DNIPROPETROVSK REGION
ECONOMIC AND INVESTMENT POTENTIAL
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**

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

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

**Industrial and investment center of Ukraine**

16,8% of Ukrainian export

16,5% of total investment volume of Ukraine
Dnipropetrovsk region is a center of rocket production of Ukraine.

- The key industry players are:
  - The State Enterprise “Production Association Yuzhny Machine-Building Plant named after A.M. Makarov” is one of the world’s manufacturers of modern rocket and space technology;
  - Yuzhnoye State Design Office is the global leader in satellite vehicle development.

- The services of regional aerospace companies
  - engineering services in the space market;
  - full cycle of development and production of rocket and space technology;
  - production of aerospace engineering elements of any complexity;
  - probation of aerospace engineering in accordance with world standards.

50% of raw materials of Ukraine (40 types of mineral resources):

- 100% of manganese ore of Ukraine;
- 90% of iron ore of Ukraine;
- 45% of all known coal reserves of Ukraine.

- In the region there are the largest uranium ore deposits in Ukraine and Europe;
- The volumes of manufactured products of mining and metals sector within Ukraine:
  - 76% of pipes;
  - 53% of cast iron;
  - 40% of steel.

More than 80% of the region’s area is occupied by the agricultural production (6% of agricultural land in Ukraine).

- Total number of agricultural entities of Dnipropetrovsk region is over 5 thous. They produce 54 kinds of agricultural products;
- The production volume of the basic agricultural products within Ukraine:
  - 11% of sunflower seeds;
  - 9% of meat.
- The soils almost over the whole territory of Dnipropetrovsk region are mainly fertile chernozems;
- There are a developed network of irrigation systems and canals.
The developed network of railway lines connecting the industrial areas of the country, is more than 3 000 km.

- 3 railway junctions;
- 8 handling terminals;
- 3 stations opened for operations with large-tonnage containers;
- 19 customs points.

There are 2 international airports (in Dnipro and Kryvyi Rih), which connect region with far and near abroad countries.

- There is a transport air-terminal of Aviation Transport Company "Yuzmashavia".

Specialization:
- Transportation of oversized and heavy cargo to CIS, Asia, Africa, and Europe;
- Transport of humanitarian cargoes under the UN programs and State Emergency Service of Ukraine.

There are 4 river terminal on the Dnipro river, which is the main waterway of the country:

- The river port “UKRRICHFLOT” (Dnipro);
  Specialization – shiftment of rolled metal products, overweight, mineral, construction and grain cargoes.

- Private container terminal “Tavria Line” (Dnipro);
  Specialization – handling of private and container cargo ships and river-marine vessels.

- Kamianske river port;
  Specialization – shiftment of rolled metal products, iron ore, sand.

- Nikopol river port;
  Specialization – shiftment of mineral and construction materials. There is a possibility of river-marine vessels servicing.
The considerable scientific and technological potential concentrates in the region.

- Annually more than 120 thousd. students (8% of Ukrainian students total number) study at the higher education institutions of the region;

- Dnipropetrovsk region trains specialists in such spheres as:
  - mining and metals sector
  - rocket production;
  - IT;
  - medicine;
  - chemical industry;
  - construction;
  - transport and etc.

- In “Top 20 Ukraine“ ranking, 3 higher education institutions of Dnipropetrovsk region hold leading positions:
  - The National Mining University;
  - Oles Honchar Dnipropetrovsk National University;
  - National Metallurgical Academy of Ukraine.

Dnipropetrovsk region is a unique center of culture.

- 6 academy theaters are located in the region;
- House of organ and chamber music;
- Philharmonic Hall;
- 7 museums (historical, ethnographic, art), including:
  - one of the oldest in Ukraine - Dnipropetrovsk Art Museum;
  - an architectural monument of national importance – Dmytro Yavornytskyi Historical Museum.
- UNESCO Intangible Cultural Heritage:
  - Petrykivka painting (2013);
  - Cossack songs (2016).

Dnipropetrovsk region has a tourist potential.

- 114 nature reserve areas;
- Mineral wells and therapeutic muds;
- The rich historic cultural heritage:
  - scythian burial mounds of IV. B.C.;
  - historical monuments of the Cossack period;
  - unique Roman-Catholic Church of St. Nicholas of XIX century.
- The world’s largest Jewish complex “Menorah”, which has no equals in the world.
- Developed industrial tourism:
  - iron ore mine “Southern Mining and Processing Plant” in Kryvyi Rih (width 2.6 km, depth 339 m);
  - Interpipe metallurgic plant in Dnipro, known for its art objects;
  - the National Aerospace Educational Center of Ukrainian Youth named after A.M. Makarov, rocket park.
System of public electronic state procurement **ProZorro.**

- The system allows taking part in public tenders **transparently through online auctions** (system web portal - www.prozorro.gov.ua)
- A non-resident of **Ukraine** can take part in the tender on the basis of the Law of Ukraine "On public procurement". According to this law:
  - domestic and foreign participants of all forms of ownership and legal organizational form take part in procurement procedures **on equal terms**;
  - central executive authorities carry out procurement through ProZorro system, if the value of goods and services exceeds **UAH 200 thous.**, and works – **UAH 1.5 mln.**
  - Mandatory limits for goods and services for monopolistic state-owned enterprises - **UAH 1 mln** for the goods and services and **UAH 5 mln** for works.

Web portal of state services **www.igov.org.ua.**

- **80%** of administrative services have been converted into electronic format (in 2017 it is planning to convert **100%).**
- For today, it is **394 services** in such spheres as:
  - business registration;
  - licensing;
  - construction, real estate;
  - land relations;
  - foreign trade and investment;
  - taxation;
  - trade, etc.
International companies, which have already chosen Dnipropetrovsk region

Cooperation with international projects
Among other regions, