



MINISTRY FOR
RESTORATION

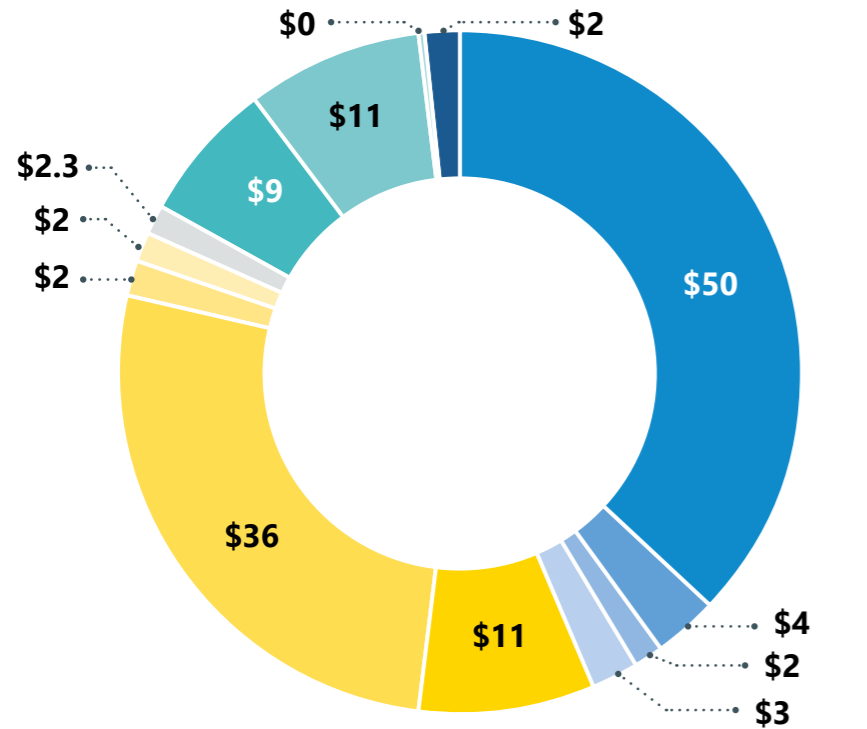
Communities, Territories and
Infrastructure Development of Ukraine

SUCCESSFUL RECOVERY

IS BUSINESS ENGAGEMENT



POSSIBILITIES FOR BUSINESS TO BECOME PART OF RECONSTRUCTION PROCESSES



- Housing **\$50**
- Education **\$4**
- Health **\$2**
- Culture and Tourism **\$3**
- Energy and Extractives **\$11**
- Transport **\$36**
- Telecommunications and Digital **\$2**
- Water Supply and Sanitation **\$2**
- Municipal Services **\$2.3**
- Agriculture **\$9**
- Commerce and Industry **\$11**
- Finance and Banking **\$0**
- Environment and Forestry **\$2**



