



**UKRAINE**  
OPEN FOR BUSINESS

## EU HAS DECIDED TO START NEGOTIATIONS ON ACCESSION OF UKRAINE AND MOLDOVA TO EU



President of the European Council Charles Michel said that the European Council has decided to start negotiations on the accession of Ukraine and Moldova to the EU.

“The European Council has decided to start negotiations on the accession of Ukraine and Moldova. The European Council has granted candidate status to Georgia. And the EU will start negotiations with Bosnia and Herzegovina as soon as the necessary degree of compliance with the membership criteria is achieved, and invited the Commission to submit a report by March with a view to making such a decision,” he wrote on Twitter.

## HEADLINES

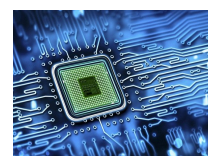
27 December 2023



THREE MORE  
INDUSTRIAL PARKS TO  
BE CREATED IN UKRAINE



USAID TRIPLES GRANT  
SUPPORT FOR UKRAINIAN  
PROCESSING COMPANIES



UKRAINE PLANS TO  
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THOUSAND CHIPS PER  
MONTH



TRENDS IN UKRAINIAN  
CONSTRUCTION MARKET  
DURING MARTIAL LAW  
FROM RAUTA



MAKSIM URAKIN, FOUNDER  
OF EXPERTS CLUB, ANALYZES  
MACROECONOMIC TRENDS IN  
UKRAINE AND WORLD AT END  
OF 2023



“ENERGOATOM” AND  
AMERICAN HOLTEC  
PLAN TO ESTABLISH  
JOINT VENTURE

# UKRAINE WILL INITIATE PROCESS OF ASSESSING UKRAINIAN LEGISLATION FOR COMPLIANCE WITH EU LAW IN COMING DAYS



In the coming days, Ukraine will officially initiate the process of assessing Ukrainian legislation for compliance with EU law, Ukrainian President Volodymyr Zelenskyy said in a video address on Sunday.

“We are preparing to work on a negotiation framework for Ukraine. We expect it in the spring. The negotiation process will not be easy, but the main thing is that historically we have determined that Ukraine will always be part of our common European home,” he said.

Zelensky thanked “everyone who helps to bring the necessary European decisions closer. To everyone who has joined, to politicians, civic leaders, and the people of different countries who equally believe in us, in Ukraine and in Europe.”

## UKRAINE CLOSES 20-YEAR DISPUTE WITH ROMANIA OVER THE DANUBE-BLACK SEA CANAL

As part of its European integration obligations under the Espoo Convention, Ukraine has closed a 20-year dispute with Romania over the implementation of its requirements during the construction of the Danube-Black Sea Canal on the sidelines of the Ninth Meeting of the Parties to the Espoo Convention, Minister of Environmental Protection and Natural Resources Ruslan Strilets said. “We have done our homework and come a long way in bringing the project in line with the requirements of the Convention. After all, Ukraine cares about good neighborly relations and compliance with international law. We are willing and able to find common ground and correct the mistakes of the past,” he wrote on Facebook from the meeting in Geneva.

Strelets thanked Romanian Minister of Environment, Water and Forestry Mircea Fechet for supporting this historic decision and Moldovan Minister of Environment Iordanca Iordanov for his professional and diplomatic chairmanship of the meeting of the Meeting of the Parties to the Convention.

The Ukrainian minister added that the Ukrainian delegation in Geneva also managed to achieve two more victories, including the refusal to elect a representative of Belarus to the working bodies of the Espoo Convention, which was supported by 34 countries.

“At the 43rd session of the Convention on Long-range Transboundary Air Pollution, Moscow was deprived of the status of host of the Meteorological Center “Vostok” of the EMEP program. This was voted for by 33 countries out of 35 member states. The international environmental research center will now be based at the Jožef Stefan Institute in Ljubljana, Slovenia. We hope that it will soon work in the Ukrainian Hydrometeorological Center!” – Mr. Strelets also wrote.

The Espoo Convention is an international agreement initiated by the United Nations Economic Commission for Europe, which entered into force in 1997 and is named after the Finnish city of Espoo (or Espoo), where it was signed in 1991. According to the document, the procedure for assessing the environmental impact of potentially hazardous projects should be carried out not only within the state, but also in neighboring countries that may be affected by the impact of these facilities.



# THREE MORE INDUSTRIAL PARKS TO BE CREATED IN UKRAINE

The Cabinet of Ministers at a meeting on Friday included in the Register of industrial parks three parks at once: two in Khmelnytskyi region and one in Lviv region, the Ministry of Economy reported.

In particular, the register includes FE Krasyliv Technoport with the area of 10.146 hectares, the creation of which was initiated by JSC Krasyliv Machine-Building Plant. The park plans to create about 500 jobs in the industrial cluster for metalworking and metal products manufacturing.

“The initiator plans to invest in the park 87 million UAH, it is also expected to attract investments of the management company, residents of the park (in its own production), private financing of the project,” – indicated the Ministry of Economy.

**“ It is noted that investors from Poland, Germany and Turkey have confirmed their readiness to invest in the park's enterprises following the results of negotiations.**

The total amount of preliminary confirmed investments is 555 million UAH, another 70 million UAH is expected from small and medium-sized businesses, which will help with the manufacture of parts for the production of large investors.

The second park in Khmelnytskyi region, included in the register, was the FE “Carbon Neutral ECO AGRO HAB Podillya “Gorodok”, on the territory of Gorodok city territorial community. 50.1856 hectares of land were allocated for the arrangement of the park, and the initiator of the IP was Epicenter K LLC.

“The park will specialize in agro-processing – production of oil and fats, products of the flour and poultry industry, other food products and ready-made animal feed. In addition, it is planned to produce most of the electricity for the work of the enterprises located there,” the report says.

It is assumed that the creation of the park will provide work for about 480 residents of the community. As noted in the concept of the park, during 2026-2032 the enterprises participating in the park will pay to the budgets more than 525 million UAH of taxes and fees.

In addition, the register of FE includes “YADRO Industri” in Drohobych, Lviv region, with an area of 10.0036 hectares, initiated by LLC “Facade-West”, which plans to invest in the development of more than 561 million UAH.

It is planned to create about 500 jobs in the industrial cluster, one of the key types of production of which is planned to be window production.

It is stated that among the investors ready to invest in production are companies from the USA and Spain.



