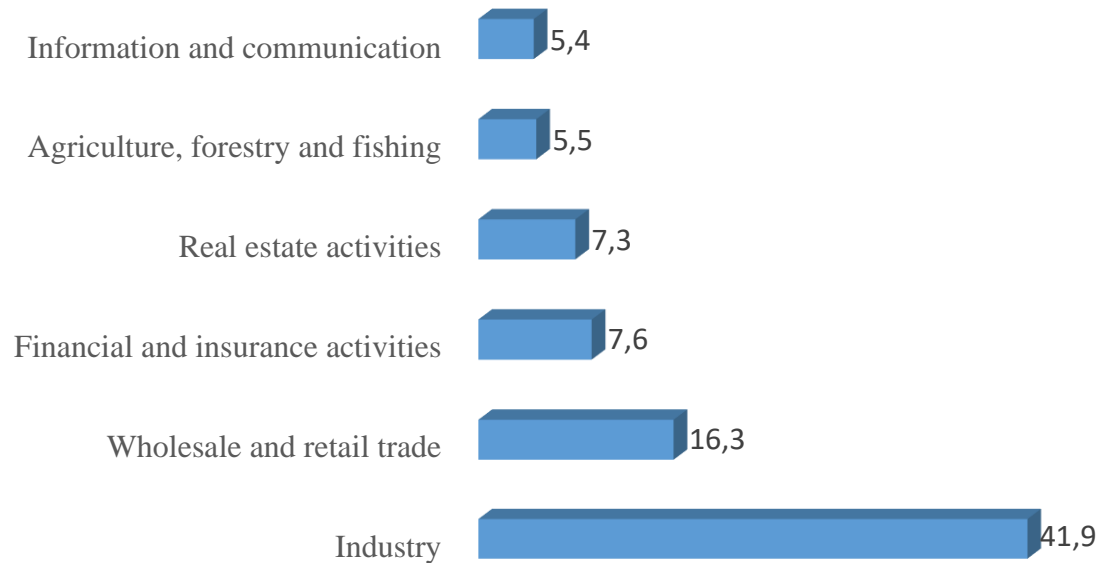


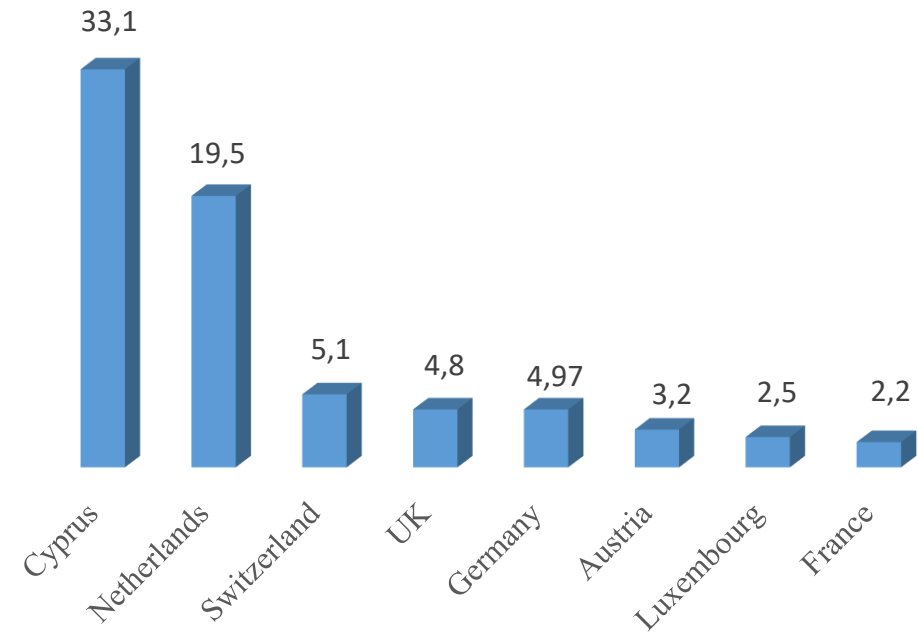
INVESTMENT ACTIVITY **IN UKRAINE**

**The scope of foreign direct investment (FDI) in the economy of Ukraine (balances)
on 31.12.2022¹ amounted to 50 986,7 million US dollars
(according to the National Bank of Ukraine)**

**FOREIGN DIRECT INVESTMENT
AT THE KEY TYPES OF ECONOMIC
ACTIVITY
(in % to the total investment amount)¹**



**MAJOR COUNTRIES INVESTORS
(in % to the total investment amount)¹**



¹ The data as of 31.12.2022 calculated based on the statistical and financial statements of the reporting companies and will be updated after receiving complete information.

