



UKRAINE
OPEN FOR BUSINESS

UKRAINE WILL NEED TO ATTRACT 4.5 MLN WORKERS IN NEXT 10 YEARS – MINISTRY



Ukraine will have to attract an additional 4.5 million employees to the labor market over the next ten years to make a post-war recovery, the Economy Ministry predicted on Thursday following a seminar with the International Organization for Migration (IOM) and the International Labor Organization (ILO). "Labor market recovery is not a consequence of victory, it is a path to victory," the ministry quoted Deputy Economy Minister Tatyana Berezhnaya as saying.

It is pointed out that even before the full-scale invasion Ukraine was facing a labor shortage, but now that more than 6 million Ukrainians have been forced to go abroad, the labor situation in the country has become even more critical.

It is noted that the IOM and ILO plan to continue to support the Ministry of Economy in paving the way for labor market recovery to achieve key priorities.

"We look forward to working closely together to help the state on its road to recovery and shape a more promising future for Ukraine and its people. Economic recovery is paramount to this process," said IOM Representative Office Chairman Anh Nguyen at the seminar.

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UKRAINE HAS ACCELERATED CUSTOMS CLEARANCE FOR NCTS USERS

Ukraine has created a legislative basis for priority cross-border passage of goods placed under the joint transit procedure, and also made it possible to carry out internal transit of goods using the NCTS, similar to the Union transit provided for by the EU Customs Code.

So the Ministry of Finance on its website commented on the main innovations of the law “On Amendments to the Customs Code of Ukraine on the use of customs declarations and electronic transit system provided by the Convention on the procedure of joint transit (NCTS – IF) for transit under the terms of this Code” (No. 9014-1) adopted by the Verkhovna Rada on July 13.

“*The adopted amendments to the Customs Code create favorable conditions for Ukrainian businesses to open T1 declarations in internal customs, which, combined with the electronic queue at the border, will unload customs checkpoints and reduce the time of customs clearance for NCTS users,” the Ministry of Finance pointed out.*

The ministry added that the law also provides for the introduction of additional transit simplifications, in particular, the status of authorized TIR consignor and authorized TIR consignee and the registration of a single transit declaration for goods that are or will be moved in one vehicle (container or package) from one customs office of departure to one customs office of destination.

Earlier, roundtables were devoted to customs reform, where the event’s organizer and moderator Maksim Urakin stated that the State Customs Service accounts for 35-40% of state budget revenues, and these figures have remained stable in recent years. That is why customs reforms are so important for the country.

UKRAINIAN PARLIAMENT FIRST PASSES BILL ON MEDICAL CANNABIS

The Verkhovna Rada has adopted in the first reading draft law No. 7457 on regulating the circulation of cannabis plants for medical, scientific and industrial purposes. The adoption of the document as a basis was supported by 268 people’s deputies at the plenary session on Thursday, said co-chair of the faction “European Solidarity” Irina Gerashchenko.

“The long-suffering bill on medical cannabis was adopted in the first reading. It was supported by 268 deputies, including part of the faction “EU” (“European Solidarity”). “I also voted in favor, although there are many questions to the bill, it needs to be finalized for the second reading,” she wrote in her Telegram channel. The parliamentarian emphasized that such a law should help in the treatment of post-traumatic stress disorder (PTSD), pain reduction in cancer, epilepsy, Parkinson’s disease and other conditions.

“Unfortunately, this bill is not so much about medicine as it is about industrial cannabis cultivation and the government’s corrupt schemes regarding permits and the development of huge funding streams. Our faction will submit amendments, will finalize the bill for the second reading, so that the emphasis was exactly on medicine and pain relief, but not on industrial cultivation,” – specified the parliamentarian.



SOYBEAN EXPORTS FROM UKRAINE REACHED RECORD 3 MLN TONS

Soybean exports from Ukraine in September-June 2022/23 marketing year (MY), according to operational data, reached almost 3 million tons, which has already become a record seasonal volume of shipments to foreign markets in history, exceeding the previous maximum of the 2016/17 season as a whole (2.9 million tons), the analytical agency "APK-Inform" reported.

"The main importer of Ukrainian oilseeds in the current season remains the European Union with a share of 47% against 40% in 2021/22 MY and an increase in relation to exports in the same period of the previous season in 3.1 times," the analysts noted.



At the same time, according to the agency, Turkey retains the 2nd place in the ranking of importers of Ukrainian soybeans with a share of 32% against 36% in total exports of this product from Ukraine in the last MY. In this country for 10 months of 2022/23 MY supplies increased by 2.4 times.

Analysts also pointed to a significant increase in shipments to Egypt, especially in May-June of the current season. The share of this country in total soybean exports from Ukraine increased to 15% against 2% in the season 2021/22, while the volume of oilseed shipments in this direction increased 17 times to 440 thousand tons.