# TRENDS IN UKRAINIAN CONSTRUCTION MARKET DURING MARTIAL LAW FROM RAUTA

The full-scale invasion radically changed the geography and size of the construction market, caused personnel changes, influenced the legislation and also opened up new business segments for Ukrainian construction companies.

**Rauta** director Andriy Ozeychuk told about trends and changes in construction during 2022-2023.

To date, total amount of losses is more than \$150 billion, including the largest losses suffered by the housing stock (\$56 billion), infrastructure (\$37 billion) and industry (\$12 billion). During the two years of the full-scale invasion, about 15% of the production facilities of construction materials were destroyed. At the same time, the segments of rolled steel and dry gypsum mixtures experienced the greatest losses.

## **Demand**

In 2022, the size of the Ukrainian construction market decreased by approximately 65%. In 2023, there is a tendency to consumption growth of construction products and services, and according to the yearly forecasts, the market is expected to increase by 20%. At the same time, the size of the residential real estate market in hryvnia equivalent will remain at the level as it was last year, non-residential construction will grow by 15%, and infrastructure will show an increase of 40%.

The demand structure for new residential real estate in Ukraine has changed dramatically. Front-line regions experienced the biggest drop in construction market to almost 90%, the central part – a decrease up to 70%, and in the west, construction increased by 15%, which is associated with the relocation of businesses and internally displaced persons, as well as the active development of real estate resorts in the Carpathians.

The primary real estate market was reoriented mainly to the west of Ukraine. Developers in other regions are mostly focused on finishing current projects, which were started before March 2022. Currently, most investors do not dare to start new construction projects and take a wait-and-see attitude.

In the Central, Northern and Eastern Ukraine, the demand for the reconstruction services of destroyed buildings and structures has significantly increased. A business that has suffered the destruction of real estate needs the reconstruction of buildings in order to resume functioning.

Currently the fastest-growing construction segments are the infrastructure reconstruction, primarily bridges and social buildings, at the expense of state budget and donor funds.

In response to wartime threats, new segments of the construction market appeared: structures for the protection of critical infrastructure facilities and modular reinforced concrete shelters designed to protect people during air raids, artillery fire, etc.

## **Prices**

In 2022-2023, the cost of construction increased by 53%, which led to a similar price increase for the primary real estate market. The construction cost price will continue to grow, which is determined by objective processes, including increased demand and inflation.

### **Import reorientation**

Suppliers of construction materials, which previously imported products from the Russia and Belarus (glass, bitumen, rolled steel, cement, sandwich panels, etc.), were forced to reorient themselves to supply goods from EU countries and Turkey.

Due to the closure of Ukrainian ports, the import of construction materials by sea (rolled steel, chemicals, decoration materials, etc.) became impossible. Today, the import of these materials to Ukraine takes place mainly through Romania, which has led to an increase in their cost.

At the end of 2023, complications arose with the import of raw materials and construction materials due to blocking by Polish and Slovak carriers of checkpoints on the border with Ukraine. It also caused an increase in prices and delivery times of imported construction materials.

## **Preparation for reconstruction**

Currently, most Ukrainian investors are preparing for reconstruction and are actively calculating the cost of construction, but as a rule they are waiting for the end of hostilities to start new projects.

International financial institutions are also planning to get involved in reconstruction and are gradually entering the Ukrainian market. The key criteria for financing post-war construction in Ukraine will be transparency and speed of project implementation, so international organizations are already starting to establish partnerships with reliable Ukrainian construction companies. At the same time, priority is given to companies that work with European materials and technologies, which allows to create modern architecturally attractive and energy-efficient buildings.

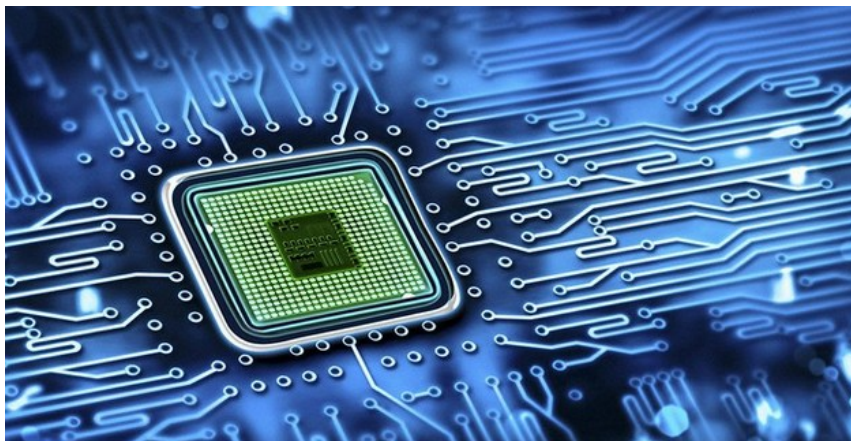
# UKRAINE PLANS TO START PRODUCING 50 THOUSAND CHIPS PER MONTH

Ukraine plans to start producing 50 thousand chips per month in three years after the start of construction of the factory, said Valeria Ionan, Deputy Minister of Digital Transformation for European Integration.

“We will thus meet the needs of the domestic market, as well as create a basis for exports,” she said at the presentation of Ukraine’s global innovation vision on Thursday.

According to her, chip production in Ukraine will supply most of the country’s industrial sectors.