\$135 bn

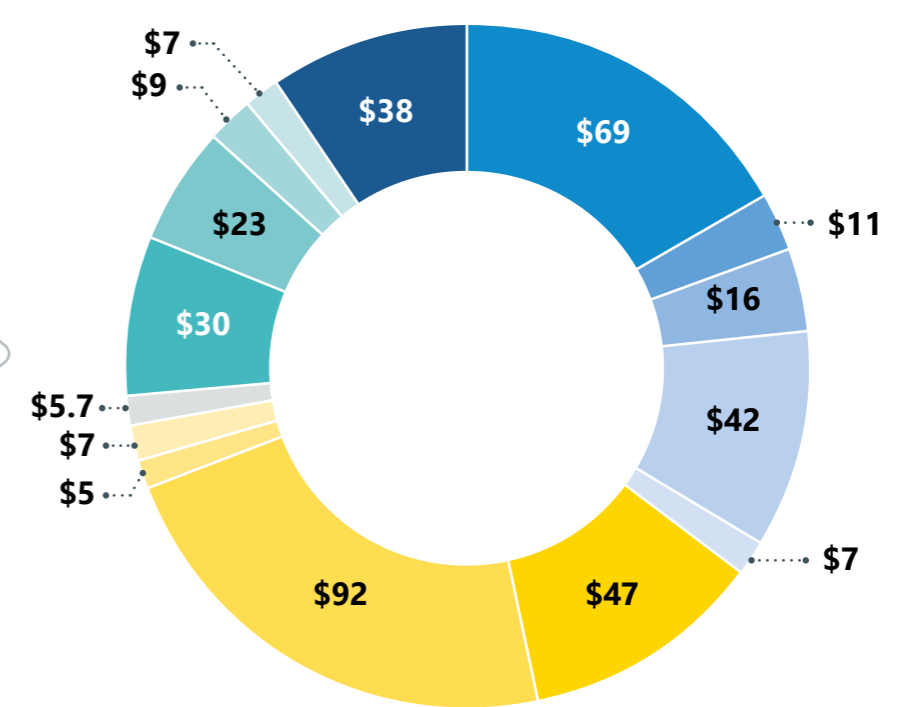
DAMAGE

Quantifies direct physical damage to buildings and infrastructure

\$411 bn

RECOVERY AND RECONSTRUCTION NEEDS

Estimates needs considering building back better



- Housing **\$69**
- Education **\$11**
- Health **\$16**
- Social Protection and Livelihoods **\$42**
- Culture and Tourism **\$7**
- Energy and Extractives **\$47**
- Transport **\$92**
- Telecommunications and Digital **\$5**
- Water Supply and Sanitation **\$7**
- Municipal Services **\$5.7**
- Agriculture **\$30**
- Commerce and Industry **\$23**
- Irrigation and Water Resource Management **\$9**
- Finance and Banking **\$7**
- Management of Explosive Hazards **\$38**

ONGOING RESTORATION 2023



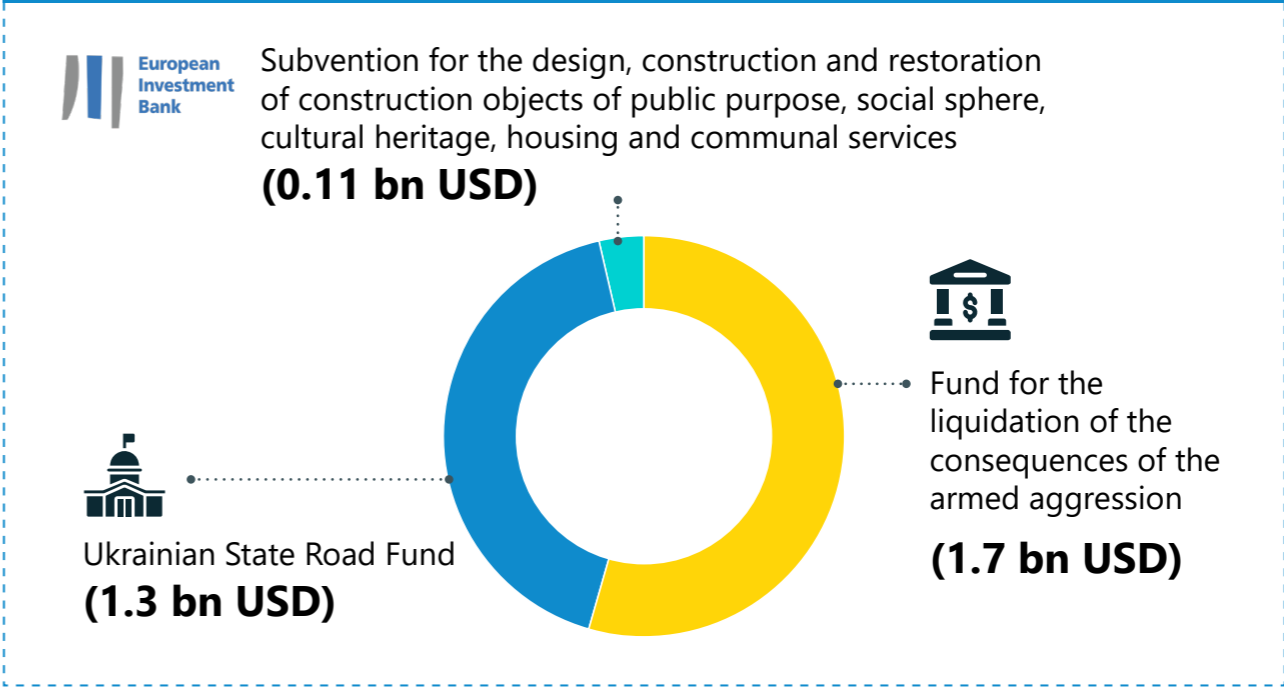
PORTFOLIO OF ONGOING IFIs RESTORATION PROJECTS

