



DRAFT AGENDA
"Dnipropetrovs'k Region: Open Investment Dialog"
Kyiv, May 23, 2018

*33, Velyka Zhytomyrs'ka str.,
Chamber of Commerce
and Industry of Ukraine*

11.00 – 11.30	Registration. Welcome Coffee
11.00 – 11.30	Press Point
11.30 – 12.30	Panel discussion: “Key role of Dnipropetrovs'k Region in economic structure of Ukraine”; Moderator: Mr. Gennady Chyzhykov , President of the Ukrainian Chamber of Commerce and Industry (TBC);
11.30 – 11.40	Video presentation of Dnipropetrovs'k Region;
11.40 – 11.50	Mr. Glib Prygunov , Head of Dnipropetrovs'k Regional Council;
11.50 – 12.00	Mr. Maksym Nefyodov , First Deputy Minister of Economic Development and Trade of Ukraine (TBC);
12.00 – 12.10	Mr. Yuriy Golyk , Advisor to the Head of Dnipropetrovs'k Regional State Administration;
12.10 – 12.20	H.E. Luc Jacobs , Ambassador Extraordinary and Plenipotentiary of the Kingdom of Belgium in Ukraine (TBC);
12.20 – 12.30	Mr. Wolfgang Mössinger , General Consul of the Federal Republic of Germany in Donetsk (office Dnipro)
12.30 – 13.00	Coffee-break
13.00 – 14.00	Panel discussion: “Investment potential as a factor for the development of a competitive Region”
13.00 – 13.20	Moderator: Mr. Vitaliy Lytvyn , Advisor to the Head of Dnipropetrovs'k Regional State Administration; Ms. Valentyna Zatyshnyak , Director of the Public Utility Company “Dnipropetrovs'k Regional Investment Agency”; Mr. Oleksandr Kolomiytsev , Director of the State Enterprise “Investment and Innovation Center”;
13.20 – 13.30	Representative of “Interpipe-steel” (TBC);
13.30 – 13.40	Mr. Volodymyr Pipa , Director of the “Caparol Dnipro”;
13.40 – 13.50	Representative of “Brukland” (TBC);
13.50 – 14.00	Mr. Vadym Hetman , CEO of LunApps.
14.00 – 15.00	Informal conversation. Lunch



DIA

DNIPROPETROVSK REGION:

Open investment dialog

DNIPROPETROVSK REGION IS AN INDUSTRIAL AND INVESTMENT CENTER OF UKRAINE

- The region is located in the center of Ukraine and shares its border with 7 regions.
- The Dnipro river, which is one of the largest waterway in Europe, crosses the region.
- The region has 22 districts and 20 cities (the largest cities are Dnipro and Kryvyi Rih).



One of the largest regions by the area and population



3,3 mln people
(7,3% of country's population)



31,9 thousd. km²
(5,3% of country's area)

Industrial and investment center of Ukraine



1st place
of sold industrial output
(15,3% of all sold industrial output of Ukraine)

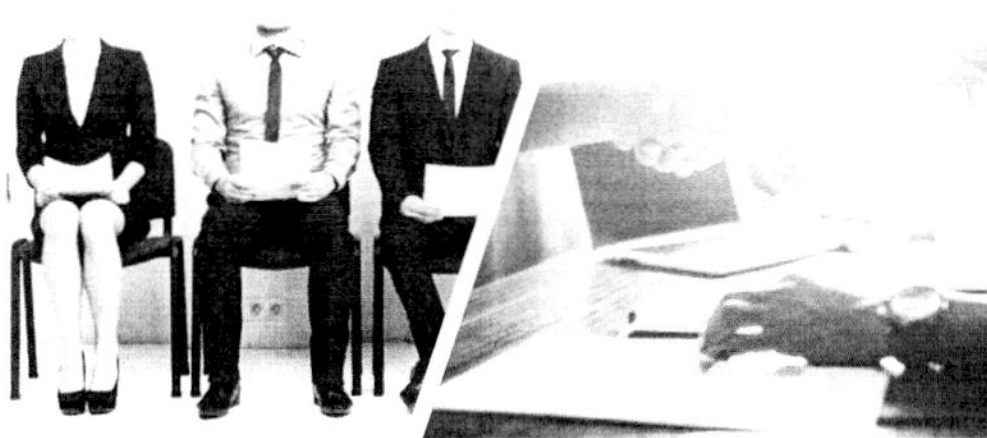


16,3% of Ukrainian export



9,7% of total investment volume of Ukraine
(2nd place among the regions after Kyiv)

LABOR MARKET



Dnipropetrovsk region is the main labor market in the south-east part of Ukraine.

There are **1508 thousd. people** of economically active population.

The level of registered unemployment is **8,1%**.

There are **30,7 thousd. people** of unemployed population.

The total number of employees is **791 thousd. people** (large numbers are involved in industry, education, trade, health care spheres).



Dnipropetrovsk region is one of the leading academic centers of Ukraine

In the region there are:

- 53 higher educational institutions of all accreditation levels, in which study **119 thousd.** students;
- 58 vocational students (**23,7 thousd.** students).

Dnipropetrovsk region trains specialists in such spheres as:

- mining and metals sector;
- rocket production;
- IT;
- medicine;
- chemical industry;
- construction and etc.

ECONOMY STRUCTURE OF THE REGION

The volume of region sold industrial output by types of economic activity

Construction

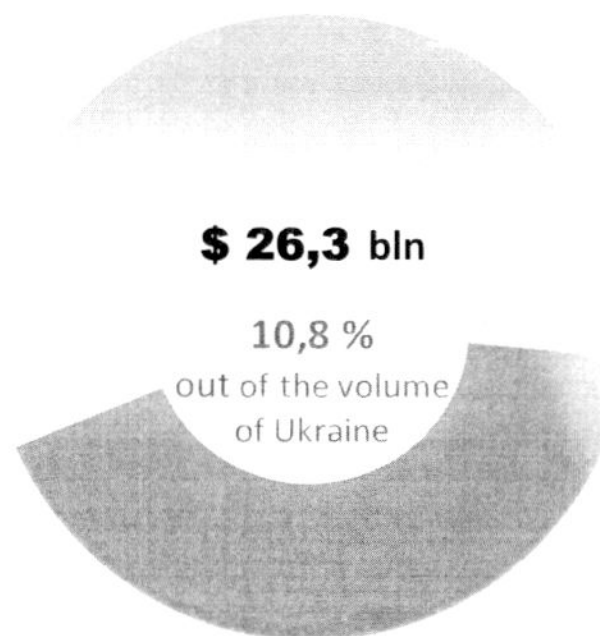
1,7% (6,8% of Ukraine)

- Construction of residential and non-residential buildings
- Electrical installation work

Agriculture

7% (5,9% of Ukraine)

- Growing of grain crops
- Production of oil and fats
- Production of meat and meat products



Industry

\$ 12 930,2 mln
49,1% (15,3% of Ukraine)

- Metallurgical production
- Iron ores extraction
- Electricity and gas supply
- Coal extraction

Services

\$ 11 100,4 mln
42,2% (8,4% of Ukraine)

- Trade
- Transport
- Administrative services

In the region concentrated:

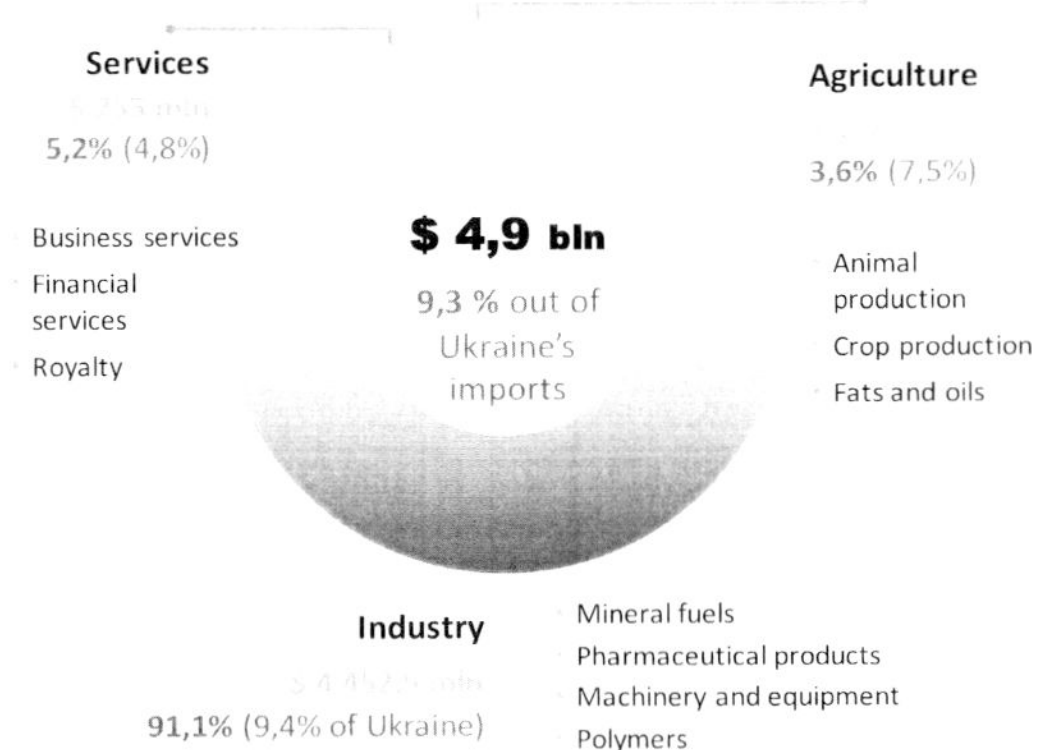
- **7 of 10** largest industrial enterprises in Ukraine;
- **4 of 10** largest enterprises in the construction sector;
- **4 of 10** largest enterprises in the agricultural sector.