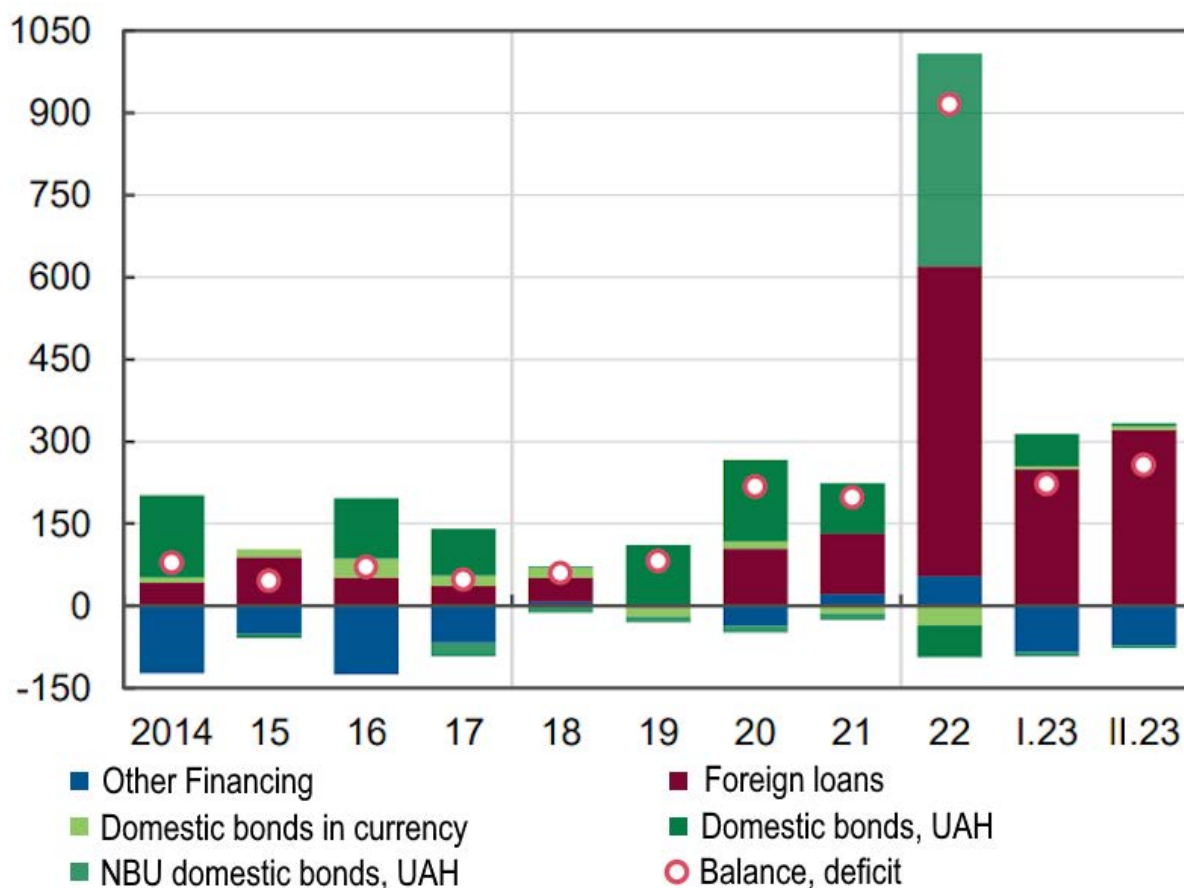
At the same time, she did not name any specific dates for the start of construction. Ionan noted that Ukraine will create a network of fabless companies (a company that does not have its own factory) for automated chip design, which will allow it to enter the chip market and take a position in the global semiconductor market.



For his part, Deputy Prime Minister for Innovation, Education, Science, and Technology – Minister of Digital Transformation Mykhailo Fedorov said that the Ministry of Digital Transformation plans to develop and present a chip in 2024.

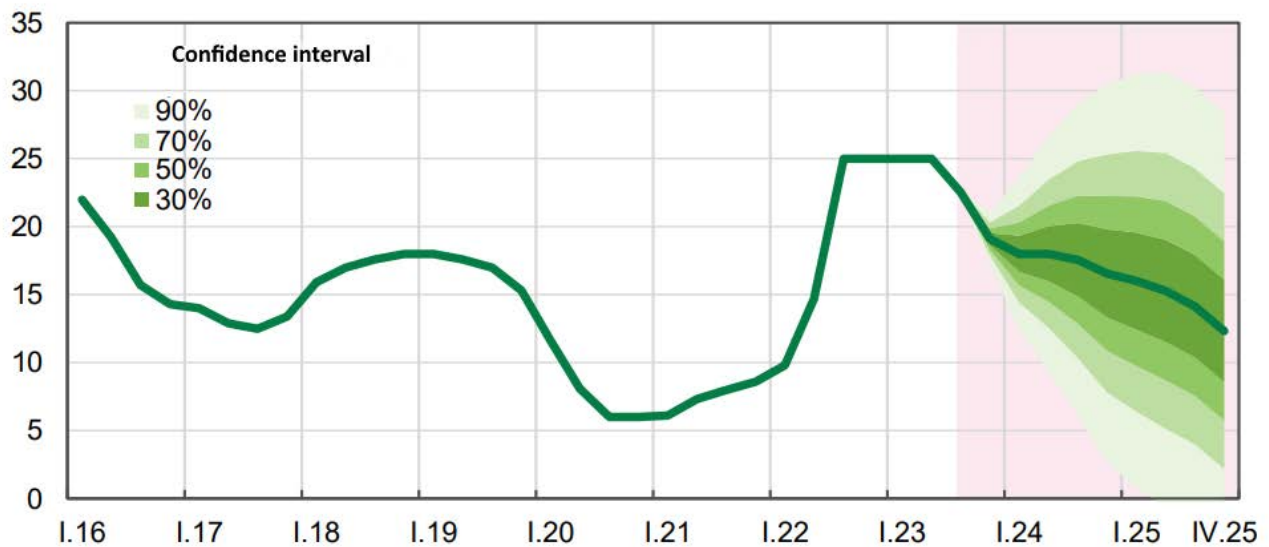
According to him, the Ministry of Digital Transformation is working with various companies in this direction, but no other details have been disclosed so far.

## FINANCING STATE BUDGET DEFICIT, BLN UAH





# FORECAST OF CHANGES IN DISCOUNT RATE OF NATIONAL BANK OF UKRAINE, %



## USAID TRIPLES GRANT SUPPORT FOR UKRAINIAN PROCESSING COMPANIES

The United States Agency for International Development (USAID) has tripled its grant support under the Competitive Economy of Ukraine program to \$11 million, the Ministry of Economy reported on its website on Thursday.

It is noted that the decision was made taking into account the large number of applications and significant interest from processing enterprises.

“ *The increase in funding will also increase the number of grants by about three times, to about 75.* ”

It is specified that the grants will support businesses in the production of innovative products, modernization of production, reduction of manual labor, import substitution and export growth to fill niches previously occupied by Russian and Belarusian products, and localization of production of goods necessary for recovery.



USAID's Competitive Economy Program supports Ukrainian businesses to improve their competitiveness in Ukraine's domestic and international markets, helps build a simplified and transparent business climate, and provides Ukrainian companies with opportunities to take advantage of international trade.

# MAKSIM URAKIN, FOUNDER OF EXPERTS CLUB, ANALYZES MACROECONOMIC TRENDS IN UKRAINE AND WORLD AT END OF 2023

In a new episode of the Experts Club YouTube channel, Maksim Urakin, PhD in Economics, presented an analysis of macroeconomic trends in Ukraine and the world based on official data from the State Statistics Service of Ukraine, the NBU, the UN, the IMF, and the World Bank.

