10% or \$3 billion more than in February 2023, it is connected with significant receipts from international partners of Ukraine.

EXPERTS CLUB

### UKRAINE DOUBLES STEEL OUTPUT AND RANKS 22ND IN WORLDSTEEL RANKING

Metallurgical enterprises of Ukraine in April this year increased steel production by 2.04 times compared to the same period last year – up to 574 thousand tons from 281 thousand tons.

In March 2023 it was smelted 527 thousand tons of steel.

In this case, Ukraine took 22nd place in the ranking of 63 countries – the world's main producers of these products, compiled by the World Steel Association (Worldsteel).

According to Worldsteel, in April 2023 recorded a decline in steel production to April 2022 in most of the top ten countries, except India, South Korea, Russia and Iran.

The top ten steel-producing countries in April are as follows: China (92.640 million tons, down 1.5% on April-2022), India (10.721 million tons, up 3.2%), Japan (7.239 million tons, "minus" 3.1%), USA (6.586 million tons, "minus" 5.3%), RF (6.380 million tons, "plus" 1.9%), South Korea (5,689 mln tons, more by 3%), Germany (3,197 mln tons, decreasing by 3,8%), Iran (3,063 mln tons, increasing by 5,9%), Brazil (2,773 mln tons, minus 5,9%) and Turkey (2,678 mln tons, less by 20,6%).

Overall, steel production in April this year decreased by 2.4% compared to the same period last year to 161.377 million tons.

For the four months of 2023, the top ten steel-producing countries are as follows: China (354.390 million tons, up 4.1%), India (43.897 million tons, up 3%), Japan (28.861 million tons, down 5.3%), USA (26.061 million tons, down 4.1%), Russia (25.094 million tons, down 0.6%), South Korea (22.355 million tons, minus 0.4%), Germany (12.354 million tons, down 5.9%), Brazil (10.585 million tons, minus 8.8%), Turkey (10.1 million tons, down 21.3%) and Iran (9.710 million tons, up 0.1%).

A total of 63 countries produced 622.736 million tons of steel in January-April, which is 0.3% less than during the same period in 2022.

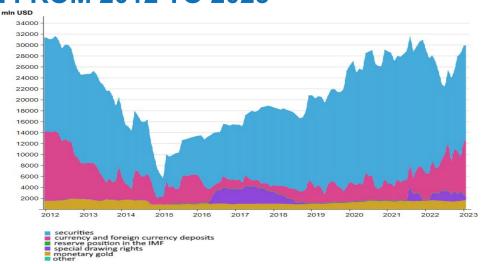
In this case, Ukraine produced 1.809 million tons of steel, which is 2.2 times, or 54% less than in January-April 2022. Is in 25th place at the end of four months-2023.

As reported, at the end of 2022, the top ten steel producing countries were as follows: China (1.013 billion tons, down 2.1%), India (124.720 million tons, up 5.5%), Japan (89.235 million tons, down 7.4%), USA (80.715 million tons, down 5.9%), Russia (71.5 million tons, down 7.2%), South Korea (65, 865 million tons, down 6.5%), Germany (36.849 million tons, down 8.4%), Turkey (35.134 million tons, down 12.9%), Brazil (33.972 million tons, down 5.8%) and Iran (30.593 million tons, up 8%).

In 2022, Ukraine ranked 23rd with the production of 6.263 million tons of steel ("minus" 70.7%).

In total, 64 countries produced 1 billion 831.467 million tons of steel in 2022, which is 4.3% less than in 2021.

## DYNAMICS OF GOLD AND FOREIGN RESERVES OF UKRAINE FROM 2012 TO 2023



## UKRAINE DOESN'T HAVE ENOUGH REHABILITATION SPECIALISTS – OPINION

There is an imbalance between the number of physical rehabilitation centers in Ukraine and the number of rehabilitation specialists that is currently insufficient, according to Vadim Kerestey, head of rehabilitation department of Adonis medical clinic network.

"We can observe a noticeable imbalance between the number of physical rehabilitation centers that have opened over the last year and the number of experienced specialists who can provide quality assistance to the injured", – he told Interfax-Ukraine.

At the same time, according to Kerestei, "the medical system of Ukraine does not currently have sufficient capacity to provide comprehensive rehabilitation services."

"The heavy load on the entire medical system of Ukraine, the lack of the necessary number of experienced specialists and specialized centers make it impossible to provide harmonious and versatile rehabilitation care wherever it is needed," he said.