GOVERNMENT OF REPUBLIC OF KOREA MAY ALLOCATE \$52 BLN FOR UKRAINE'S RECONSTRUCTION

The government of the Republic of Korea plans to support the public and private sectors in the implementation of Ukraine's reconstruction projects worth \$52 billion, The Korea Herald reported, citing South Korean Presidential Secretary for Economic Affairs Choi Sang-mok.

"In May, through the channel of intergovernmental cooperation, Ukraine asked Korean companies to participate in about 5,000 construction projects estimated at \$20 billion," The Korea Herald quoted the secretary as saying on Friday.

He said the Korean government will begin evaluating construction sites where modular units will be built to quickly build infrastructure such as schools, housing and hospitals. The sites will be inspected with official development assistance funds.

In addition, the Republic of Korea plans to provide technical assistance for the rehabilitation of water infrastructure, and to supplement the humanitarian aid offered for the Kakhovka hydroelectric plant, which was undermined by Russian occupiers. The secretary also added that support will also be provided for the private sector-led reconstruction project, which is currently estimated to cost about \$32 billion.



"The project covers various sectors, including: nuclear power plants with small modular reactors, airport reconstruction, construction equipment, rail transportation and information technology," the statement said.

"Although the war continues and the reconstruction work is in its early stages, we will prepare for our role in the reconstruction project as diligently as the Ukrainian government wishes," Choi Sang Mok emphasized.

MACROECONOMIC INDICATORS OF UKRAINE FROM CLUB OF EXPERTS IN APRIL-MAY 2023

Ukraine's key macroeconomic indicators have stabilized somewhat, but continue to testify to the significant role of international structures in keeping the Ukrainian economy in working order.

The National Bank estimates that Ukraine's GDP decline in the first quarter of 2023 year-on-year has slowed significantly to 13.5% from 31.4% and 30.6% in the fourth and third quarters of 2022, respectively. Meanwhile, Ukraine's Finance Minister Serhiy Marchenko gave his forecast for Ukraine's GDP growth in 2023 to 3.2%, while the government previously estimated GDP growth at 1% and the National Bank recently improved it from 0.3% to 2%. Investment firm Dragon Capital also forecast real GDP growth of 3% in 2023, while it previously expected it to fall by 0.5%. The World Bank has worsened its forecast for Ukraine's gross domestic product growth for this year to 2% from 3.3%, which it predicted in January 2023.

Recall that Ukraine's GDP in the first quarter of 2023 fell by 10.5% compared to the first quarter of 2022 after falling by 31.4% in the fourth quarter, 30.6% in the third quarter, 36.9% in the second quarter and 14.9% in the first quarter of last year.

At the same time, the Ukrainian authorities have set a super ambitious goal to increase GDP to \$1 trillion over 10 years, First Deputy Prime Minister and Economy Minister Yulia Sviridenko said at the Ukraine Recovery Conference in London.



Maksim Urakin, founder of the Kiev-based think tank Club of Experts, drew attention to the significant decline in Ukraine's foreign trade balance. "The negative balance of Ukraine's foreign trade in goods in January-March 2023, according to the State Statistics Committee, increased 26 (twenty-six) times compared to the same period of 2022 – to \$5.394 billion from \$0.208 billion. Exports of goods from Ukraine for this period compared to the first quarter of 22 decreased by 26.1% – to \$10.306 billion, and imports increased by 10.9%, to \$15.699 billion," – said Maksim Urakin.



Military expenditures of the state budget continue to grow. Budget expenditures to support the AFU in the form of purchase of military equipment, weapons, ammunition, defense products, personal protective equipment in May increased to UAH 43.4 billion in February (15.6% of all expenditures) from UAH 42.5 billion (18.5%) in April and UAH 34.4 billion (15.3%) in March.

Ukraine in January-March 2023 realized industrial products (goods, services) in the amount of UAH 755.755 billion, which is 14.2% less than in January-March 2022 (UAH 880.419 billion), including outside the country – in the amount of UAH 137.783 billion.

The total state debt of Ukraine in April 2023 increased by 3.6% and reached a new historical maximum: in dollar terms – by \$4.37 billion, to \$124.28 billion, in hryvnia terms – by UAH 159.9 billion, to UAH 4 trillion 544.9 billion.

At the same time, due to international aid, Ukraine's international reserves reached a record high in June, amounting to almost \$39bn, which is a record high in the history of independent Ukraine, the head of the National Bank of Ukraine, Andriy Pyshnyy, has said. The head of the National Bank specified that in June the government's accounts received: \$1.6 billion from the EU, \$1.2 billion from the USA, \$69.1 million from the World Bank and \$15.0 million from the government of Finland.

Inflation in Ukraine in May 2023 slightly accelerated to 0.5% in May from 0.2% in April, and on an annualized basis in May-2023 it fell to 15.3% from 17.9% in April, 21.3% in March, 24.9% in February and 26.6% in December.