## Macroeconomic Indicators of Ukraine

Maksim Urakin cited data from Ella Libanova, Director of the Institute for Demography and Social Studies, who estimates that about 50% of citizens will return after the war.

“Demographics is an important factor for economic recovery, but the threat of depopulation and labor shortages cannot be ignored. In the medium term, the decline in the demographic growth potential in Ukraine can only be offset by migration,” Urakin emphasized.

The expert noted that the main risks to the economy remain the duration of the war and the instability of international aid.

“In the third quarter of 2023, Ukraine’s GDP growth slowed to 8.2%. The negative balance of foreign trade increased 3.2 times, which is an alarming signal. The public debt has slightly decreased compared to August figures, but in 2024 it may exceed the country’s GDP for the first time, which poses significant risks to economic stability,” the economist said.

## Prospects for the Global Economy

The founder of Experts Club also analyzed the global economy, noting a slowdown in growth in 2024 to 2.2%. “One of the key reasons for the slowdown in global economic growth is the decline in GDP in developed countries. We are witnessing the lowest GDP growth in developed countries since the 1980s, with the exception of the global financial crisis and the COVID-19 pandemic. The unprecedented cycle of interest rate hikes by major central banks in recent years has also played a significant role in slowing growth. These rate hikes are driven by the need to control inflation, but at the same time, they limit economic activity,” the expert explains. According to the expert, the current macroeconomic situation in Ukraine and the world requires further analysis. For Ukraine, the main challenges in the coming years will be the need to restore Ukraine after the war and manage the public debt.

For more information on the situation in the Ukrainian and global economy, please see the video on the YouTube channel “Club of Experts” at the link: <https://www.youtube.com/watch?v=byJnfmie7bM>

You can subscribe to the channel here: <https://www.youtube.com/@ExpertsClub>



# UKRAINIAN CEMENT PRODUCERS READY TO WORK ACCORDING TO EUROPEAN STANDARDS – OPINION

Ukrainian construction product manufacturers are actively preparing, and some are already ready to work in accordance with EU Regulation 305/2011 on the quality of construction products, Natalia Duzhylova, deputy head of the State Inspectorate for Architecture and Urban Development, told Interfax-Ukraine.

“One of the main issues that needs to be addressed (to work in accordance with European standards) is the lack of a full-fledged quality infrastructure, including a network of testing laboratories equipped with the necessary equipment, which makes it impossible to assess the conformity of construction products. Currently, eight testing laboratories in Ukraine have received the appropriate accreditation, which can provide testing services under Regulation 305 for 16 out of 35 categories of construction products,” she said.

The Deputy Head of the SIAG gave the example of the cement industry, which is fully prepared for the implementation of the C05 Regulation even from January 1, 2024. This fundamental industry is a leader in the implementation of European legislation, and producers are fully prepared to work according to European standards. In particular, the standards have been translated, laboratories are operating, and electronic manufacturer's accounts in the Unified State Electronic System in the Construction Sector (USESCS) have been set up, where manufacturers upload declarations of conformity for cement products. As for other building materials industries, most of the standards have already been translated, but in the current economic situation, it is difficult for manufacturers to secure the purchase of new testing equipment for laboratories.

“Some industries have also been actively preparing for industrial visa-free travel in advance. For example, the cable industry had two laboratories fully equipped for accreditation. However, one of them was completely destroyed by the enemy, and the other is located on the temporarily occupied territory,” Duzhylova cited an example.

## UKRAINE EXPORTED FURNITURE FOR \$730 MLN

In January-November 2023, Ukraine exported \$730 million worth of furniture, which is 3.2% less than in 2022, Oksana Donska, a board member of the Ukrainian Association of Furniture Manufacturers (UAFM) and coordinator of furniture cluster development, told Interfax-Ukraine.

“The main reason for the drop is the blocking of the Polish-Ukrainian border. Trucks with furniture stood in line at the border for weeks in November 2023, and a small share was delivered by vehicles with a carrying capacity of up to three tons. It is expected that the pent-up demand of November and the lifting of the border blockade with Poland will allow us to ship orders and reach the export level of \$810 million in 2023 and significantly increase exports next year,” Donska said.

In particular, JYSK buys Ukrainian products for sale in all its international networks. “If we compare the volume of JYSK's purchases in Ukraine in 2023 with 2021, the company has increased the volume of purchases in physical units, and in monetary terms by almost 20% in euros,” said Iryna Romanchuk, purchasing manager at USK Ukraine LLC.

According to her, JYSK is ready to further increase the volume of purchases if Ukrainian producers are ready to switch to European standards and implement environmental and social initiatives at their production facilities.

