

LVIV REGION - FACTORY OF EUROPE



INVEST
IN LVIV
REGION

Ukraine is ranked 80 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings.

The rank of Ukraine improved to 80 in 2016 from 81 in 2015. Ease of Doing Business in Ukraine averaged 121.00 from 2008 until 2016, reaching an all time high of 152.00 in 2011 and a record low of 80.00 in 2016.



According to the the rating "European Cities and Regions of the Future" FDi Magazine **Lviv region is one of the top 10 regions in Eastern Europe by:**

- the efficiency of invested capital;
- the strategy of attracting foreign direct investments;
- the effectiveness of industrial rentals.



Lviv Regional State Administration

Investment Projects Support

- Investor Assistance in the region
- Consultations
- Informing
- Event Management



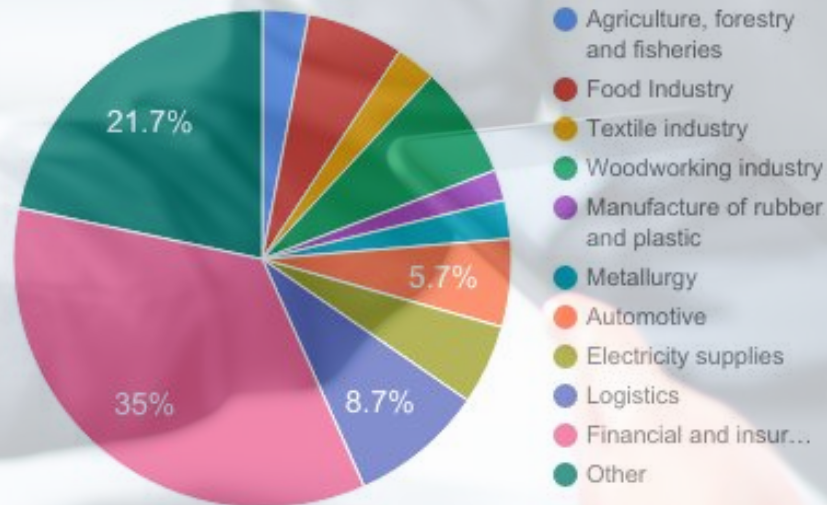
Attraction of Foreign Investments

- Search for potential investors
- Representation of region on international and local events
- Communication with stakeholders
- Development of investment offers



Economic activity	Total amount (ths. \$)
Agriculture, forestry and fisheries	37221,4
Food Industry	78718,6
Textile industry	32859,7
Woodworking industry	91563,5
Manufacture of rubber and plastic	24259
Metallurgy	30618
Automotive	70236
Electricity supplies	64822
Logistics	107891
Financial and insurance activities	437831

Direce foreign investments by type economics sectors



Success Stories



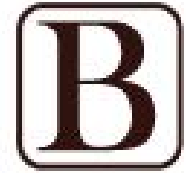
1. “Fujikura Automotive Ukraine Lviv”

2. “Eco-optima”

3. “Bader Ukraine”

4. “Nexans”

5. “Leoni Vaering Systems Ukraine GmbH”



BADER Ukraine



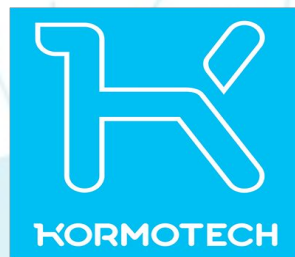
LEONI

Nexans





6. "Galicja Greenery LLC"
7. "Hima"
8. "Dunapack Packaging"
9. "Fuchs Oils Ukraine"
10. "Kormotech"



Kragelund
Furniture



Датський Текстиль ДП
У К Р А Ї Н А

11. “Kragelund Furniture A/S”

12. “NG Metal Ukraine”

13. “Veon”

14. “Danish Textiles”

15. “CRH Group”

16. “Klingspor”