BRANCH STRUCTURE OF THE REGION FOREIGN TRADE

Branch structure of exports



Branch structure of imports



Trade of Dnipropetrovsk region is carried out with 65 countries of the world. Leaders are:



China



Russian Federation



Turkey



Poland



Cyprus



United Kingdom



Egypt

FDI IN THE ECONOMY OF DNIPROPETROVSK REGION



Ukraine



Dnipropetrovsk region



The largest investor countries

USD mil

	2011	2012	2013	2014	2015	2016	2017
Netherlands	11,4	9,3	8,7	9,0	7,0	6,2	6,3
Germany	5,0	5,3	4,5	2,9	2,1	1,6	1,8
Cyprus	9,6	12,7	15,9	17,7	12,8	10,2	10,0
Others	19,4	21	22,6	24,1	18,8	18,2	21

II place according to the volume of FDI attracted

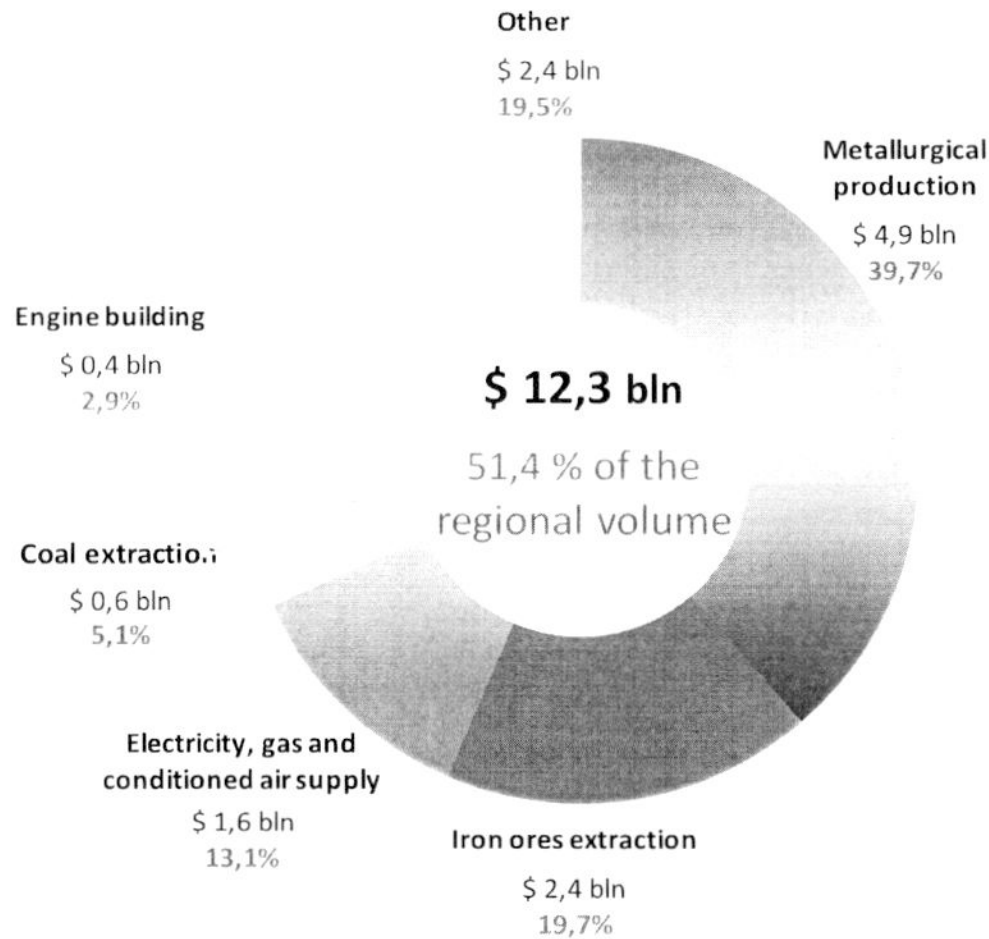
USD

	2011	2012	2013	2014	2015	2016	2017
Netherlands	4,7 41%	3,5 38%	3,1 36%	3,3 37%	1,9 27%	0,5 6%	0,8 13%
Germany	3,2 64%	3,2 60%	3,2 71%	1,4 48%	0,9 43%	0,6 37%	0,6 33%
Cyprus	1,7 18%	2,5 20%	2,4 13%	2,6 15%	1,6 13%	1,1 11%	1,2 12%
Others	1	1	1,1	1,6	1,4	1,3	1,3

INDUSTRY

The region's share in the total volume of industrial output in Ukraine is

Dynamics of industrial branch development



Industrial branch structure

	Ukraine					Dnipropetrovsk region				
	\$ bln					\$ bln				
	187,2	184,3	188,1	116,0	94,3					
	28,1 (15%)	28,6 (15,5%)	31,6 (16,8%)	18,9 (16,3%)	12,9 (15,3%)					
	2012	2013	2014	2015	2016					