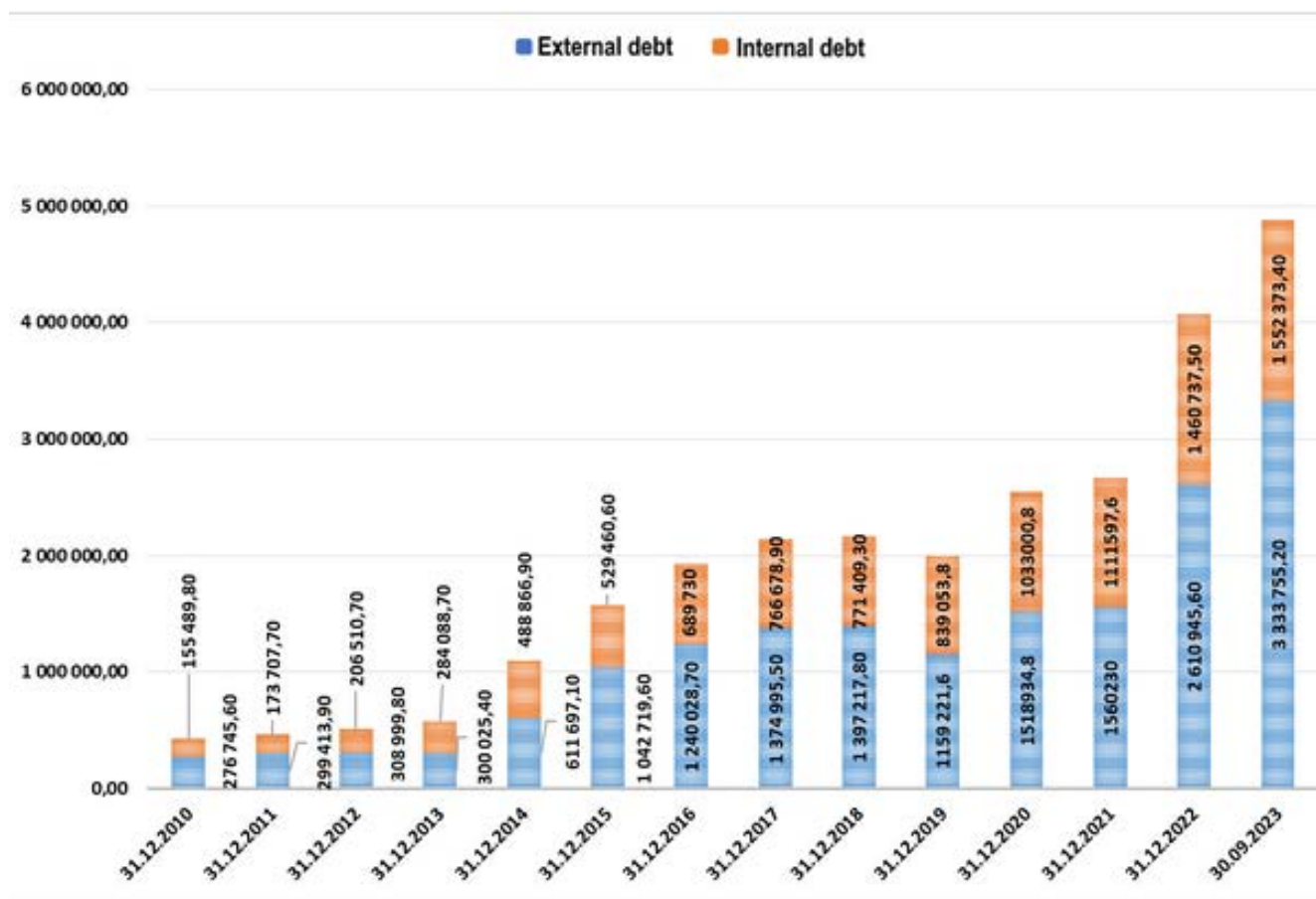
Overall, the share of furniture exports in total exports of goods from Ukraine amounted to 2.2% in 11 months of 2023.

From 2009-2021, exports of Ukrainian furniture (product group 94) grew annually by an average of 13.5% from \$0.2 billion to a record high of \$1.1 billion in 2021. In 2022, Ukrainian furniture producers managed to keep exports at \$0.8 billion, of which 91.1% were to the EU.





# INTERNAL AND EXTERNAL DEBT OF UKRAINE IN 2009-2023



## UKRAINE'S ROLLED STEEL MARKET DOUBLED IN 11 MONTHS

In January-November this year, Ukrainian enterprises increased their consumption of rolled metal products by 2.06 times compared to the same period last year, up to 3 million 246.6 thousand tons.

“ According to a press release issued by Ukrmetallurgprom on Monday, 1 million 26.6 thousand tons, or 31.62% of the domestic rolled steel market, were imported during this period.

According to Ukrmetallurgprom, in January-November 2023, Ukrainian steelmakers produced 4.86 million tons of rolled metal products (92.8% compared to the same period in 2022), of which, according to the Expert and Scientific Council of UAVtormet, about 2.64 million tons, or 54.4%, were exported. In the same period of 2022, the share of exports amounted to 80.4% (4.21 million tons with a total production of 5.24 million tons of rolled metal products). The share of semi-finished products in export deliveries for 11 months of 2023 amounted to 41.79%, which is significantly lower than in the same period of 2022 (43.31%). The share of flat products in export deliveries in 11 months of 2023 is slightly higher than in January-November 2022 (38.46% and 36.64%, respectively). The share of long products is comparable to the figure for 11 months of 2023 (19.74% in 2023 vs. 20.05% in 2022).



# ADONIS MEDICAL NETWORK ESTIMATES LEVEL OF SECURITY OF ITS IT STRUCTURE AT 97%

ADONIS Clinic estimates the level of security of its IT structure at almost 97%, using the services of various mobile operators and Internet providers to ensure wide availability and stability of IT services.

“*The security of ADONIS clinic’s IT structure is 96.99%. To guarantee a high level of protection, we are constantly improving our equipment through the processes of updating and modernization. This allows us to effectively counter modern cyber threats and maintain the confidentiality and integrity of our patients’ data,” the clinic told Interfax-Ukraine.*

Commenting on the dependence of IT services on the work of mobile operators and Internet providers, ADONIS noted that “the clinic uses the services of various mobile operators and Internet providers to ensure wide availability and resilience of IT services.”

“Partial dependence on Internet providers is necessary to ensure the proper functioning of our network infrastructures,” the clinic said.



медична група компаній

ADONIS emphasized that the clinic’s work was affected by the recent cyberattack on mobile operator Kyivstar, but ADONIS “quickly identified the problems and took the necessary measures.”

“We quickly and efficiently switched to other networks, ensuring the continuity of our communications and IT services. This experience has emphasized our ability to effectively manage contingencies and ensure the smooth operation of our IT systems in the face of cyber threats,” ADONIS emphasized.

## DOBROBUT MEDICAL NETWORK TO HELP WOUNDED AND MILITARY RECEIVE FREE SURGICAL AND REHABILITATION CARE



ДОБРОБУТ

The Dobrobut Medical Network, with the support of the Direct Relief International Foundation, has updated its program of free surgical care for the wounded and rehabilitation of the military.

According to Dobrobut in its press release, the program will run from December 18, 2023, to May 15, 2024, at the Dobrobut Medical and Diagnostic Center in Kyiv.

“*Military and civilians with injuries and traumas sustained as a result of hostilities can receive surgical care. In addition, children of military personnel will be able to receive scheduled and urgent surgical care.*

The military also has a program of free physical rehabilitation for injuries sustained during hostilities. Applications for participation in the program will be reviewed by a special medical commission.

“Dobrobut has been cooperating with Direct Relief since April 2022. Thanks to this, more than 2.3 thousand patients have received free medical care at the Dobrobut Diagnostic and Treatment Center. With the support of the American partner, Dobrobut surgeons have performed nearly 1,000 surgeries.

“Dobrobut is one of the largest private medical networks in Ukraine. The company’s portfolio includes 15 medical centers in Kyiv and Kyiv region, an emergency service, dentistry and pharmacies. The medical centers of the network provide services for children and adults in more than 75 medical areas. Every year, Dobrobut specialists perform more than 7,000 surgeries. The network employs more than 2,800 people.