VEON





Our achievements

Cancelled
mandatory sale of
foreign currency at
the rate of 75%,
which comes in
the form of
investments in
Ukraine

Cancelled
mandatory state
registration of
investments

Granted permission
to repatriation of
dividends



INVESTMENT BENEFITS OF LVIV REGION

High-quality and affordable labour force with high level of education and training



Opportunity to reduce finished products prices due to the use of cheaper Ukrainian raw materials and energy resources

Convenient location on the border with the EU territory



Developed consumer market



Opportunity to carry out customs procedures directly on site in the industrial park



MAJOR TOOLS OF THE DEPARTMENT OF INVESTMENT

BROWNFIELD

GREENFIELD

Current database of investment objects includes about 600 land plots and areas which formerly housed industrial and other premises. Refer to the link below for the comprehensive list

http://loda.gov.ua/zaluchennya_investyctiy



MAIN INDUSTRIES FOR INVESTMENTS



ALTERNATIVE ENERGY



INFRASTRUCTURE &
LOGISTICS



PRODUCTION



AGRICULTURE



HEALTH RESORTS



Wind farms

	Main wind speed	Rotor height (m)	Number of turbines	Total output GW·h/year	Measurement company	Total costs
Carpathian WES	6.53 m/s	120	15 wind turbine Vestas V112-3.0/3.45 MW	113.791	Lahmeyer International	49 mln. Euro
Skolivska WES	6.30 m/s	140	14 wind turbine Vestas V117-3.3/3.45 MW	113.6	MET Office	49 mln. Euro
Smerechanska WES	7.30 m/s	120	11 wind turbine Vestas V112-3.3 /3.45 MW	115.0	GEO NET	49 mln. Euro



The aim of the realization of this project is to construct an efficient international railway connection between Poland, EU member states and Ukraine in order to facilitate political, economic, and social relations.

The total costs of primary work on railway infrastructure development consisting in the construction of a dual-gauge railway on Rava-Ruska-Lviv section (to Bryukhovychi station) makes **50 mln. Euro**

“EUROTRACK Berlin - Warsaw - Lviv”



Construction of 58 km of railway track



EUROTRACK Berlin - Warsaw - Lviv

Development of railway infrastructure at stations Rava-Ruska - LVIV (Art. Bryukhovychi) (Construction of combined standard gauge)

For passenger traffic to the city is the possibility of building a combined standard gauge through art. Rava-Ruska city to the suburbs (p. Bryukhovychi). The length of the section Lviv - Rava-Ruska - 58 km, station Rava-Ruska - State Border (Grebenne) 8 km (track width 1435 mm.), Station Hrebenne - Warsaw 264 km. The total length of this area is 330 km.

For the construction of a new railway line combined with Art. Rava-Ruska art. Lions (Bryukhovychi) to invest 58 km track, to reconstruct the 5 stations, 9 moving, 18 engineering structures, signaling and communications and electricity. For the construction of combined railway track 1435 mm at the station Rava-Ruska - Lviv (Art. Bryukhovychi) should provide funds and their sources of income estimated to cost more than 50 million. Euro.