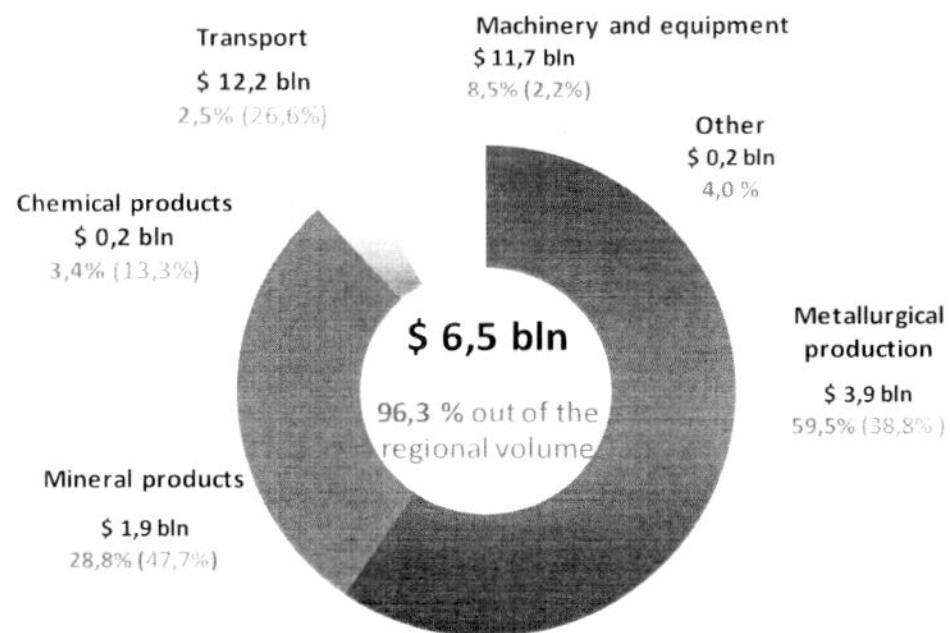
The largest enterprises of the industry

 ArcelorMittal Metallurgy	 H30 Metallurgy	INTERPIPE NTRP Pipe production
 ВОЛЬНОГОРСКОЕ СТЕКЛО Glass production	 ЮЖМАШ Rocket and space technology production	 МЕТИНВЕСТ mining and metals sector

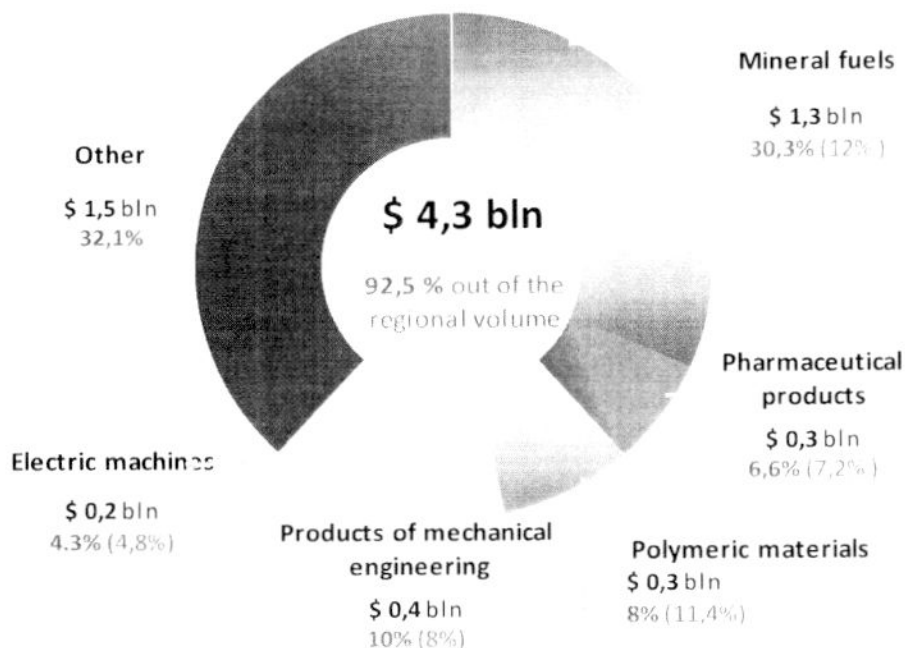
INDUSTRY

In 2016, most of the region's industrial output was exported (92%)

Export structure of industrial products (2017)



Import structure of industrial products (2017)



Priority directions for investment

- Manufacture of wagons and locomotives;
- Manufacture of furniture;
- Manufacture of spacecraft;
- Manufacture of industrial tanks for corrosive environments;
- Production of engineering equipment.