# IN 2023, SMALL-SCALE PRIVATIZATION THROUGH PROZORRO.SALE REPLENISHED BUDGETS BY MORE THAN UAH 3.3 BLN

Revenues of budgets of various levels from small-scale privatization of state and municipal property in the state electronic trading system Prozorro.Sale amounted to almost UAH 3.3 billion in 2023, according to a joint press release on Thursday.

“*In total, in 2023, businesses and citizens privatized almost 914 objects across the country. 350 of them are state property sold by the State Property Fund (SPF) and its regional offices through online auctions on Prozorro.Sale, and another 560 are assets sold by communities,” said First Deputy Prime Minister and Minister of Economy Yulia Svyrydenko.*

It is specified that the state budget received more than UAH 2.6 billion, while the privatization of communal facilities brought communities more than UAH 650 million, and the price of the facilities increased almost threefold as a result of electronic auctions.

“It is important that privatization is not just a one-time revenue for the state or local budgets, it is primarily about attracting investment and economic development,” emphasized Svyrydenko.

CEO of Prozorro.Sale Serhii But noted that in total, more than 3.6 thousand participants competed for the right to purchase state and municipal property in 2023.

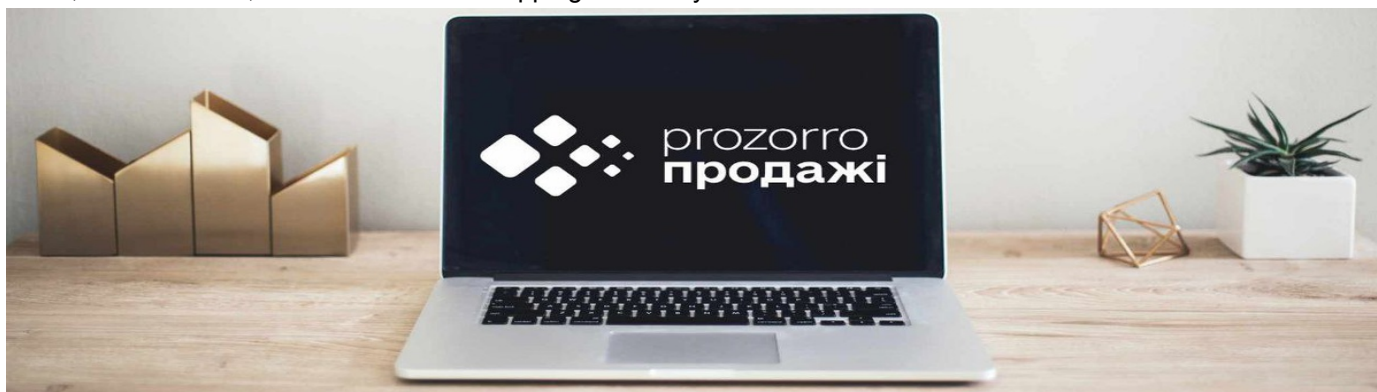
“The business demand for small-scale privatization objects in the second year of the full-scale war remains, with an average of more than three bidders. Factories, hotels, warehouses, outpatient clinics, car dealerships – these and other objects have found a new effective owner this year thanks to online auctions,” said Booth.

“*Head of the SPF Vitaliy Koval added that, in addition to development and modernization, job creation and mastering new markets, another important area of privatization auctions under martial law is the search for objects for business relocation. According to him, this is especially relevant for the hospitality industry (catering, restaurant business and hotel industry), agricultural, logistics and other sectors of the economy.*

“That’s why the most popular real estate objects, which is 76% of the sold property, are industrial and administrative assets. Businesses are interested in the so-called brownfields – abandoned enterprises with communications. After all, it is enough to make repairs there and you can start your own business or expand an already running production,” explained the head of the privatization agency.

He said that the SPF plans to actively involve big business in privatization.

“We are already preparing a large-scale privatization. We also plan to open a transparent agricultural land lease market and sell the aggressor’s assets at auctions to compensate for the damage caused by the war,” said Koval, who previously announced a goal of over UAH 4 billion from privatization in 2024. Among the most interesting proposals for next year’s auctions, the SPF mentioned the UMCC, Demurinsky GOK, Centrenergo, Odesa Port Plant, Ukraina Hotel, and Ocean Plaza shopping mall in Kyiv.



# “ENERGOATOM” AND AMERICAN HOLTEC PLAN TO ESTABLISH JOINT VENTURE

NNEGC Energoatom and Holtec International plan to establish a joint venture to organize a production complex and a technology center in Ukraine to localize equipment for small modular reactors (SMR) of the American company. According to NNEGC's post on Telegram, the facility will house an engineering and design center, storage facilities for materials and component production, as well as training facilities, including an SMR simulator. The production is expected to create thousands of jobs for qualified Ukrainian personnel.

“*The introduction of advanced technologies and the construction of modern Holtec production facilities in Ukraine will be of great importance for the post-war economic recovery of our country. Cooperation with Holtec gives Ukraine the opportunity to become a leader in the global nuclear energy sector,” Energoatom President Petro Kotin was quoted as saying in the statement.*

“We believe that Ukraine has demonstrated its ability to build and commission a powerful nuclear facility, despite the continuous barrage of Russian missiles. Therefore, Ukraine's recovery can begin without waiting for the end of hostilities,” said Holtec President and CEO Dr. Chris Singh.



## UKRAINIAN AGRARIANS HARVESTED 78.7 MLN TONS OF CROPS IN 2023

As of the third week of December, agrarians of all regions of Ukraine harvested 78.7 mln tons of grains and oilseeds: 57.86 mln tons and 20.76 mln tons respectively. As reported by the Ministry of Agrarian Policy and Food, grain and legumes were harvested on an area of 10 million 509 thousand hectares with a yield of 55.1 c/ha.

“*Compared to the same date a year ago, the total harvest is 23.6% higher, or 15.02 million tons, including 24.2% higher, or 11.26 million tons, of grains and 22.1% higher, or 3.76 million tons, of oilseeds. At the same time, it should be taken into account that this year corn has been harvested from 88% of the area, while a year ago – from 75%.*

In addition, 11.86 mln tons of sugar beet were harvested from 248.6 thou hectares. Although its yield this year, unlike grains and oilseeds, is lower than last year, due to the expansion of the area by 38.3%, the harvest is 31.8% higher than last year.

As reported, this season's winter wheat plantings amounted to 4166 thou hectares (-834 thou hectares compared to the previous one), winter barley – 536 thou hectares (-255 thou hectares), and rapeseed – 1374 thou hectares (+110 thou hectares).