The expert noted that "the state catastrophically lacks physically enough doctors of rehabilitation medicine: physical therapists and occupational therapists."

"Many, newly opened, rehabilitation centers are critically understaffed with a team of specialized experienced physicians and must create a team from scratch, with specialists who have very little clinical experience, which consequently affects the quality of patient care," he said.

At the same time, the expert noted that "the state medical system is changing very rapidly and actively adapting.

"This allows us to say that in the near future we will be able to do everything for the quality and comprehensive recovery of patients who suffered as a result of Russia's military aggression against Ukraine," he said.

"An option for cooperation between the state and private rehabilitation centers could be the following scenario: since private medical centers already have excellent conditions for comprehensive and effective rehabilitation of victims, the state should guarantee 100% compensation to patients for rehabilitation costs in such medical institutions," Kerestei believes.

The expert noted that such cooperation may be beneficial for the state due to the specifics of rehabilitation: many state rehabilitation centers cannot provide effective help and there will be a need to undergo repeated courses of treatment several times.

At the same time, according to Kerestei, in private medical centers "after the first cycle, the patient will have significantly better results or even will fully recover and be able to return to normal social life.

Commenting on Adonis' place in the national rehabilitation system, Kerestay pointed out that the network of medical centers has been working with wounded warriors for more than 15 months.

He reported that Adonis has had "a vivid experience working with charitable foundations and private donors".



Kerestey stressed that "rehabilitation is an individual and long-term process."

"Unfortunately, we can't talk about a specific price range. The cost of rehabilitation depends on the severity of the injury, the accompanying schedules, and the speed and quality of primary care," he said.

Commenting on the development of prosthetics in Ukraine, Kerestey noted that "the situation in the state medical system is much better in this regard."

## GROUP OF ISRAELI INVESTORS PLANS TO OPEN MODERN SPORTS COMPLEX IN BUCHA

A group of Israeli investors is planning to open a modern sports complex of 2.7 thousand square meters in Bucha with an expected investment of \$1.2 million, writes The Jerusalem Post.

"Like many other cities in Ukraine, Bucha is in the process of reconstruction and is receiving an influx of international budgets. However, funding is not enough. Many cities in the country are unable to cope on their own and need the help of entrepreneurial companies and foreign executive companies in a variety of sectors, especially in real estate, health and recreation, and infrastructure," Alex Sotovsky, a representative of investors, was quoted as saying.

It is reported that the future sports complex in Bucha, located in a new modern shopping center, built in the city two years ago. Opening of the sports complex is scheduled for August of this year.

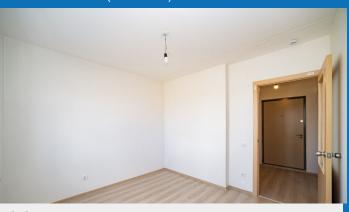
There will be swimming pool, heated swimming pool for children, special pool for infants, spa-area with locker rooms, Jacuzzi, sauna, specialized halls for various sports disciplines, gym, functional training zone, special areas for individual and group trainings, martial arts complex and center of fun activities for children, including summer camps, various sports sections and play rooms.

Sotovsky said the physical revitalization of Ukrainian cities must be complemented by the psychological and emotional healing efforts needed by residents, especially those who live in conflict-ridden areas.



#### ALMOST 25 THOUSAND APARTMENTS WERE BUILT IN UKRAINE IN JANUARY-MARCH

In Ukraine in January-March 2023, 1.942 million square meters of housing was commissioned, said the State Statistics Service (Derzhstat).



According to the report, the total is 24905 apartments, of which 4922 in single-family houses, 19983 – in apartment buildings.

Most of the housing is commissioned in the Vinnitsa region – 5669 apartments. In the Kiev region 3621 apartments were added to the housing fund, 2312 in the Kiev region, 1847 in the Lviv region, 1580 in the Ivano-Frankivsk region, 1166 in the Odessa region, 1126 in the Dnipropetrovsk region, 1052 in the Volynsk region, Cherkassy – 891, Kharkiv – 888, Transcarpathian – 795, Ternopil – 703, Rivne – 683, Poltava – 637, Khmelnytsky – 563, Chernivtsi – 530, Sumy – 333, Zhytomyr – 231, Chernihiv – 132.

Less than a hundred new apartments were commissioned in the regions of Mykolaiv (79), Kirovograd (50), Zaporizhzhia (12) and even in Donetsk (5). Not a single new dwelling was commissioned in the first quarter of 2023 in Lugansk and Kherson regions.