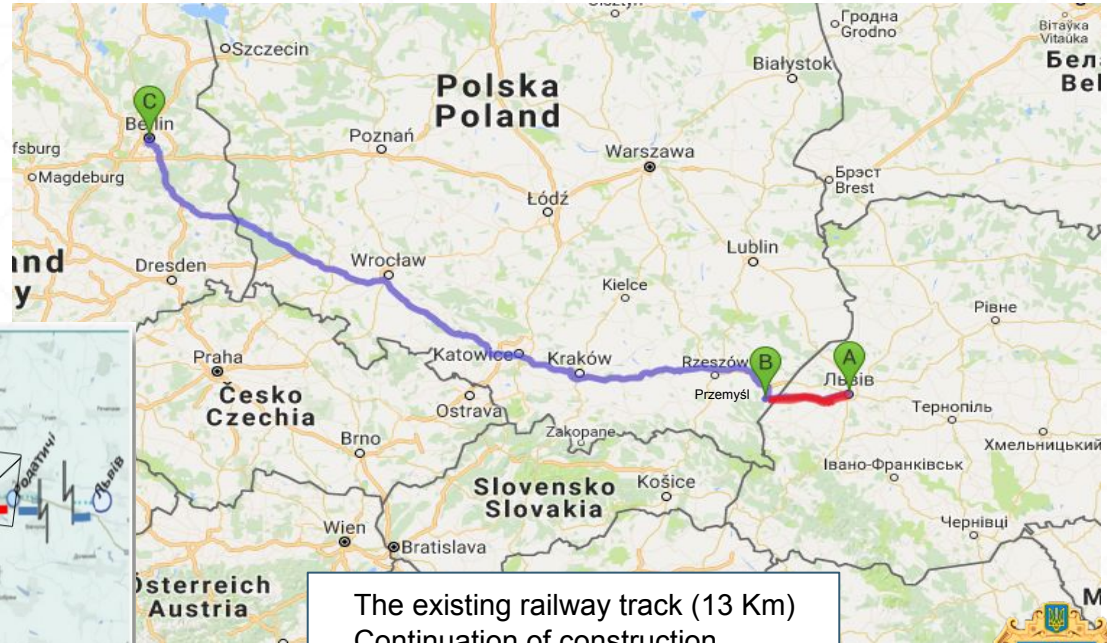
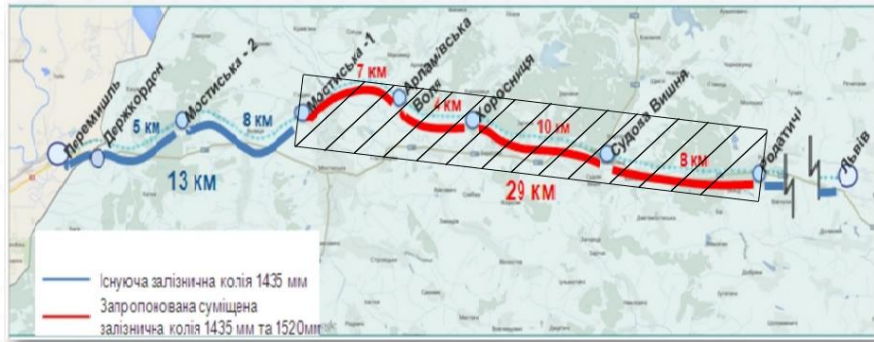
Providing passengers from the station. Bryukhovychi to the city will be done in 10-15 minutes. electric trains (rail bus), and will be organized urban passenger transport modes.



DRY PORT

Construction cargo railway line (1435 mm)

The development of railway infrastructure at the site Mostyska - Lviv (construction of terminals to the Art. Rodatycki)



The existing railway track (13 Km)
Continuation of construction
of railway track (29 Km)



Construction cargo railway line (1435 mm)

DEVELOPMENT railway infrastructure Mostyska at the station - Lviv (Terminal building with Art. Rodatychi)

Double-track section Mostyska - Lions length of 84 km part of the "Cretan" international transport corridor number 3 (Berlin - Wroclaw - Lviv - Kyiv). Currently, this section is used, as in trucks (mainly) and passenger transport.

In this area 90 years operated two types of tracks - 1435 and 1520 mm from the border with Art. Rodatychi (length 42 km). After the operation carried gauge of 1435 mm Art. Will Arlamivska (length 20 km), and is being used only to art. Mostyska-1 (distance from the border - 13 km).

Existing power specified direction (including Western lines) currently loaded on 40% of the capacity of regional branches (coal, steel, building materials, etc.).