According to the newly revised forecast of the Ministry of Agrarian Policy, in 2023, farmers will be able to harvest 81.3 mln tons of grains and oilseeds, including 59.7 mln tons of grains and 21.6 mln tons of oilseeds.



# SPANISH INVESTOR CLAIMS LOSS OF MORE THAN UAH 20 MLN DUE TO RAIDER TAKEOVER OF COMPANY BY ITS UKRAINIAN CO-FOUNDER

Spanish citizen **Angel Miguel Cerezo Gallardo** estimates losses from the raider takeover by the Ukrainian co-founder of the Selecto Markets company, of which he is a co-founder, at UAH 20 million.

“As the Spanish citizen said at a press conference at the Interfax-Ukraine agency on Tuesday, together with Ukrainian partners, he planned to develop a chain of grocery stores in Ukraine with the supply of products from Spain and other European countries, created the Selecto Markets company, invested in first store in Kyiv, delivered equipment and goods.

According to him, one of the co-founders of the company from the Ukrainian side was Maksym Marshchivskyy, who at that time headed the distribution direction in the Furshet retail chain. The co-founders, among other things, planned to supply European products to Ukrainian retail chains, as well as develop their own network of Selecto Markets stores.

However, according to the Spanish investor, Marshchivskyy, without any reason, refused to pay for goods imported from Spain and other European countries by the Spanish businessman's companies, stopped paying local suppliers, blocked the Spanish partner's access to the company's accounts and documents, and also “decided to personally manage the company and re-register for himself.”

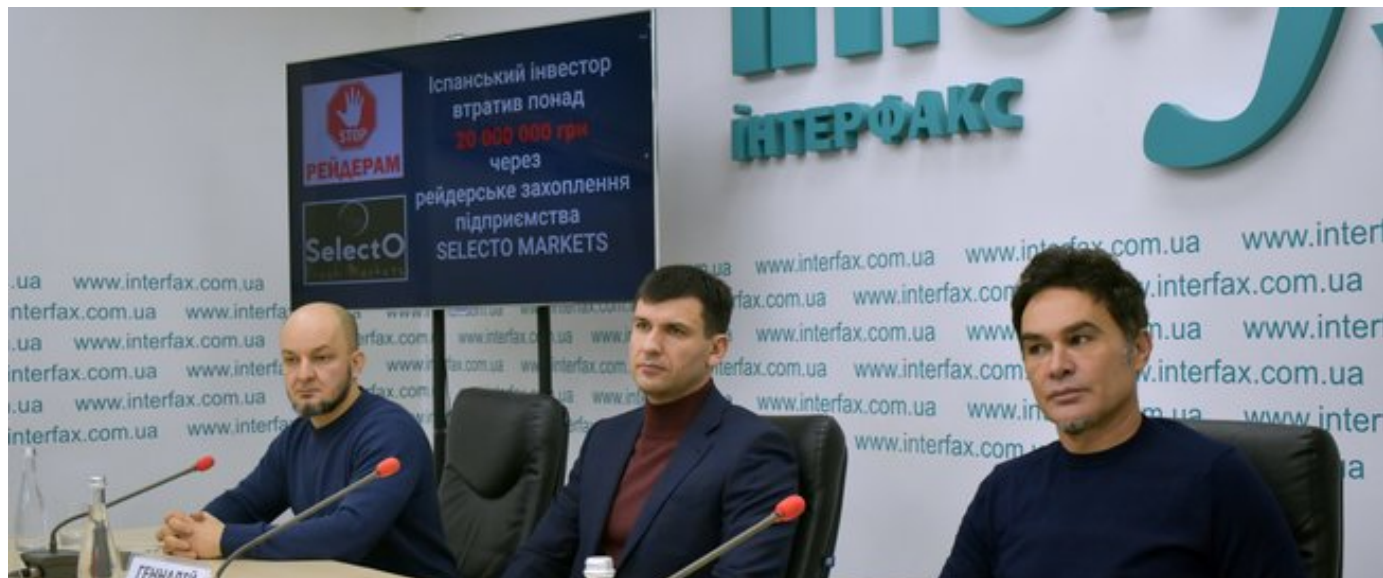
In turn, Cerezo Gallardo's lawyer Hennadiy Borysychev noted that law enforcement agencies “are in no hurry to enter information about criminal offenses under Articles 219 and 191 of the Criminal Code into the unified register of pre-trial investigations, as well as to investigate them.”

“We will have to go to court to declare the investigators' inaction illegal and in court to oblige law enforcement agencies to initiate criminal proceedings,” he said.

“We want to use the example of this case to prove that justice and law enforcement agencies really work in the country, that it is really possible to invest in our country,” he said.

In turn, another co-founder of Selecto Markets, Eugene Zhevagin, said at the press conference that since the start of the full-scale invasion, Cerezo Gallardo “not only did not leave Ukraine, but is actively helping it, supplying humanitarian aid, ambulances, and medicines.” “He doesn't just invest money, he helped and is helping everyone who needs it, he believes in Ukraine. We really hope that by making this case public, we will get a positive result,” Zhevagin said.

The Spanish investor contacted the Embassy of the Kingdom of Spain in Ukraine to assist in a fair resolution of the case.



# DIM GROUP BUILT MORE THAN 45 THOUSAND SQUARE METERS IN 2023

**DIM Group** built more than 45 thousand square meters in 2023 and plans to commission approximately 100 thousand square meters of real estate, said Daria Bedia, Marketing Director.

“This year we have built more than 45 thousand square meters. We expect to receive certificates in two of our projects in the near future: the eco-city of Lucky Land and the multifunctional cluster of Park Lake City. Next year, we plan to commission about 100 thousand square meters. We are preparing several new projects to be launched, which we want to present to the market,” Bedia told Interfax-Ukraine.

She stated that since the spring of 2023, the company has been recording a steady increase in demand in the range of 5-6% per month in comfort+ and business class projects.

“In total, we managed to return more than 45% of the pre-war demand. And this is high-quality demand that is converted into real transactions. This is very important, as it indicates the liquidity of the product (concept, format, quality characteristics of the residential complex) and the high pace of construction,” Bedia said.

At the same time, the weighted average growth in construction costs for the year was almost 45% due to higher prices for construction and installation works due to inflation, lack of qualified personnel, and indexation of builders' salaries. In addition, this was caused by the rise in the cost of construction materials due to the lengthening and changing of supply chains, rising prices for raw materials, and the loss of production capacity in the eastern and southern regions.