Data for the first quarter of 2022 Gosstat did not publish. At the end of 2022, the commissioning of housing in Ukraine decreased by 37.8% compared to 2021 – up to 7 million 110.2 thousand square meters. m.



# DIGITALIZATION IN PATHOMORPHOLOGICAL LABORATORY DIAGNOSTICS YADRO SYSTEMS LAUNCHES SLIDEPATH SOFTWARE ON GLOBAL MARKET

Yadro Systems was established in Ukraine in 2021 and united specialists in IT industry, artificial intelligence, laboratory management and pathomorphologists to create unique software – medical information system for pathomorphological and molecular genetic laboratories.

Yaroslav Nedashkovsky, one of the creators of the system, notes that the SlidePath program is unparalleled and was developed taking into account all the peculiarities of the pathomorphological laboratory:

"The synergy of our team's knowledge and experience helped create a really cool product. In close collaboration with the largest Ukrainian pathomorphological laboratory – CSD LAB, we developed SlidePath software that covers all the needs of small, medium and even large pathomorphological laboratories.



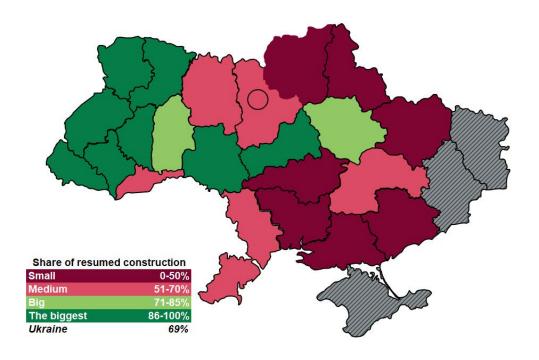
Quality control is an extremely important process in every laboratory, and thanks to our program, we are able to track each specimen at different stages of examination and ensure clear compliance with the technological process. Barcoding, synchronization with the laboratory equipment, protocols of conclusions – all this allows the laboratory to significantly improve not only the quality of its work, but also the speed of research.

We saw quite a great perspective in the creation of this program, because not only in Ukraine, but in the world in general, there is a need for significant automation of pathomorphological laboratories. And since our colleagues from CSD LAB have a great competence in this area, from the very beginning we tried to make software that would be suitable for different types of laboratories of different scale and scope of work".

The IT assistant for pathomorphology laboratories created by Yadro Systems specialists has several modules that can be customized to meet the specific needs of the laboratory. The key functions of the software include: creation of an electronic database of results, the ability to print test result forms, notification of patients about the readiness of results, and quality control of studies, starting from the stage of labeling biomaterials samples to delivery of results. Among the main advantages of SlidePath connection, Yaroslav Nedashkovsky singles out a user-friendly interface, which allows for easy mastering and quick implementation of the laboratory information system.

"This year we are launching this product in Ukraine and worldwide," adds Yadro Systems director, "So if you are a pathomorphologist, or a small or medium-sized laboratory, you can contact us today and we will provide digilization of your workflow, because SlidePath is software developed together with pathomorphologists and a clear understanding of their needs to improve their work convenience.

## SHARE OF NEW BUILDINGS, IN WHICH CONSTRUCTION WAS RESUMED, BY REGIONS OF UKRAINE IN MARCH 2023



#### "DOBROBUT" IN PECHERSK WILL EXPAND AREA BY MORE THAN 2 TIMES

Dobrobut" medical network subdivision in Pecherskiy district of Kiev will more than double its area.

As reported in the nurse's press release, the area of new premises will be over 1 thou. sq. m., whereas the old building had an area of 450 sq. m.

Along with the expansion of the area the clinic, designed for 300 visitors a day, plans to expand the list of services. In particular, physicians specialized in therapy and family medicine, pediatrics, ophthalmology, allergology, infectious diseases, surgery and proctology, orthopedics and traumatology, gastroenterology, dietetics, obstetrics and gynecology, dermatology, dermatology, endocrinology, rheumatology, pulmonology, hematology, psychology, psychiatry, medical massage and kinesiotherapy will be invited.

The new medical center will be equipped with modern high-precision diagnostic equipment.

The company does not specify the amount of investment in the new medical center's equipment.

Dobrobut" is one of Ukraine's largest private medical networks. The network consists of 17 medical centers in Kiev and Kiev region, emergency service, dentistry and pharmacies. Network medical centers provide services to children and adults in more than 75 medical directions. Annually experts of "Dobrobut" carry out more than 7000 operations. The network has over 2800 employees.