	<p>4 projects (RELINC, HOPE, HEAL, REPOWER)</p>	
	<p>17 projects (in particular Ukraine Early Recovery Program, Ukraine Recovery Program)</p>	
	<p>5 projects (in particular European Roads Ukraine III, Emergency Support of Ukrainian Railways)</p>	
	<p>4 projects (in particular Chernivtsi municipal water management projects)</p>	
	<p>3 projects (in particular Programs for emergency recovery)</p>	

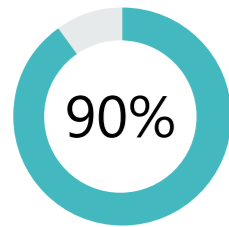
WE PROCURE FOLLOWING:

- works (incl. construction, capital repair, rehabilitation), services (incl. supervision, project audit), goods (delivery);
- capacity strengthening services (PIU consultant services, FS, preparation of design and procurement documentation, elaboration of policies/reform support/institutional development consultant services);
- third-party procurement, implementing and monitoring agencies

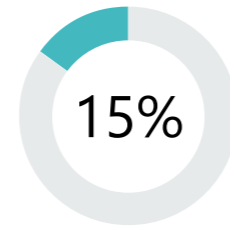
ONGOING RESTORATION IN STATE BUDGET 2023



THE FUTURE OF THE CONSTRUCTION MARKET



Currently, Ukraine is able to cover the need for about **90%** of all materials needed for restoration



About **15%** of all enterprises in the construction industry were damaged

INVESTMENT POTENTIAL

Concrete

➤ The need for the construction of 10 new plants near sand deposits and within a radius of 100 km to the place of consumption.

Additional need for restoration:
10 million tons per year

Plate glass

➤ Ukraine annually exports 300-350 thousand tons of high-quality sand, which is enough for production of 25-30 million m²/year of sheet glass.

Need for restoration:
27 millions m² per year

Cement

➤ There are a number of enterprises in Ukraine that already have ready-made investment projects for expanding production.