Dynamics of investment in the industrial sector

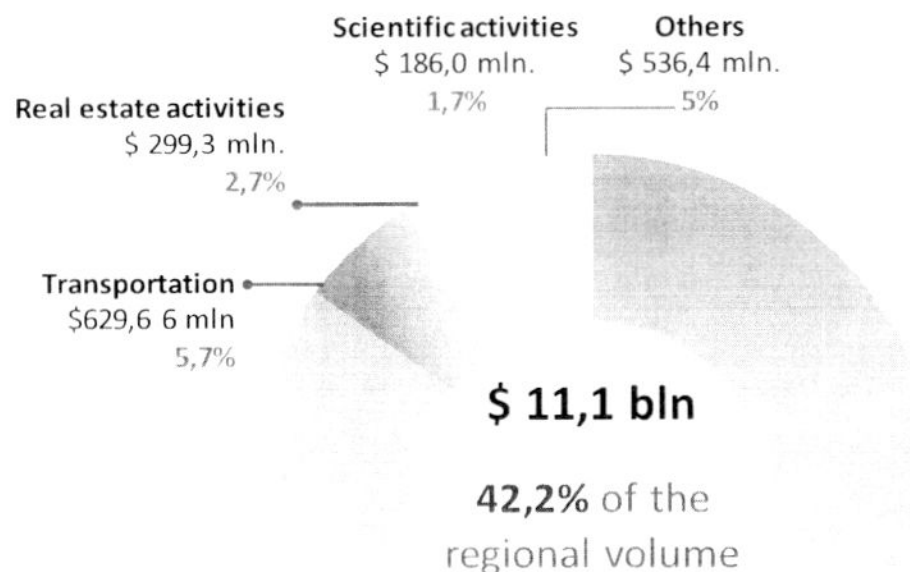


SERVICES

The volume of services sold in 2016 is **11,1 bln**

The region's share in the total volume of Ukraine services sold is **42,2%**

Services structure



Wholesale and retail trade

\$ 9 449,6 mln
85,1%

Dynamics of sold services

	2012	2013	2014	2015	2016
Ukraine	149,5	83,2	83,6	102,5	108,8
Dnipropetrovsk region	7,9 (5,3%)	7,6 (9,1%)	7,7 (9,2%)	9,6 (9,4%)	11,1 (10,2%)

The largest enterprises of the industry

EuroTransExpress

International cargo transportation



ATC "Yuzmashavia"
Cargo air transportation

CRÉDIT AGRICOLE Banking services

METRO Trade

softserve | career

epam < **LUXOFT**

IT services

SERVICES

In 2016, 1.5% of all implemented services of the region were exported

Export structure of services (2017)



Import structure of services (2017)



Priority directions for investment

- Transport logistics
- Information and telecommunications
- Healthcare service

Dynamics of investment in the agricultural sector

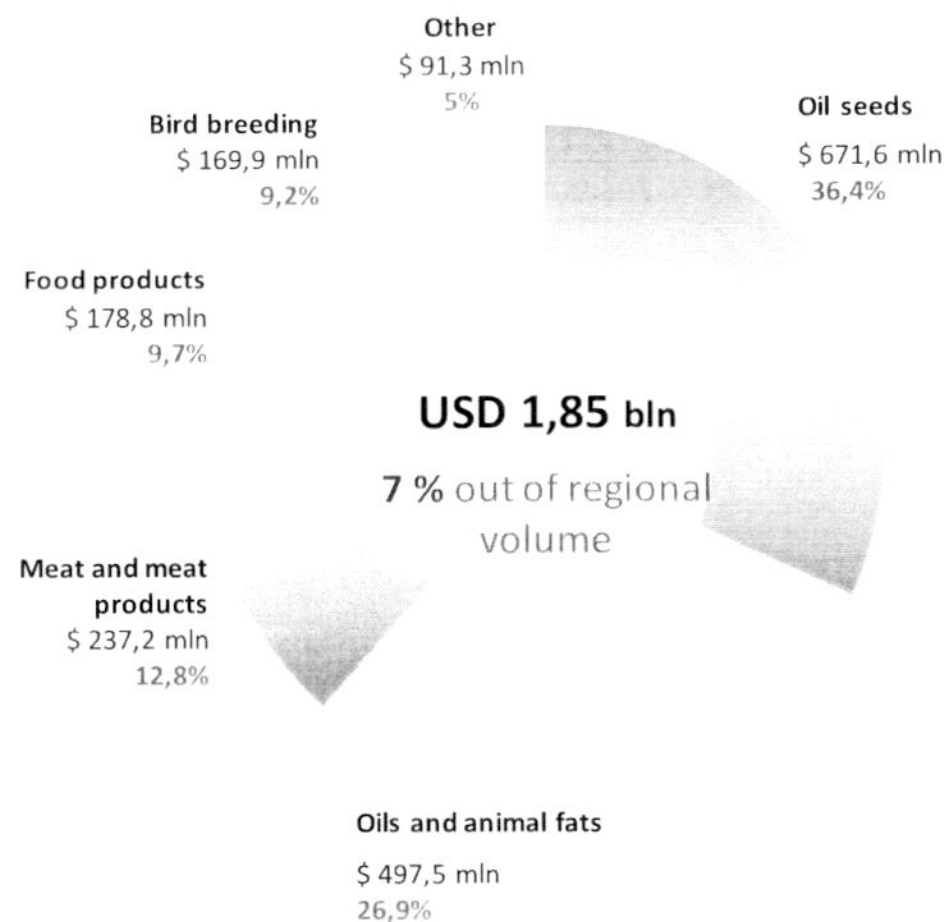
	mln \$					
	31,5	33,7	26,4	24,6	26,2	26,8
	2012	2013	2014	2015	2016	2017

AGRICULTURAL SECTOR

The volume of agricultural products sold in 2016 – USD 1,85 billion

The region's share in the total volume of agricultural products in Ukraine –

Structure of sold agricultural products



Dynamics of sold agricultural products

Year	Ukraine	Dnipropetrovsk region
2012	20,2	1,4 (6,9%)
2013	20,2	1,4 (7,1%)
2014	26	1,6 (6,1%)
2015	22,2	1,3 (5,9%)
2016	16,5	1,8 (10,9%)