According to her, the level of demand is directly influenced by the project itself and its concept, as well as the stage of construction and whether active construction work is underway at the site. Buyers are ready to enter the project not at the stage of the pit, but at least with a readiness of 30-40%.

“Important criteria are the developer's reputation, ability to keep their word in terms of terms and promises, as well as flexible purchase terms for both 100% payment and installment payments. According to our observations, the demand for long-term installments of more than 3 years has increased by a third in just one year,” Bedia said.

She noted that the key factors in the choice are the type and quality of materials: brick or ceramic block, noise-absorbing windows with magnetropic coating, high-speed elevators from the best manufacturers. Much attention is paid to the service company, spatial zoning of the territory, landscape design, security and concierge service.

A diverse multifunctional infrastructure that reflects the expectations of the target groups of buyers, a well-thought-out apartment layout and a variable range of planning solutions, and the energy independence of the complex, in particular, the availability of alternative power sources for water supply or power for elevator equipment, are mandatory.

According to Bedi, most buyers in the comfort+ segment are interested in one-bedroom apartments of 40-47 sq. m. with a kitchen-living room of 20 sq. m. and a separate bedroom with a dressing room. The top two-room apartments are 68 to 75 sq. m. with two separate bedrooms, a kitchen-living room of 20 sq. m., and three-room apartments are 85-90 sq. m. with three separate bedrooms, one of which is a master bedroom with its own bathroom and wardrobe, a large kitchen-living room is also a priority.

“The area of 1-room apartments, which are most often bought in the business segment, reaches 50-55 sq. m., 2-room apartments – 75-80 sq. m., 3-room apartments – 100-120 sq. m.

The mandatory attributes of such apartments are a large living area with panoramic windows of 30 sq. m. or more, a master bedroom with a dressing area and a separate bathroom of 20 sq. m., a children's room of 25 sq. m. or more with a wardrobe,” the expert said. DIM Group was founded in 2014 and consists of six companies covering all stages of construction. To date, it has commissioned 12 houses in six residential complexes with a total living area of more than 218 thousand square meters. Six residential complexes of “comfort+” and “business class” categories are under construction: “New Autograph, Metropolis, Park Lake City, Lucky Land, etc.





# EXPERTS CLUB HOSTED FINAL SEMINAR-TASTING OF UKRAINIAN WINE AND VINTAGE DRINKS

Last Friday, the Experts Club analytical center hosted the final seminar-tasting of Ukrainian wine and vintage drinks. This event once again brought together representatives of the Ukrainian wine industry, professional tasters, retail experts and media representatives.

Maksim Urakin, founder of Experts club, opened the event, emphasizing the importance of reviving and developing the culture of wine and vintage drinks in Ukraine.

“The Ukrainian wines presented at today's tasting are limited editions that have not yet been presented to the general public, but have already been recognized at both Ukrainian and international competitions. Our events are held to support the development of domestic winemaking and spirits production, which will allow Ukrainian products to regain their leading positions, primarily in the domestic market, which, unfortunately, have been lost in recent years,” said Urakin.

The founder of Experts club also emphasized that a systematic approach to supporting Ukrainian producers will also lead to their entry into foreign markets and help the development of our economy as a whole. In his turn, Andriy Strelets, General Manager of Knyaz Trubetskoy, emphasized that despite the destruction his winery suffered as a result of military operations, production continues to revive and develop. “The wines that are presented at today's event are new limited collections of 2022. And this is a sign that our winery is resuming production and working to expand its range. We have decided to change the name of our brand to Stoic Ukrainian winery, as it should symbolize the resilience of Ukraine in these difficult times,” said Strelets. Sergiy Parkhomchuk, Marketing Director at PrJSC Knyaz Trubetskoy, spoke about the company's new projects. “Dnipro Hills is a new Ukrainian wine created in cooperation between STOIC Ukrainian winery and Chateau Pinot winery. At a critical moment in the 125-year history of our winery, Chateau Pinot provided us with invaluable support. Representatives of a new industry for Ukraine – the production of craft distilled beverages, Oleksandr and Lesya Slobodian, presented their own products, including whiskey, calvados and grappa made in Ukraine. CraftSAD is a family-owned distillery with a unique history and philosophy, created by the Slobodian couple. Even after the loss of their laboratory and home during the war, they did not give up, but found a way to continue creating unique signature drinks for their fans. Their work is based on two key principles: the use of local raw materials (grains, berries, fruits) and the priority of quality over quantity. This provides CraftSAD with the opportunity to produce products that preserve the unique aroma and taste of natural ingredients and guarantee the uniformity of each batch. “The event presents the author's drinks that are already loved by many. “Zapechena” is based on an old Cossack recipe, a spicy honey brew that will first surprise and then impress with its richness of flavors. Aged for more than 3 years, the exquisite whiskey and calvados are truly worthwhile drinks, of which there are very few left after the house was destroyed,” said Lesia Slobodian.

In general, the event emphasized the importance of supporting Ukrainian wine and spirits producers and promoted the popularization of unique domestic alcohol brands.

The partner of the Experts club was Myasnyi Rai.



# USDA RAISES FORECAST FOR WHEAT AND CORN EXPORTS FROM UKRAINE

The U.S. Department of Agriculture (USDA) has raised its forecast for wheat exports from Ukraine in 2023/24 marketing year (MY) by 0.5 million tons to 12.5 million tons, and corn by 1.0 million tons to 21.0 million tons.

“ According to the U.S. agency's December report, the improvement in the forecast for wheat exports was made by reducing the estimate of year-end carryover balances by the same 0.5 million tons, to 2.58 million tons.

As for corn, the USDA raised the forecast for its harvest also by 1 million tons – up to 30.5 million tons.

In addition, the U.S. analysts improved the estimate of transitional corn residues by 0.39 million tons both at the beginning of this MY (up to 2.8 million tons) and at its end (up to 6.82 million tons).

Overall, the updated world wheat crop forecast for 2023/24 is improved by 1.03 million tons to 783.01 million due to positive revisions to estimates for Australia and Canada, offsetting a worsening of the forecast for Brazil.

The estimate for global wheat consumption is raised by 1.82 million tons to 794.66 million, and global exports by 2.18 million tons to 207.19 million tons: in addition to Ukraine, the estimates for the United States, Australia and Canada are improved.

As for corn, the forecast for its harvest in December was raised by 1.28 million tons to 1 billion 222.07 million tons, and for exports by 1.84 million tons to 201.46 million tons.



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