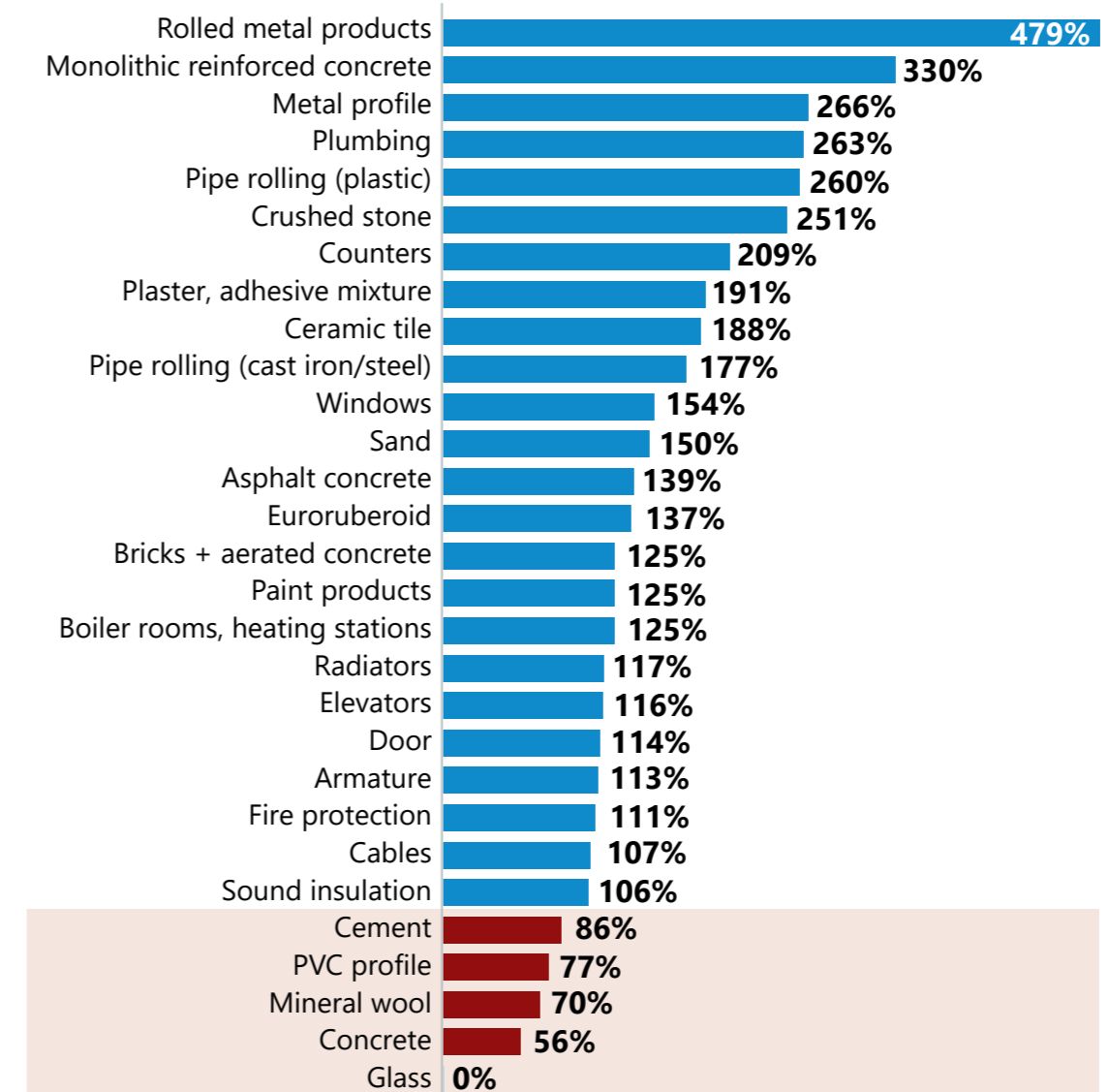
Additional need for restoration:
3 million tons per year

Mineral wool

➤ Closing the need of Ukraine is possible both by opening a new plant or by investing in the expansion of existing capacities.