The largest enterprises of the industry



Production of agricultural machinery



Processing of oil and grain crops



Yeast production



Cultivation of cereals and industrial crops



Meat of poultry, eggs

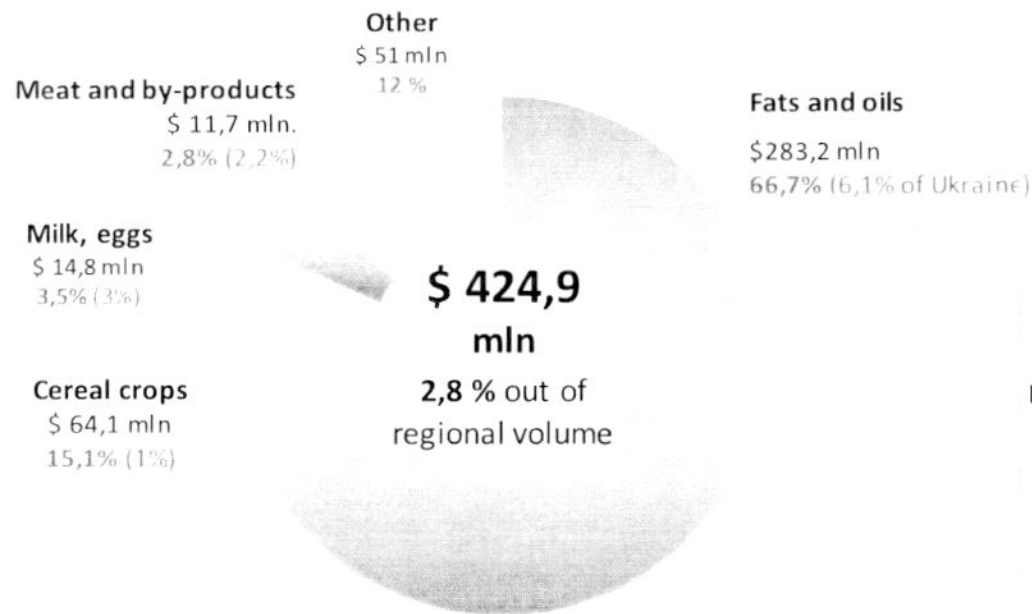


Milk processing

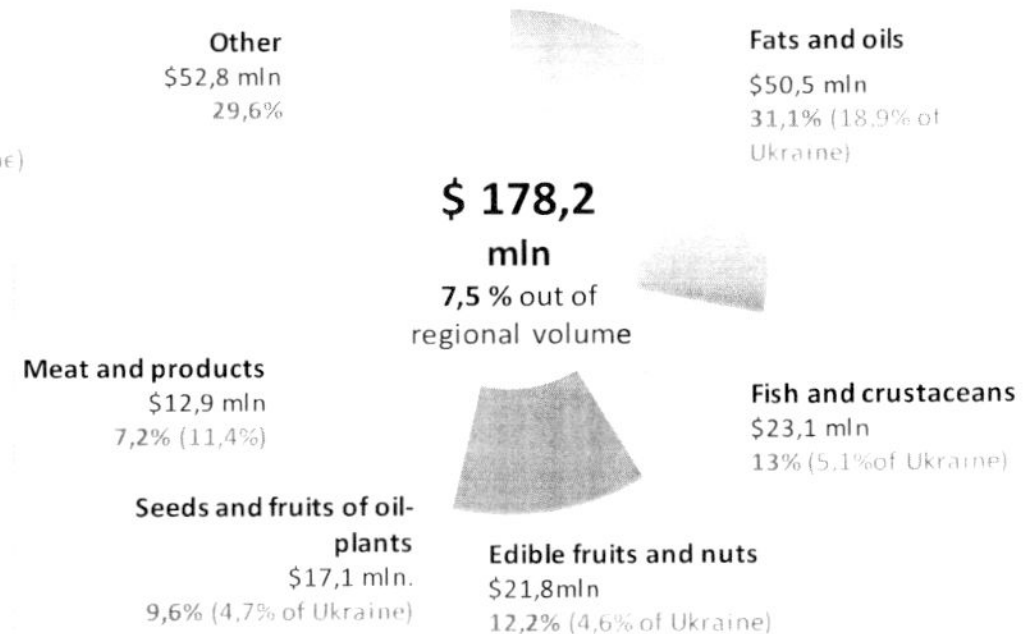
AGRICULTURAL SECTOR

In 2016, nearly half of all agricultural products of the region was exported ()

Export structure of agricultural products (2017)



Import structure of agricultural products (2017)



Priority directions for investment

- Agricultural engineering
- Agricultural storage infrastructure
- Agricultural production processing
- Development of fruit and nut trees and berries
- Production of high-yielding seeds
- Development of breeding cattle