The network collaborates with a number of international charitable organizations such as Direct Relief International, Children of War Foundation, International Medical Corps and University of Miami Global Institute. According to the company, thanks to the work of Direct Relief International and the Dobrobut Foundation, wounded war veterans and people stranded by war are able to receive free care at the Dobrobut Treatment and Diagnostic Center.

According to the company, Dobrobut has become the first private medical network in Ukraine to receive funding from the U.S. federal government: with support from the U.S. International Development Finance Corporation (DFC), the company will build a modern physical rehabilitation center.

## "VETROPACK GOSTOMEL GLASSWORKS" RESUMES WORK

PJSC Vetropack Gostomelsk Glass Works (Kyiv Region) has resumed operations, having started warming up and bringing it to operating temperature, as well as loading the first glass furnace; the first glass is expected to be produced in June, the plant's press service said.

"The domestic market is slowly resuming, and many companies have restarted production. We expect demand for food and beverage glass containers to increase by about 7% in 2023 compared to the previous year, in parallel with the development of our production facilities," said Pavel Prinko, general director of Vetropack in Ukraine and Moldova.

According to the company, Vetropack will start with the production of colorless glass for food and beverages, as the company now sees the greatest demand for it. The second glass furnace will be commissioned in the near future.

Protection of employees will be a priority in the resumption of operations. In addition, the production site is prepared for all possible emergency scenarios. Vetropack Holding has developed various engineering scenarios to ensure power supply during a power outage. The power distribution system has been rebuilt and additional generators have been installed. There are also appropriate plans in place for possible natural gas outages, the company's press office said.

The company reminded that before the war Vetropack in Ukraine produced different types of glass containers on three furnaces and eight production lines. On February 24, 2022 the production was stopped for security reasons. One of the three furnaces at the plant was destroyed due to military action. The losses forced the company to cut about two-thirds of its roughly 600 jobs at the plant. Vetropack has now hired 139 new employees to restart production from among its former employees.

In the summer of 2022, Vetropack created a fund to support employees who were seriously injured or whose homes or apartments were destroyed. Money was donated by employees of other businesses, business partners and customers, and CHF960,000 was raised in a few months. In early 2023, the Gostomel Holding Vetropack fund began its first payments. In April 2023, Vetropack supported more than 50 affected colleagues.

Vetropack Gostomel Glassworks PJSC since 2006 is a part of European Vetropack Group, a large producer of glass containers with production plants in Switzerland, Austria, Italy, Czech Republic, Croatia and Slovakia. Produces containers for domestic producers of food and beverages – more than 600 million pieces per year.

Vetropack Group (Switzerland) currently has about 3 thousand employees in seven countries, produces about 4.5 billion pieces of glass containers annually.

## SUGAR IS INCLUDED IN LIST OF GOODS, EXPORT OF WHICH IS SUBJECT TO LICENSING

The Cabinet of Ministers of Ukraine included sugar (trade item according to UKTVED 1701) to the list of goods, export of which is subject to licensing for the period from June 5 to September 15, 2023.

According to the representative of the Cabinet of Ministers in the Verkhovna Rada Taras Melnychuk in Telegram, the relevant decision was taken at a government meeting on Tuesday.

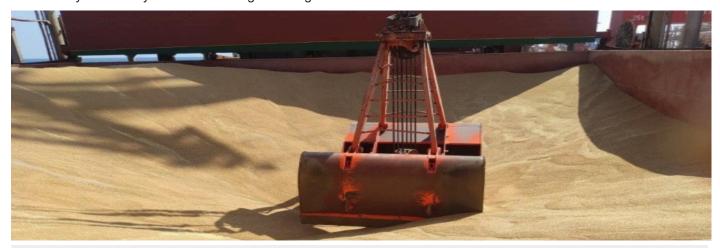
"Amended Annexes 1 and 5 to the resolution of the Cabinet of Ministers of 27.12.2022 N 1466 "On approval of the lists of goods, exports and imports of which are subject to licensing and quotas for 2023". Sugar has been included in Appendix 1 "Quotas for the goods subject to export licensing" of the decree 1 1466 with a volume of quota of 0 tons and a licensing period from June 5 to September 15, 2023," he wrote.

At the same time, sugar is excluded from Annex 5 of the same decree "The list of goods, the export of which is subject to licensing.