STATE PROPERTY FUND OF UKRAINE RECEIVED RIGHT TO PRIVATIZE OBJECTS BY POOLS

The State Property Fund of Ukraine has received the right to form separate pools of state assets for further privatization, the Cabinet of Ministers adopted a corresponding resolution. “The main purpose of introducing the new mechanism is to increase the interest of business to invest in state assets. Pools attract more attention of investors who are interested in the implementation of large projects and can make large-scale investments,” the FGI said in a press release.

The Fund added that the pools of privatization objects will be formed from enterprises operating in one sector of the economy, the products of one of them may be raw materials for another.

“Thus, pools are an opportunity to privatize vertically integrated businesses instead of buying disparate objects,” the privatization agency explained.

22 EUROPEAN AND 7 UKRAINIAN TELECOM OPERATORS HAVE EXTENDED AFFORDABLE ROAMING FOR UKRAINIANS FOR YEAR

European (22) and seven Ukrainian telecom operators have agreed to extend for another 12 months the agreement on mutual reduction of roaming tariffs for Ukrainian citizens, according to the website of the European Commission (EC).

“*Affordable calls allow those seeking asylum in Europe to contact family and friends in Ukraine, and vice versa,” the EC said in a statement.*

In turn, BEREC (the European Union’s telecommunications market regulator) noted the effectiveness of the agreement, first signed in April 2022, which allowed operators to provide accessible calls across the border.

BEREC added that European Economic Area (EEA) operators that are part of the agreement have significantly lower tariffs than operators that have not signed it, and urged the latter to join the agreement.

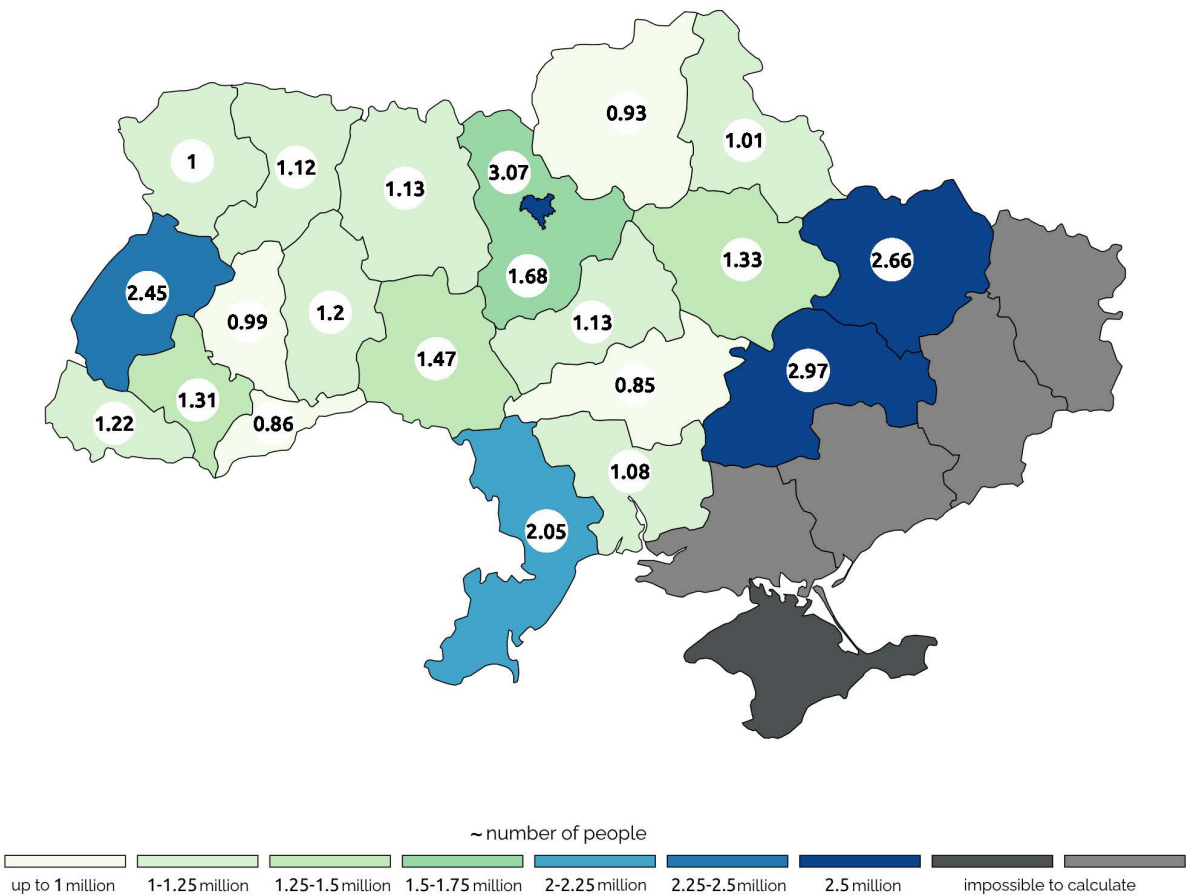
The EC recalled that in parallel, the Commission is preparing for Ukraine’s integration into the European Union (EU) roaming zone, and in April 2023, the EU-Ukraine Association Committee adopted the EC’s proposal for Ukraine to join the EU roaming rules.