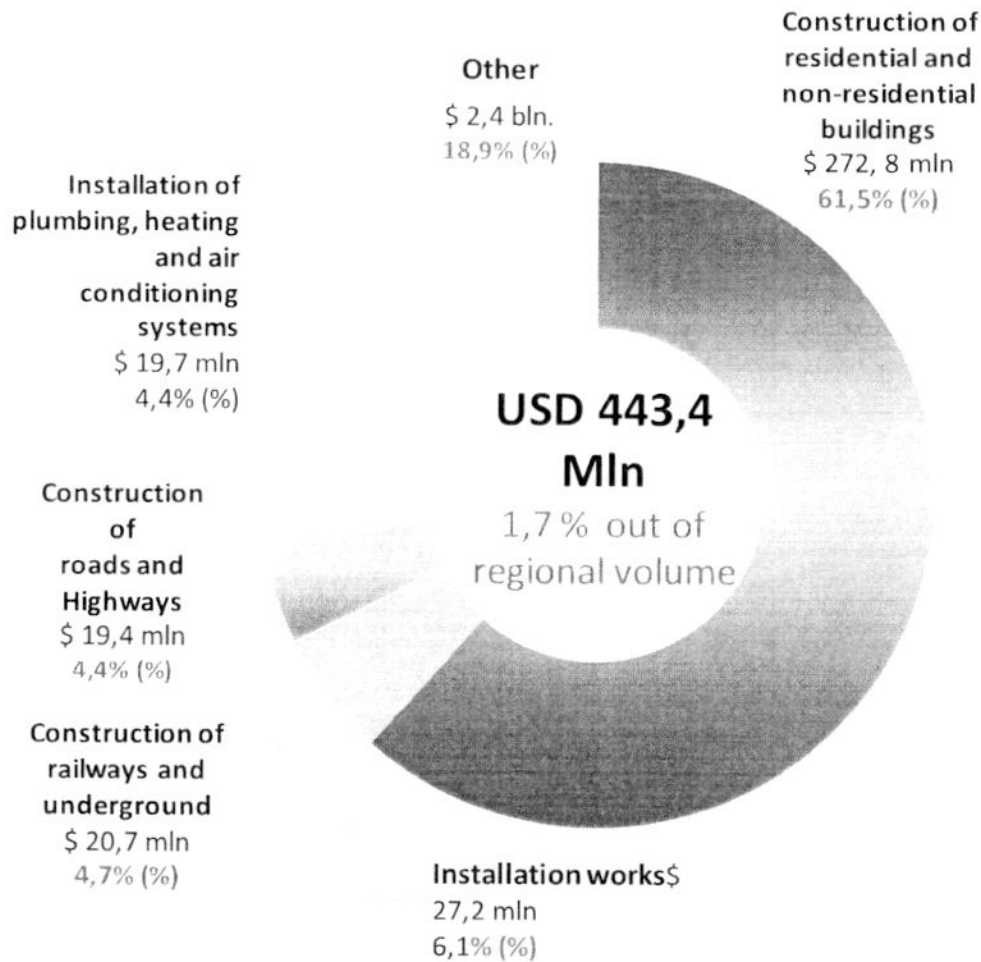
Dynamics of investment in the agricultural sector

Year	2011	2012	2013	2014	2015	2016	2017
Investment (mln \$)	725,3	717,8	776,9	617,0	502,2	586,2	621,9

CONSTRUCTION

The region's share in the total amount of construction products in Ukraine—

Structure of construction sphere



Dynamics of construction sphere development

	Ukraine					Dnipropetrovsk region				
	\$ mln					\$ mln				
	2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
Ukraine	19 473,8	17 640,7	18 327,2							
Dnipropetrovsk region				8 765,1	6 926,7					
	1206,9 (6,2%)	1137,8 (6,5%)	927,6 (5,1%)	523,6 (6,0%)	471,4 (6,8%)					