## **UKRAINE WILL REDUCE GRAIN EXPORTS BY THIRD IN 2023**

Grain and oilseed exports from Ukraine in 2023 will drop by a third to 46 million tons per year, Agrarian Policy Minister Mykola Solsky said at a meeting of the Agriculture and Fisheries Council in Brussels.



"Compared to last year, this year's exports of grain and oilseed crops from Ukraine are expected to decrease by a third to 46 million tons per year. Consequently, Ukraine will be able to export less grain than last year by 40%," the press service of the Ministry of Agrarian Policy quoted the minister's speech to European colleagues.

European Commissioner for Agriculture Janusz Wojciechowski also said at a press conference after the meeting of the agrarian ministers that the EU expects Ukraine to reduce its exports in 2023 because "the country has limited cultivated areas and expects a 40% lower harvest".

He expressed confidence that this factor will improve the organization of "routes of solidarity" and send "all exports through them.

Wojciechowski positively assessed the prolongation of exports within the framework of the Black Sea Grain Initiative, which "will facilitate the export of grain from Ukraine for two months".

The European Commissioner also recalled the need to take into account the situation with the possible blocking of exports of Ukrainian agricultural products "as it already happened before" through the Black Sea grain corridor and urged to consider the total volume of Ukrainian exports when planning the work of "solidarity corridors".

## KERNEL AGRO GROUP COMPLETES PLANT CONSTRUCTION IN KHMELNYTSKY REGION

Kernel Agro Group is completing the construction of Starokonstantinov Oil Extraction Plant (SEP) in Khmelnitsky Oblast, CEO of the agro-holding Evgeniy Osipov said at the Grain Ukraine-2023 international grain conference.

"As early as next year, we will finish the construction of the Starokonstantinovsky Oil Extraction Plant, which will be able to process 1 million tons of sunflower annually," he said in a statement on the company's Facebook page on Wednesday.

According to Osipov, Kernel has invested more than \$800 million in the Ukrainian market over the past few years.

"Each of our initiatives is implemented with the goal of strengthening the country's agricultural potential. We must be ready to accept the products of Ukrainian farmers in time. We must provide all necessary services to our agrarians so that they can sell their products, get the necessary resources and invest them into production," he stressed.

Osipov clarified that "Kernel" intends to increase the volume of processing and production of products with added value. To do this it is important to build effective logistics for the company's partners to export their products.

"Our task is to increase the efficiency of the business system," explained the CEO of Kernel.

As reported, in February 2023, "Kernel" acquired the river terminal "Danube Prom Agro" in the Ukrainian port of Reni on the Danube.

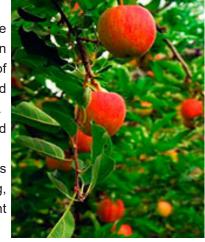
## CABINET OF MINISTERS EXPANDED PROGRAM FOR GRANTS FOR GARDENING

The Cabinet of Ministers has added rose hips and almonds to the list of fruit and berry crops for planting which one can receive a grant under the state program to establish or develop horticulture, viticulture and berry growing.

According to the representative of the Cabinet of Ministers in the Verkhovna Rada Taras Melnychuk in Telegram, the relevant changes were made to the Cabinet of Ministers resolution No. 738 "Some issues of grants for businesses" at a government meeting. According to Melnychuk, a separate list of areas for planting has been established for almonds.

According to the decree, the enterprise that has received the grant must prove the creation of new jobs with copies of documents submitted to the State Tax Service. In particular, it is necessary to provide a copy of the tax calculation of the amounts of income accrued (paid) in favor of taxpayers-individuals, the amounts of tax withheld from them, as well as the amounts of accrued single fee for recent reporting periods. In addition, the government has identified a list of taxes and fees for monitoring and fixing the refund used by the business entity.

As reported, since the beginning of the year as of May 19, 61 agro-enterprises received 201 million UAH for the development of horticulture, berry-growing, viticulture and greenhouse farming within the framework of the profile government grant.



## STATE FORESTRY AGENCY OF UKRAINE LAUNCHED PILOT PROJECT TO PREVENT MANIPULATIONS IN TIMBER TRADE

The State Forestry Agency of Ukraine (Goslesagentstvo) on the basis of several branches of the state enterprise "Forests of Ukraine" launched a pilot project to prevent manipulations with bills of lading (BOT), which now must be accompanied by photos of wood loaded into machines, said the head of the agency Yuri Bolokhovets.

"Unfortunately, there was a gap in the system of control of the consignment note. Unclean forestry workers could theoretically break tags and take out several lots of wood of the same volume under one TTN. We solve the problem by adding photos of the logs loaded on the truck to the TTN. "Profile" and "Anfas". The pattern of the stacked timber is unique, it is almost impossible to duplicate", – he wrote in Facebook.