“The next step for Ukraine is to fully adapt its legislation to EU law, and then the Council of the European Union will make the final decision,” the Commission said.

As reported, initially such an agreement was concluded on April 8, 2022 was for 9 months, and in February this year extended for another 6 months. In February, in addition to seven Ukrainian operators (Kyivstar, Vodafone Ukraine, lifecell, Ukrtelecom, Data Group, Vega Telecom Group and 3Mob), 20 European operators joined it.



ESTIMATED NUMBER OF POPULATION IN REGIONS OF UKRAINE BASED ON NUMBER OF ACTIVE MOBILE SIM CARDS (MLN, ESTIMATED)



POPULATION STRUCTURE OF UKRAINE AS OF 06.06.2023 (ESTIMATED DATA)



AMERICAN CHAMBER OF COMMERCE IN UKRAINE IS DELIGHTED TO INVITE TO JOIN BLOOD DONATION INITIATIVE

The American Chamber of Commerce in Ukraine and member company Sayenko Kharenko are delighted to invite you to join our Blood Donation Initiative.

Since Russia's full-scale invasion of Ukraine, the need for blood donations has become even more crucial to help save lives and support the local hospitals in Kyiv. Donating blood is an easy way to help people: one donation can save as many as three lives. Your blood could go to lionhearted soldiers who are defending our nation, someone who's been in a car accident or a child with cancer to name just a few.



We encourage you to bring your friends and relatives to participate in our Blood Donation Initiative. Let us come together to demonstrate our unity, compassion, and commitment to making a positive change in our community.

Please follow all the rules and recommendations to get prepared for donating blood.

Please take your passport and identification code with you. Citizens of other countries can also be donors if they have a residence permit in Ukraine and an identity document.

*DonorUA is an automated social platform for recruiting and managing blood donors designed to promote the blood donor movement in Ukraine. The location will be sent with a confirmation email.



UKRAINIAN MARKET OF ELECTRIC CARS HAS TRIPLED – UKRAVTOPROM

Initial registrations of electric cars in Ukraine in January-June tripled compared to the same period of 2022 – up to 12.6 thousand units, including 2.8 thousand were new cars, 9.8 thousand – used, reported “Ukravtoprom” in Telegram channel.

At the same time, the share of new cars increased to 22% from 18% in January-June-2022.

As reported, in January-June 2022, 4.145 thousand electric cars were registered – 14% more than in the first half of 2021.

“ The top 5 new electric cars of the first half of this year were formed by Volkswagen ID.4 (899 units), DongFeng/Honda M-NV (497), Volkswagen ID.6 (168), Honda e (146) and BMW iX – 87.



In the used segment, the Nissan Leaf (1,921 units) leads steadily and by a wide margin. Next are Volkswagen e-Golf (940), Tesla Model 3 (908), Volkswagen ID.4 (724) and Tesla Model Y – 637.

Earlier “Ukravtoprom” also reported in the Telegram channel that in the market of new passenger cars in Ukraine in January-June the share of electric cars increased by 4 p.p. – to 10%, the share of hybrids increased to 18% (by 5 p.p.), while the share of cars with gasoline engines decreased from 57% to 49%, diesel cars – to 22% (by 1 p.p.),

“UKRLYTII” WILL BUILD LITHIUM MINE IN KIROVOHRAD REGION

UkrLithium Mining LLC (“UkrLithium”) intends to build a lithium mine in Kirovograd region in compliance with international environmental standards.

According to a company press release, management considered two options for mining lithium-containing ores in Kirovograd Region: open-pit (open-pit) and shaft method.

“We decided on the mine method because the environmental component is important for us. We want to be esg-friendly (environmental, social and corporate management),” explained the director of strategic development of “Ukrlytdobycha” Denis Alyoshin in an interview with “Business Telegraph,” which is quoted by the press service.

According to him, although Ukraine is not yet in the European Union, but the company believes that the country will be there in the next few years. Therefore, it performs all works according to the highest European standards. The mine method is much less harmful to the environment than open-pit mining.

“Ukrlytiy has signed a contract with the British company Wardell Armstrong, which will conduct research ESIA (Environmental and Social Impact Assessment) – an international analogue of the Ukrainian environmental study OIA (Environmental Impact Assessment). It is necessary in order to make the project of the mine and the mining and processing plant in compliance with international standards on the environment. For this purpose a mini-meteorological station will be installed on the territory of the future construction, samples of soil, water, etc. will be collected.