The largest enterprises of the industry



Paint production



Concrete production



Production of double-glazed windows

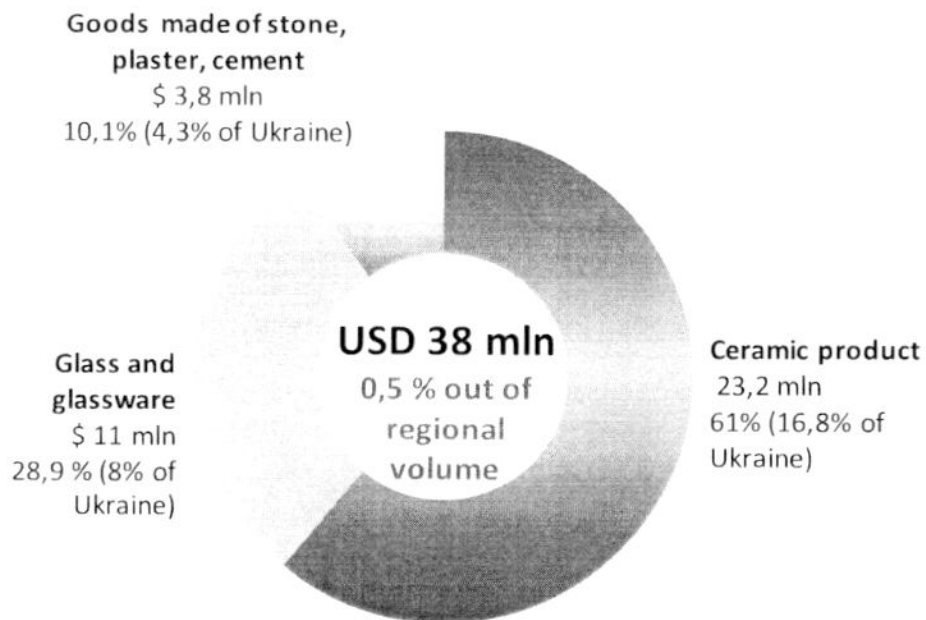


Construction companies

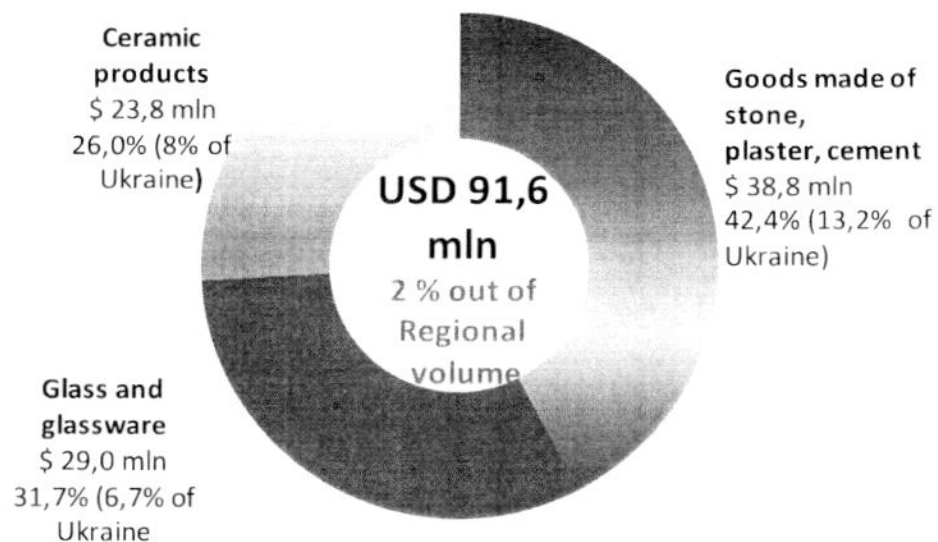
CONSTRUCTION

In 2016, construction products were exported to **\$ 361 million**, representing **13%** of Ukraine's total exports of construction products

Export structure of construction products (2017)



Import structure of construction production (2017)



Priority investment areas

- Priority investment areas
- Modern insulation systems of buildings;
- Modern construction technologies;
- Building materials;
- Production of sheet glass;
- Air conditioning and ventilation systems

Investments in the construction industry

	Mln \$						
	98,3	84,3	50,1	68,7	36,1	30,5	32,4
	2011	2012	2013	2014	2015	2016	2017

PREFERENCES FOR INVESTORS

Current state and local preferences:

VAT exemption (20%)

- Equipment operating on the renewable energy sources;
- Energy conservation equipment, components and materials;
- Generation of electric power from alternative sources, which has no analogues in Ukraine;
- Development of IT-products.

Exemption from taxation of import customs duty

- Investors who operate under the agreement of production sharing;
- Equipment for arrangement of industrial, scientific and technological parks, which is not produced in Ukraine;
- Equipment operating on the renewable energy sources and energy conservation equipment which is not produced in Ukraine;
- Materials, blocks and devices for agroindustrial complex, which is not produced in Ukraine.

Local privileges (on the resolution of local authorities)

- Preferences for property tax;
- Preferences for rental rate on land;
- Preferences for land tax.

MISSION AND GOALS OF DIA

Dnipropetrovsk Regional Investment Agency (DIA) was established in 2010 upon regional initiative. The Agency cooperates with different foreign and domestic companies for investment project implementation in the region's territory. It acts as a communicator between investor and regional authorities.

MISSION

The DIA's mission is to provide a solid foundation for stable development of Dnipropetrovsk region, which is built on the basis of open, mutually beneficial cooperation and serves as a base for strengthening the reputation of the region as a reliable partner.



GOALS

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CONTACT INFORMATION

Dnipropetrovsk Regional Council



Address: 49004, Ukraine, Dnipro, 2
O. Paul Ave.

Tel.: +38 056 742 85 24

E-mail: oblrada@oblinfo.dp.ua

Web: www.oblrada.dp.gov.ua

Dnipropetrovsk Regional State Administration



Address: 49004, Ukraine, Dnipro, 2
O. Paul Ave.

Tel.: +38 056 742 89 80

E-mail: info@adm.dp.gov.ua

Web: www.adm.dp.gov.ua

Dnipropetrovsk Investment Agency (DIA)

DIA

Address: 49004, Ukraine, Dnipro, 2
O. Paul Ave., office 538

Тел.: +38 056 742 86 87
+38 056 742 86 21

E-mail: info@dia.dp.ua

Web: www.dia.dp.gov.ua