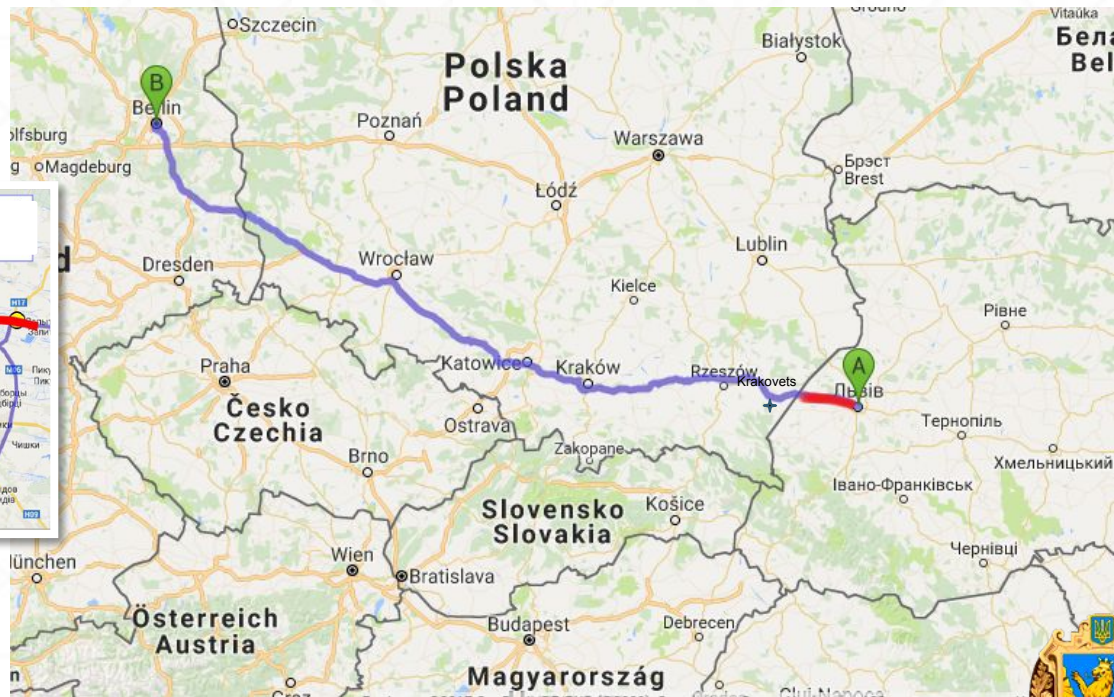
The restoration of railway infrastructure gauge of European art. Rodatychi necessary funds over approximately 11.0 million. Euro.

However, in the interest of potential investors in business development in the region is the possibility of a joint restoration Western way, using the power of the regional branch building their own infrastructure (with the assistance of local authorities) with access to the track 1520mm and 1435mm, which ultimately will boost economic development as a region and Ukraine (cargo from Ukraine to the EU through the terminals on Western European gauge).



Construction of road Lviv - Krakovets

Construction concession road Lviv-Krakovets provide quality and safe communication within the development of the international transport corridor (ITC) 3 Berlin / Dresden-Wrocław-Lviv-Kyiv. The new road goes on highway M-06 Kyiv-Chop by creating a northern detour. Lviv, further contribute to the removal of the city existing and future transit flows.



Lighting of pedestrian crossings

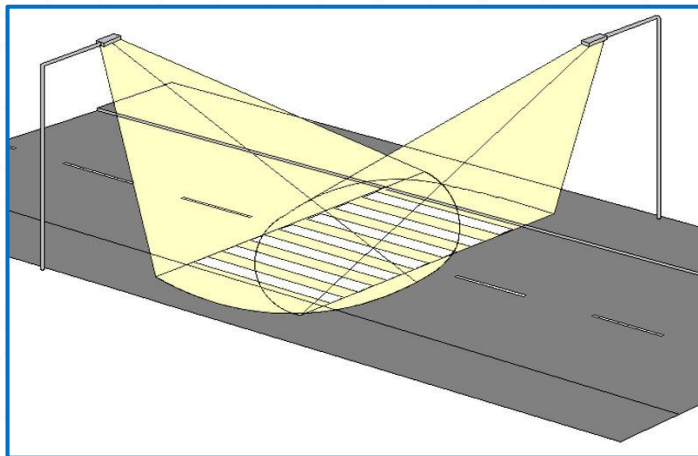
Providing illumination for pedestrian crossings is - comfort and safety at nighttime and prevent accidents.