UNITED MINING AND CHEMICAL COMPANY RESUMED OPERATIONS AT IRSHANSKY GOK

The United Mining and Chemical Company PJSC (UMCC), which controls the Volnogorsky Integrated Mining and Metallurgical Plant (VMMC, Dnipropetrovsk Region) and the Irshansky Integrated Mining and Processing Plant (IGOK, Zhytomyr Region), has resumed operations at the IGOK after a long downtime since last October.

According to the company’s press-release, IGOK is restoring its capacities. At the same time it is noted that beneficiation plant No. 3 was launched on July 5, and the concentrate will be processed using a dry scheme.

During the shift, the employees of IGCC produced 220 tons of ilmenite concentrate.

Dmitry Kalandadze, deputy chairman of OGKhK’s board, explained that the launch of the IGOK after a long downtime was a priority for the company.

“We know how important it was for our employees at the branch. Today some of them are already at their workplaces. Now we are on the threshold of global changes in the titanium industry, where OGKhK, as a state-owned company, has all chances to take leading positions and push Russia out of the international market forever. I’m sure that the launch of IGCC is a good signal for international partners and I hope that by the end of the year we will be able to achieve stable figures,” said Kalandadze, who was quoted by the press service.

Earlier, it was reported that OGCC plans to resume operations at Irshanskoye and bring the branch to pre-war production levels by the end of 2023.



EUROPEAN COMMISSION HEAD DOES NOT RULE OUT UKRAINE'S ACCESSION TO EU SOON

Ukraine's progress in implementing the reforms required for EU membership is impressive, European Commission President Ursula von der Leyen has said.

"The speed at which Ukraine is pursuing EU membership (...) is excellent, impressive. It is an achievement-based process and we see with what enthusiasm and intensity Ukraine is reforming and moving rapidly towards EU membership," the EC chief told reporters in Vilnius.

"I firmly believe that if they continue in the same spirit, they will soon succeed," she added.

Von der Leyen will take part in a meeting with leaders and partners of the North Atlantic Alliance on the sidelines of the NATO summit in Vilnius.

EU PLANS TO BUILD EUROPEAN GAUGE RAILROADS TO LVIV AND CHISINAU

A study of the prospects for EU rail links with Ukraine and Moldova provides a basis for launching a project to use European gauge railway gauges on key lines, the European Commission (EC) has said.



"The construction of the first European rail gauge in Ukraine and Moldova, which will connect their railroads with Poland and Romania, will bring these countries closer to the EU single market. With this study, we are laying the groundwork for long-term solutions, supporting Ukraine in its trade and recovery," said Adina Velian, EC Member for Transport.

The conformity of the railroad lines of Ukraine and Moldova to the European standard of gauge, she said, will also improve conditions for citizens of these countries to travel to Europe.

The study suggests that the European gauge on the lines to Lviv and Chisinau should be implemented "as a first step to improve communication between Poland and Ukraine, as well as between Romania and Moldova".

The study also assesses how the new European standard gauge lines will interact with the rest of the rail network in these countries, where broad gauge will continue to be used, the EC communiqué said.



DIM GROUP PLANS TO INCREASE THE SHARE OF TIMELY PAYMENTS BY INSTALLMENTS TO 90% BY END OF 2023

DIM Group expects to increase the share of investors who make timely payments under installment agreements to 80-90% by the end of this year, while today their number is 50%, said Alexander Nasikovsky, managing partner of the group.

“*Exactly half of those who bought real estate from us are not waiting for the war to end and are already fulfilling their obligations. They see that every hryvnia from their pockets is actually spent on the construction of their own home, not just a new pit. We are now working to ensure that by the end of the year the percentage of those who pay under installment agreements will be at the level of 80-90%,”* Nasikovsky said in a column for *Interfax-Ukraine*.

According to him, the rapid resumption of construction work after a pause at the beginning of the full-scale invasion allowed for an increase in the number of timely payments under installment agreements. Thus, at the beginning of the active phase of the war, only 10% of investors paid by installments, while today their share has reached 50%.

In addition, to support and stimulate demand, DIM has developed a number of financial instruments: special terms of debt payment and early repayment, favorable exchange rate offers, and debt restructuring. In addition, the company launched a guaranteed yield program at 10% in US dollars and a trade-in program.

“In annual terms, we had almost 27% inflation. “Contracts and extensions, and sometimes radical changes in supply chains due to the loss of capacity of producers of a number of building materials in the southern and eastern regions and the relocation of many businesses, are also driving up the price tag. Over the past year, the weighted average cost of construction in housing increased by at least 45%,” he explained.

According to him, certain categories of building materials increased in price by 30-70%, most notably concrete, glass, plaster, wood, and iron.

In addition, the cost of labor has also increased significantly – by 37% on average, Nasikovsky added. “Prices are growing and will continue to grow, because no one has canceled the laws of the market. Another question is what to do with the limited effective demand. In my opinion, the answer should be sought inside the market, not outside, relying solely on reparations or government support. The recovery and potential of the market will directly depend on the counteroffensive of the Armed Forces, or rather, on its results and timing. We can already see that psychologically, buyers and investors are gradually ready to return to the market if there is a coincidence in their expectations in the price-value-construction time axis – real dynamics,” the expert believes.