According to Ukraine Laws

Investors and investments are protected

INVESTMENT MODE

➤ *the rights and conditions of conducting economic activity are guaranteed to foreign investors equal with domestic*

PROTECTION OF INVESTMENTS

➤ *investments are not subject of free nationalization and expropriation*

➤ *investment activity is protected from groundless intervention of authorities*

➤ *the state guarantees stability of conditions of investment activity*

➤ *possibility of pre-judicial settlement of disputes between investors and authorities*

SETTLEMENT OF DISPUTES

➤ *use of the international mechanisms of the solution of disputes according to the Washington convention of 1965 (arbitration of the International center for settlement of investment disputes)*

REPATRIATION OF THE INCOME

➤ *the investor has the right for the free transfer of investments and the income from them*

Law of Ukraine on “State support of investment projects with significant investments in Ukraine”

Criteria:

- ✓ the summary amount of investment must exceed 12 million euros;
- ✓ term of realization of the investment project is up to 5 years;
- ✓ 10 new jobs with an average salary that is at least 50% higher than the actual average salary for the respective type of activity in the region where the project is being implemented, based on the previous calendar year; or
- ✓ 30 new job positions with an average salary for employees that is at least 30% higher than the actual average salary for the corresponding type of activity in the region where the project is being implemented, in the previous calendar year; or
- ✓ 50 new jobs with employees' average salaries, which are at least 15% higher than the actual average salary for the corresponding type of activity in the region where the project is being implemented, for the previous calendar year;
- ✓ **types of economic activity:** sphere of processing industry (excluding production and circulation of tobacco products, ethyl alcohol (except for the production of bioethanol intended for use as a fuel component), brandy and fruit, alcoholic beverages), production of biogas and biomethane (including liquefied or compressed), extraction for further processing and/or enrichment of minerals (excluding coal, lignite, crude oil and natural gas), waste management, transportation, warehousing, postal and courier activities, logistics, education, scientific and technical activities, healthcare, art, culture, sports, tourism, in the resort and recreational sector, and in the field of electronic communications.

Possible forms of state support for investment projects with significant investments:

- ✓ tax benefits: exemption from income tax, exemption from VAT and duties on the import of new equipment;
- ✓ provision of land that is necessary for the implementation of the investment project;
- ✓ construction / reconstruction of related infrastructure facilities required for the implementation of the investment project, at the expense of the state;
- ✓ compensation for connection and integration costs to engineering and transportation networks;
- ✓ exemption from compensation for losses in forestry production

Today:

74 industrial parks are registered

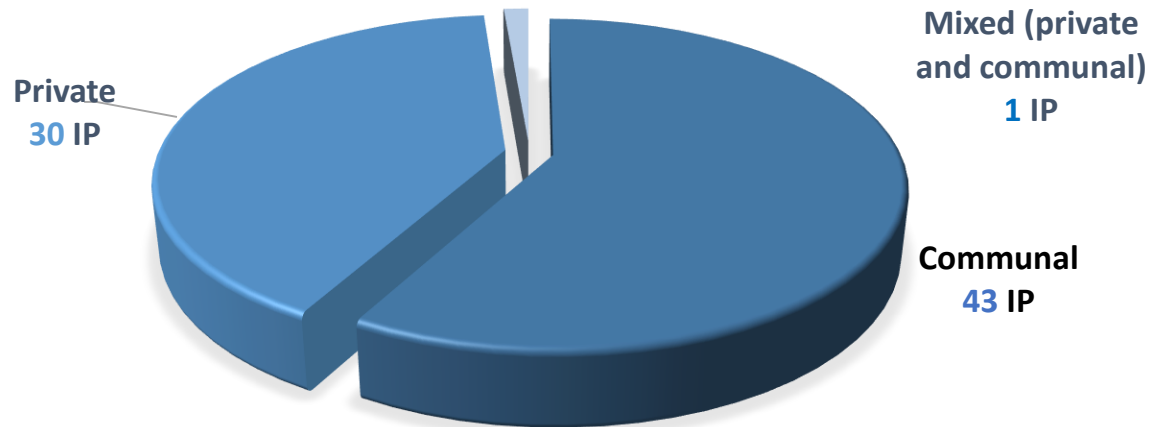
There are management companies in 55 industrial parks

18 industrial parks have residents, three residents meet requirements for industrial park participant

Industrial parks that are not included in the Register of Industrial Parks also operate in Ukraine

Industrial parks created by local self-government bodies require the involvement of specialized management companies for professional development and management of such parks

Ownership of land plots on which industrial parks have been created, included in the Register



Tax Code of Ukraine

(stimulation applies exclusively to business) entities)

✓ **Income tax exemption for 10 years**

✓ **Exemption from VAT for importing
new equipment**

✓ **Exemption from import
duties for new equipment**

**Customs
Code of
Ukraine**

Tax Code of Ukraine

(stimulation applies exclusively to business) entities)



**Exemptions from
the land fee (tax
and rent)**



**Property tax
benefits**

Local self-government bodies have the right to independently set tax rates and benefits from land tax and real estate tax annually within the limits set by the Tax Code (up to 0%).

Land rent cannot be lower than the tax rate

Features:

- **Benefits apply to the relevant categories of land (may also apply to other subjects of industrial parks)**
- **To ensure the stability and predictability of the application of preferential tax rates, their application (conditions, terms) should be determined by the relevant state aid programs in accordance with the Law of Ukraine "On State Aid to Business Entities"**
- **Industrial buildings that are used for their intended purpose and are not rented, leased, or loaned by their owners are not subject to real estate tax (subparagraph "is" of subparagraph 266.2.2 of paragraph 266.2 of Article 266)**