In 2016 lit passages 50



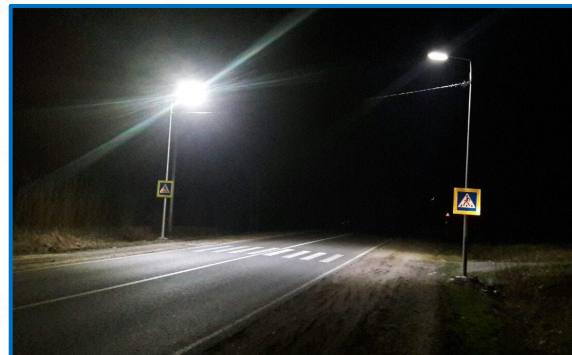
In 2017 it is planned to lighten passages 150



Daytime



Night



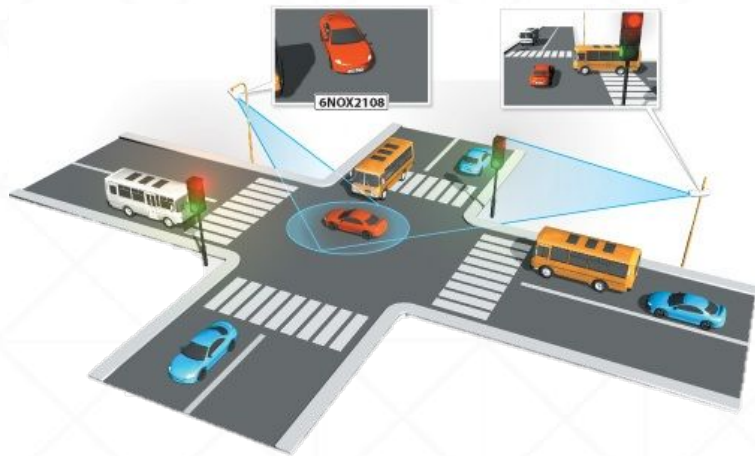
Traffic lights

On public roads in
Lviv region installed 35 traffic lights



Intelligent traffic lights using Videodetektoriv:

- ☐ Adjusts the duration of permit signals when traffic flows;
- ☐ Records the number of passing vehicles per unit of time;
- ☐ Records the average speed of traffic flow and its changes;
- ☐ Automatically detect speeding, leaving the opposite lane and illegal parking.



Safety on railway crossings

In the Lviv region there are 438 level crossings, 197 of them with bus traffic, 33 railway crossings equipped with barriers



It is necessary to analyze the state of safety on railway crossings and in places of transition citizens by way