UKRAINIAN PARLIAMENT REGULATES ACTIVITY OF BRANCHES AND REPRESENTATIVE OFFICES OF FOREIGN COMPANIES

The Verkhovna Rada on Friday, 31 months after its registration, adopted as a whole the government bill “On regulating the activity of separate subdivisions of a legal entity formed in accordance with the legislation of a foreign state” (No. 4482).

“The bill provides a comprehensive approach to the regulation of all aspects of legal relations (civil, labor, financial) related to the creation and termination of separate subdivisions of a legal entity formed in accordance with the laws of a foreign state”, – commented on the adoption of the document government representative in the Rada Taras Melnychuk in Telegram.

According to him, the requirements of Directive (EU) 2017/1132 of June 14, 2017, concerning certain aspects of corporate law (Codification), in particular, the rules of disclosure of information applicable to branches of companies from other Member States, are also taken into account.

As Melnychuk noted, according to the draft law, branches and representative offices of foreign enterprises are subject to state registration under the same rules as Ukrainian legal entities and public formations that do not have the status of a legal entity, and their termination is carried out by liquidation.

Data on establishment and termination are entered into the Unified State Register of Legal Entities, Physical Entrepreneurs and Public Formations.

“DOBROBUT AND SUPERHUMANS CENTER CONCLUDED MEMORANDUM OF COOPERATION

Dobrobut medical network and Superhumans center for prosthetics and reconstructive surgery signed a memorandum of understanding and cooperation, under which patients who applied for prosthetics in Superhumans and need additional treatment before prosthetics, will receive medical care in the treatment and diagnostic center “Dobrobut”.



Superhumans patients can also receive physical rehabilitation at Dobrobut's rehabilitation department, according to a press release from the nurse network.

Patients will receive treatment at no cost, thanks to the support of the Direct Relief and Dobrobut Foundation charities.

Dobrobut emphasized that during the full-scale war, the number of amputations in Ukraine tripled on average compared to previous years.

“Today there are more than 300 patients waiting for prosthetics at Superhumans Center. Of these, about 20% need additional treatment and surgeries for stump formation and preparation for prosthetics. That is why close cooperation and exchange of experience between Superhumans, which helps Ukrainians with amputations to get quality prostheses, and the medical network “Dobrobut”, which provides high-quality modern medical care, is so important today”, – emphasized in “Dobrobut”.

Dobrobut is one of the largest private medical networks in Ukraine. The network includes 17 medical centers in Kyiv and Kyiv region, emergency service, dentistry and pharmacies.



EXPORT OF UKRAINIAN FLOUR CAN REACH 150 THOUSAND TONS – OPINION

Ukrainian mukomols and cereals producers began to master and gain a foothold in new markets and increase export volumes, in 2023 they can supply 150 thousand tons of flour to foreign markets, said the chairman of the association “Ukrpischeprom”, director of the union “Mukomols of Ukraine” Rodion Rybchinsky.

“In calendar year 2021 we exported 102 thousand tons of flour, in 2022 the active export began in September and reached 80 thousand tons. In the five months of this year, we have already exported 74,000 tons. With such dynamics, we see the possibility of exporting 150 thousand tons of flour by the end of the year,” he said during a discussion on the prospects of exports during the war, held by the Institute for Economic Research and Policy Consulting.

According to his information, the war has made significant changes in the export of flour and cereals and bran. Previously these products were exported by sea from the main shipment bases in Kherson, Nikolaev, and Odessa. Traditional importers of Ukrainian flour and cereals were UAE, Palestine, Somalia, Israel, and bran – Turkey, where 95% of them were sent by sea.



The war has made significant adjustments to the geography of sales of these products, and today the largest importers of Ukrainian flour are Moldova, Poland, Palestine, Romania, Croatia and Turkey, said Rybchynsky.

In the EU countries, in particular Poland, Romania, Germany, Spain, Portugal, are actively exported cereals. Last year 68 thousand tons of cereals were exported to foreign markets, while during five months of 2023 – 38 thousand tons.

In this case, Rybchinsky noted a change in the ways of sending flour and cereals for export.

“We do not use the Black Sea Grain Initiative and the Danube ports. There the rent of one grain warehouse at a distance of 5-10 km from the quay wall can cost \$100 thousand per month. Therefore, logistics related to work on the Danube, eat up all the possible earnings,” said the expert, adding that the main export of flour and cereals is carried by road and only 15% by rail.

According to the head of the industry association, exporters now have problems when crossing Western borders. Despite the electronic queue, cars with products stand in queues for 2-3 weeks.

“This has led to the loss of substantial contracts with Polish and Romanian retail chains, where Ukrainian suppliers have not been able to ensure timely delivery of products. Currently, Ukrainian mills have to work mainly with industrial processors,” Rybchynsky explained.