Need for restoration:
15 millions m² per year

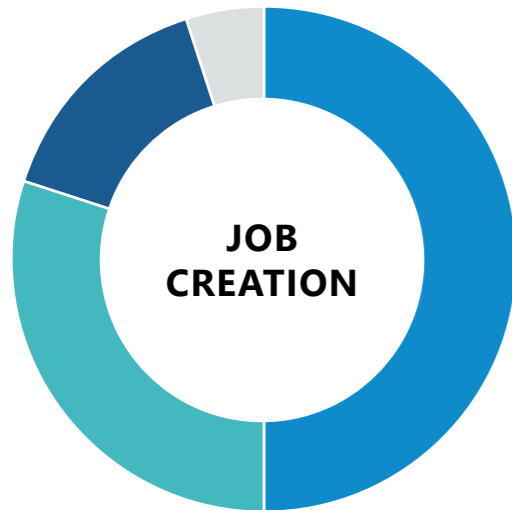
PRODUCTION CAPACITIES OF BUILDING MATERIALS TO COVER RESTORATION NEEDS



INVESTMENT PROJECTS WITH SIGNIFICANT INVESTMENT



AMOUNT OF INVESTMENT
+ €12 m*



50

with salary up to **15%** higher than average in region and sector



30

with salary up to **30%** higher than average in region and sector



10

with salary up to **50%** higher than average in region and sector

ACTIVITIES



› Processing Industry



› Logistics, warehousing



› Production of bioethanol, as fuel component



› Post and courier activities



› Production of biogas and biomethane



› Education



› Extraction for the purpose of further processing and/or enrichment of minerals



› R&D



› Waste management



› Healthcare



› Transport



› Art, culture, sports



› Electronic communications



› Tourism and resort and recreation sphere

* You may spend 30% of this amount 18 month before application for state support

STATE SUPPORT FOR INVESTMENT PROJECTS WITH SIGNIFICANT INVESTMENT



- › corporate income tax exemption for 5 years



- › VAT exemption for importing new equipment



- › exemption from import duties for new equipment



- › compensation of costs for construction of engineering and transport infrastructure



- › construction of engineering and transport infrastructure



- › land tax exemption / lower rate of land tax or rent



- › compensation for connecting to engineering and transport infrastructure



- › obtaining a lease of a land plot of state or communal property without bidding



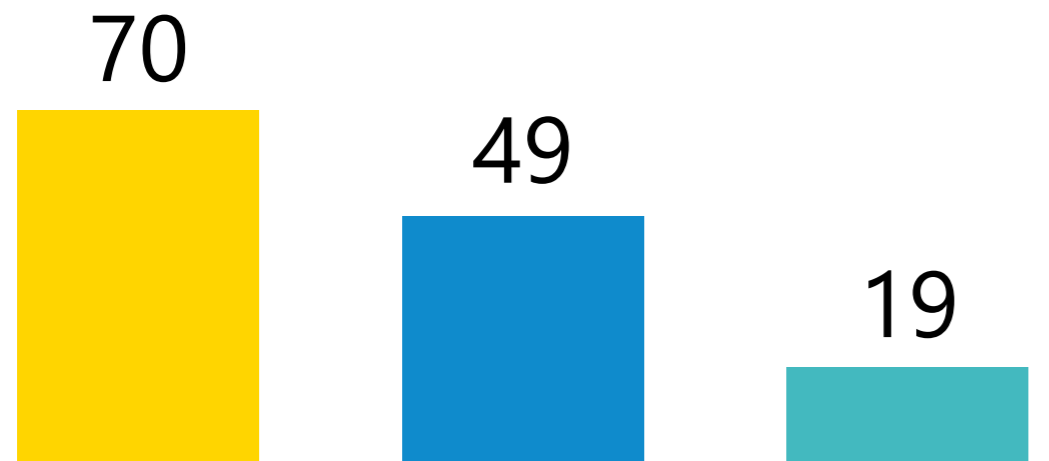
- › exemption from payment of forestry production losses



INDUSTRIAL PARK NETWORK IN UKRAINE



- Registered industrial parks
- Management companies
- Industrial parks has residents



REQUIREMENTS TO INDUSTRIAL PARKS



STATE SUPPORT



FOR PARTICIPANT MANAGEMENT COMPANY AND PRIVATE INITIATOR



› full or partial compensation of interest rates on loans for arranging an industrial park, carrying out economic activity



› compensation for connecting to engineering grids

FOR PARTICIPANT AND MANAGEMENT COMPANY



› favorable land tax rates **

FOR MANAGEMENT COMPANY AND PRIVATE INITIATOR



› non-refundable financing for arranging an industrial park and/or construction of related infrastructure facilities

FOR PARTICIPANTS



10-year corporate income tax exemption *



VAT exemption for importing new equipment



exemption from import duties for new equipment



exemption from real estate tax for industrial buildings

ONLY FOR INDUSTRIAL PARKS INCLUDED IN NATIONAL REGISTER

* Incentive is granted if the respective amount of money will be reinvested into the investment project development.