The head of the State Forest Agency is sure that this innovation will make manipulations with the TTN more risky. The police, forest guards and local activists will be able to unmask criminals by comparing a photo with the TTN with the real look of logs in the car body.

According to his information, the pilot project has been implemented in several branches. At present the quality of the system is being tested. In the near future we plan to scale up the new control tool to all branches of the State Enterprise "Forests of Ukraine" and other forest users.

"Detenization is one of the important results of the forest industry reform. Centralization of management finally opened up the possibility to introduce something that has been successfully working for our colleagues from the Baltic States, Scandinavia and Poland for a long time," said Bolokhovets.

He has informed that at the second stage of the pilot project all timber trucks will be equipped with GPS-trackers. The Head of the State Forest Agency is sure that this will allow to control and trace online the process of timber transportation.

The timber shipment receipt is one of the parts of the Uniform State System of Electronic Timber Records. The document gives the buyer the right to transport the consignment of timber. The date, volume of the timber, driver's and car's data and number of tags are written in the bill of lumber. Information about the TTN is publicly available on the website of the state enterprise "LIAC". According to the number of the document or the number of the car here you can check the authenticity of the documents of the driver of the timber truck.

## "EXPERTS CLUB" HELD SEMINAR TO TEACH JOURNALISTS BASIC FIRST AID SKILLS

The analytical center "Club of Experts" in Kiev within the framework of the initiative on training of journalists in basic skills of rendering the first pre-medical care has held the first seminar-workshop. The event was organized by the Club of Experts, the Adonis network of medical centers, and "Help For Ukraine" Charitable Foundation, "Hromada Priirpenia Foundation" Charity Foundation; the information partner – "Interfax-Ukraine" and Open4Business portal.



The seminar was attended by the representatives of mass media from different of Ukraine, regions whose work connected with risk and possibility of facing emergency situations. According to the participants, mastering basic first aid skills can be of vital importance at critical times, related to their professional activities in wartime conditions.

The seminar's keynote speaker, Adonis Medical Group anesthesiologist Mariana Bolyuk, is the co-author of 12 scientific publications and has a wealth of experience in the medical field. In her presentation, she covered important aspects of pre-medical care, including algorithms for basic life support, types of bleeding and how to stop it. Practical techniques, such as determining the pulse on main arteries and applying a turnstile, were also practiced at the seminar.

According to Maxim Urakin, organizer of the seminar and founder of the "Expert Club," in the current situation it is important to develop first aid skills among journalists because the role of their profession and the risk they face daily has increased significantly in war conditions.

"According to information published in the media, since last February, 61 media workers have already been killed and about 500 more journalists have been wounded. Therefore, we are deeply aware of the importance of training journalists in basic first aid skills. Our colleagues constantly face risks and have the responsibility of informing the public under difficult conditions. Therefore, we should strive to provide journalists not only with information, but also with the means to preserve and protect their lives and health," Urakin emphasized.



In the future, the organizers of the seminar plan to develop this training project, covering more media representatives and expanding their knowledge and skills in first aid. Journalists with a basic knowledge of premedical care will be able to act more effectively in difficult situations, contributing to quick and effective aid to victims. First-aid training for journalists in the future must become an integral part of their professional training and responsibility to society. According to the organizers, it is important to support and develop such initiatives in the future so that journalists are prepared for emergencies and contribute to general safety and well-being.

## UKRAINE RESUMED EXPORT OF NITROGEN FERTILIZERS AND EXPORTED 12 THOUSAND TONS IN JANUARY-APRIL

Ukraine resumed export of nitrogen fertilizers and exported 12 thousand tons in January-April this year, Infoindustriya news agency reported.

"The focus on export is not accidental: because of the decrease of activity in the domestic market of Ukraine producers will have to go to foreign markets (Turkey, Moldova, EU countries). We can even export complex fertilizers, although the cost of phosphate remains high, but the available potassium and the low price of gas opens other opportunities for producers", – explained the director of the agency Dmitriy Gordeichuk.



According to the agency, in the four months of 2023, Ukraine also exported to Moldova and the EU 3 thousand tons of carbamide, about 2 thousand tons of lime nitrate, 565 tons of urea.

Now Ukraine has low gas prices compared to the EU countries, which allow Ukrainian producers to export profitably, primarily urea, the analysts emphasized.

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