At the same time, he noted that Polish pasta made from Ukrainian flour has already appeared on the Ukrainian market.

ERDOGAN WANTS TO CONTINUE BLACK SEA GRAIN INITIATIVE

Turkish President Recep Erdogan said he would like to continue the work of the Black Sea Grain Initiative. He said this in Istanbul on Friday night to Saturday after talks with Ukrainian President Volodymyr Zelensky.



“In July 2022, we embodied the Black Sea Grain Initiative with our signatures in Istanbul as a result of the mediation efforts we had with the United Nations. On July 17, this initiative expires, during which about 33 million tons of grain were delivered to those in need in one year through the Turkish straits, which have become an artery for the whole world,” Erdoğan said.

“I wish this initiative to continue. I am convinced that all parties concerned will act with global responsibility for this purpose,” he said. The Turkish president also noted that he would like the term of the grain corridor agreement to be extended to 2 years.

ALMOST 200 NEW CAFES AND RESTAURANTS OPENED IN KIEV IN JANUARY-MAY 2023 – ASSOCIATION

In January-May 2023 in Kiev opened 172 cafes and restaurants, since the beginning of the war – about 350 institutions, said the agency “Interfax-Ukraine” co-founder of the National Restaurant Association of Ukraine Olga Nasonova.

“About 60% of Kiev’s openings are small-format establishments: coffee shops, bakeries, shawarma places, something in MAFs, something indoors. The area of up to 100 square meters. m. Microbusiness, but if it is a lot – it is power. Very few big restaurants were opened, more often it was a rebranding of existing locations,” she specified, adding that there were practically no pubs among the openings.

“Bars have reared their heads a bit, but restrictions on operating until 10 p.m. greatly reduce their profitability,” Nasonova noted.

For the popularity of establishments, the issue of safety is at the top of the list. This explains the best performance of pubs and bars in basements, as well as the geography of new openings. Activity of food zones in shopping malls is gradually recovering. The most “restaurant” zones of the city are Podol and Yarostavov Val Street, the activity is higher in the areas of old buildings than in new residential complexes.

“There are up to 50% of residents left in elite residential complexes, and the old residential areas are full of people, including because there is more affordable rental housing for people who moved there,” – the expert explained. As for prospective formats, in the near future, demand will also focus on mini-formats. “Investment in the launch of a coffee shop with an area up to 50 sq. m. – from \$10 to \$30 thousand. The rush demand – in locations with good traffic”, – said Nasonova.

Created in 2021, the National Restaurant Association of Ukraine in July 2022 had more than 100 members, 370 restaurants and cafes, under management – 164 thousand square meters. m.



UMAN IS PREPARING FOR THE V CHEESE & WINE FESTIVAL

On July 29-30, the V annual Cheese & Wine Festival will be held at the Forest Club Sherwood hotel and restaurant complex. The event is organized by Focus event, a company that creates emotions and various events to support people and the Armed Forces of Ukraine!

Cheese&Wine Festival is a combination of live music with a glass of real wine and craft cheese. The special guest at the event on July 29 is Pianoboy (Dmitry Shurov). The main goals of the festival are to raise funds for the needs of the Armed Forces of Ukraine; help businesses sell their products and find and attract customers for long-term cooperation; popularize the culture of Ukrainian winemaking and cheese making; develop a culture of wine consumption; and facilitate communication between producers, distributors and the hotel and restaurant business in Ukraine.

“ The festival will bring together top management of enterprises, owners and managers of agricultural enterprises, owners and managers of restaurants, pubs, hotel and restaurant complexes, wine and cheese producers, professional sommeliers, opinion leaders, and representatives of specialized associations.

The event will feature a lecture hall where wine experts will present important and relevant topics for Ukrainian winemaking. Speakers of the event:

Liudmyla Boiko, chief technologist of the family-owned company Khani Badger.

Natalia Blagopoluchna, President of the All-Ukrainian Association of Winemakers and Sommeliers, head of the first Ukrainian Sommelier School.

Eduard Gorodetsky, founder of Tiras Winery and MY Wine.

Mykola Blagopoluchnyi, CEO of Master Class, Director of the All-Ukrainian Association of Winemakers and Sommeliers.

Ihor Vishtak, Director of the Crop Production Department at the Ministry of Agriculture of Ukraine.

Volodymyr Pechko, head of the public association “Ukrsadvynprom”.

Iryna Kovaleva, Director of the V.E. Tairov Institute of Viticulture and Winemaking of the National Academy of Sciences of Ukraine.

Maksim Urakin, founder of the analytical center “Club of Experts”, publisher, marketing director of the news agency “Interfax-Ukraine”.

Yegor Belov, chef sommelier at InterContinental Kyiv, winner of the All-Ukrainian Sommelier Competition 2019.

Natalia Burlachenko, sommelier and brand ambassador of Vinos de La Luz (France, Spain, USA, Argentina).