** Incentive is granted by decision of a local authority.

GUARANTEES AND WAR RISK INSURANCE

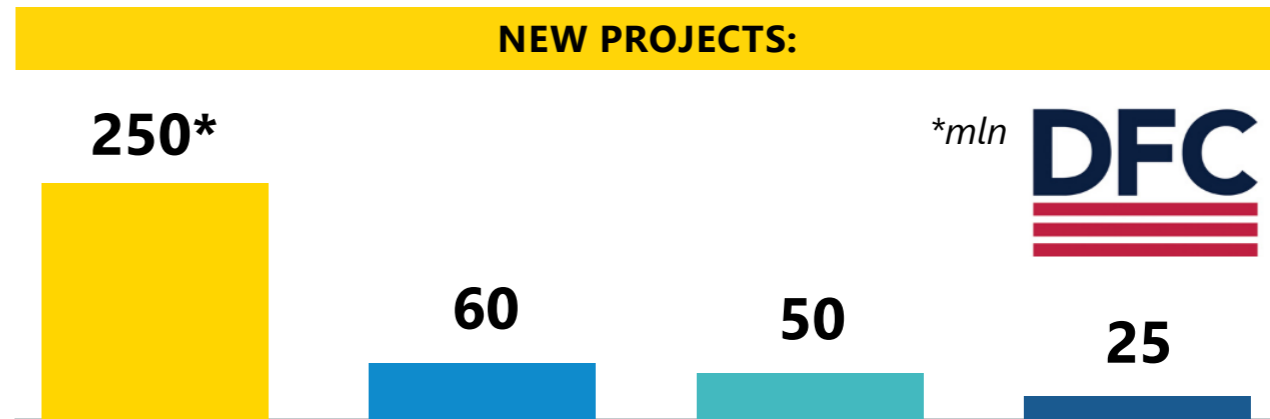


Support to Ukraine's Reconstruction and Economy Trust Fund (SURE TF)



Projects MIGA has supported or is considering providing support in Ukraine after the Russian invasion

- › MIGA-EBRD Trade Finance Facility
- › M 10 Industrial Park
- › RBI Ukraine
- › Procredit Ukraine



USD 250 m

to support the efforts of Ukrainian poultry farmers and grain producers to mitigate the consequences of war;

USD 60 m

for Ukrainian banks to mobilize capital to sustainably support SME

USD 50 m

provided for the Global Trade Finance Program of the IFC to support critical flows of both imports and exports for Ukrainian companies

USD 25 m

in political risk insurance to the Superhumans Center, a non-profit center that works in the field of prosthetics and rehabilitation of people injured during the war

GUARANTEES AND WAR RISK INSURANCE



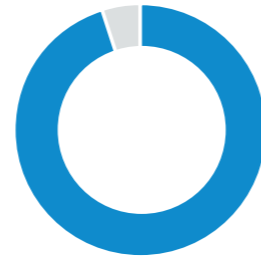
Federal Investment Guarantee Scheme for German companies in Ukraine



➤ **14 companies**

investment guarantees (total coverage volume of **€280 million**)

Bpifrance Assurance Export



➤ insurance covers up to **95%** of the loss of the investor's assets or receivables

Polish export credit agency (KUKI)



➤ insurance covers up to **95%** of the loss of the investor's assets or receivables

War risk insurance project for Ukraine



➤ intend to kick-start insurance, firstly for the transport of cargo vital via trucks to keeping trade flowing, with a view to expanding it to cover more sectors

Reimbursement agreement with MarshMcLennan, Lloyd's of London and Ascot



➤ safety of shipping and promoting the stability of maritime transport



LAUNCH BUSINESS IN UKRAINE

BE PART OF RESTORATION