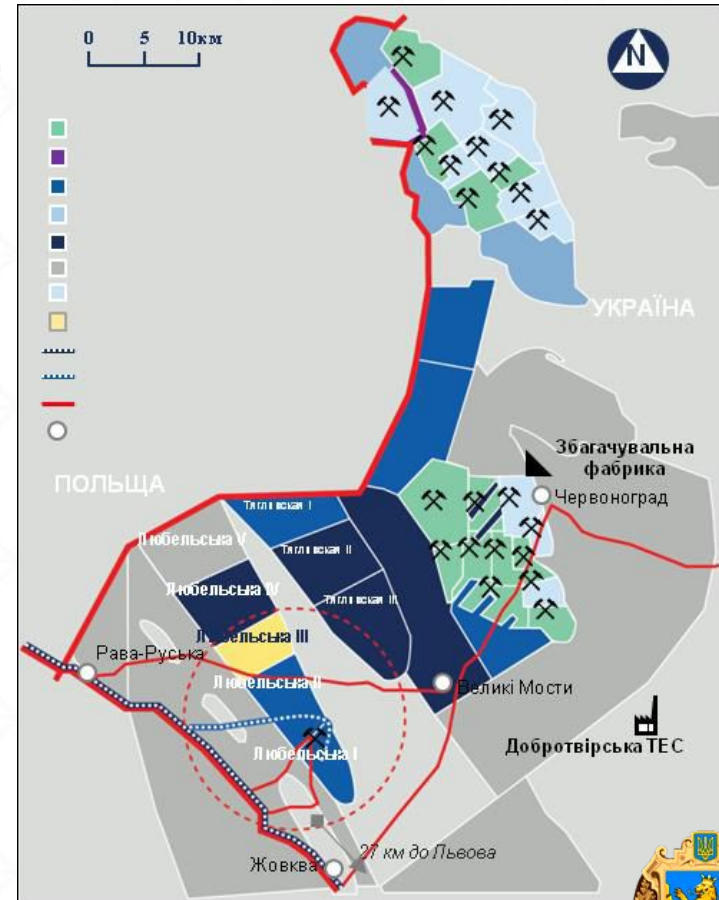
Lubelska Mine

European Coking Coal Project

The **Lubelska coal mine** represents one of the largest **coal** reserves in **Poland** which is estimated at 503.6 million tonnes. The annual coal production is around 8.2 million tonnes.

Bankable Feasibility Study Results

	«Luhanskigipros hakht»	CCMC
Total investments, US\$Mm:		
+ net investment	708,63	786,09*
+ pre-production expenses (surveyor services, insurance)	73,58	57,01
= Total – Investment net of VAT	782,21	843,10
+ VAT	109,65	134,80**
= Total – investment inc. VAT	891,86	977,90
+ capitalized interest charges	70,60	76,82
+ capital demand (1 st year of service)	17,81	27,12
= Total project budget (2015-2019)	980,27	1081,84
Payback period, years, inc. :	7.25 years	6.0 years
- preparation period	12 months	12 months
- construction	57 months	38 months
- Payback period from the date of putting in operation	18 months	22 months
IRR, post tax, ungeared (100% equity)	44,0%	38,5%
Cash cost – per 1t coal concentrate, US\$	30,0	26,6
Staff	2900-3100	2754
Financial data for operating years 2020-2027***		
- average EBITDA p.a., US\$Mm	946,5	938,9
- Annual average income tax, US\$Mm	136,0	147,0
NPV (net present value), US\$Mm***	2403,0	1959,5



INDUSTRIAL PARKS

There are 53 land plots for location of industrial parks in the region





International Economic Forum LVIV 2016



- 9 thematic panels.
- Participants included 20 experts and professionals from private and public sectors.
- Total attendance of the Forum made over a thousand participants.
- Speech of the President of Ukraine Petro Poroshenko.
- Participation of government officials: First Vice Prime Minister of Ukraine Stepan Kubiv, Infrastructure Minister Volodymyr Omelian.
- Conclusion of the loan agreement between LLC "Carpathian Wind" and EBRD, NEFCO, DCIF in the amount of 34 millions Euro.
- The President of Ukraine opened the second production line at LP "Bader Ukraine" and took part in the launch of Kolodnytskyi gas field.



Business Days

In 2017, it is planned to conduct monthly meetings of the representatives of business by territorial or industry sector. In particular, meetings with business associations, Chambers of Commerce, representatives of foreign business circles.



#InvestInLvivRegion

Investment Policy Department of Lviv Regional State
Administration

79000 Lviv, 18, Vynnychenka Str.,
room. 218
+38 (032) 261-20-40
invest@loda.gov.ua