The festival will feature a pre-premiere screening of the film Wounded Land. This is a documentary about the stories of Ukrainian winemakers who suffered from Russian aggression. The film was successfully presented in Hollywood (USA).

The event program will also include a roundtable discussion “Development of Ukrainian winemaking in times of war. Current issues. Communication between the government and producers to solve them” with Igor Vishtak, Director of the Crop Production Department of the Ministry of Agrarian Policy and Food of Ukraine, heads of specialized associations, owners and managers of wineries.

Cheese & Wine Festival has a charitable component. The military are sending various items from the frontline to be sold at a charity auction at the festival. The proceeds will be donated to the needs of the Armed Forces. Last year’s festival raised UAH 74,500, which was used to buy a car for snipers.

We invite everyone: from craft winemakers and cheese makers to large distributors and manufacturing plants, from experts, sommeliers, winemakers to connoisseurs of quality wine and cheese.

Join the V Cheese and Wine Festival 2023. It will be interesting and useful and, of course, very tasty!

Interfax-Ukraine, Club of Experts, www.open4businesscom.ua are media partners.

To buy flowers for the festival – <https://uman.karabas.com/ua/festival-cheese-wine>

SEED HARVEST OF MAIN TYPES OF OILSEEDS WILL GROW TO 19.5 MLN TONS – UKROLIAPROM

Harvest of seeds of the main types of oilseeds in Ukraine in 2023/24 MY will grow to 19.5 million tons, which is 7.7% higher than in the previous season, predicted the association “Ukroliaprom”.

The industry association recalled that by exporting sunflower seeds from Ukraine sufficient to meet the needs of the EU and other countries in volumes, the country loses the market for sunflower oil and meal in these countries.

“The mass export of oilseeds from Ukraine to the world market has led to a sharp drop in prices, which has caused discontent among farmers in European countries. As a consequence, the mass export of sunflower seeds from Ukraine has led on the part of some EU countries to a ban on imports into their territory until mid-September 2023, and possibly until 2024”, – noted in “Ukroliaprom”.

The association expressed confidence that this would not have happened if the repeated requests of Ukroliaprom to limit sunflower seed exports, particularly to EU countries, by introducing additional fees and licensing had been taken into account.

Ukroliaprom expects soybean exports from Ukraine to exceed 3.0 million tons at the end of MY 2022/23, or more than triple against MY 2021/22.

“This may negatively affect domestic processing, which even under martial law remained not only stable, but also increased,” experts emphasized.



“CHUMAK” INTENDS TO BUILD PLANT FOR PROCESSING TOMATOES INTO PASTE IN ODESSA REGION

The Chumak PJSC intends to build a plant for processing tomatoes into paste in Odessa Region, as the company considers this region to be the most favorable in terms of climatic conditions, the director of the department of agrarian policy, food and land relations of the Odessa OVA, Alla Stoyanova, has said on Facebook.

The official recalled that Ukraine covers its domestic needs in vegetables at the expense of imports. According to Stoyanova, in Odessa region in 2023, the sown area of vegetable crops is 1489 hectares, of which 476.6 hectares are allocated for tomatoes, 307.1 hectares – onions, 95.11 hectares – carrots, 81.87 hectares – cabbage, 22.75 hectares – cucumbers, 434.44 – other vegetable crops.

The Director of the Department also informed that relocation of production facilities of Chumak PJSC to Odessa region will be a significant support for agro-industrial complex of the region and will create almost 5000 additional jobs.



WHEAT PRODUCTION IN UKRAINE TO REACH 26.5 MLN TONS – NASA HARVEST

NASA Harvest (Food Security and Agriculture Program) analysts, based on satellite analysis, forecast total wheat production in Ukraine in 2023 marketing year at the level of 25-26.5 million tons, of which 21-22 million tons will be harvested on the territory controlled by Kiev, another 4.1-4.4 million tons – on the temporarily occupied territories, the official website of NASA Harvest reports. According to satellite analysis, wheat yields will average 4.27 tons/ha for the whole of Ukraine, in particular 4.53 tons/ha on the controlled territory and 3.3 tons/ha on the occupied territory.



According to NASA Harvest, wheat acreage for the whole country is estimated to be between 5.8-6.2 million hectares, of which 4.6-4.9 million hectares in the controlled territories, 1.2-1.3 million hectares in the temporarily occupied territories.

“Overall, this year’s wheat production estimate is close to last year’s due to a smaller sown area and higher yields compared to last year, which will be slightly below the five-year (pre-war) average of 27.9 million tons. This assumes that all the wheat sown will be harvested and that satellites cannot provide information on who harvested the wheat and whether Ukraine will benefit economically from its fertile farmland,” NASA Harvest summarized.

Source: <https://nasaharvest.org/news/farming-warzone-nasa-harvest-releases-satellite-based-ukraine-wheat-production-estimates>



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.

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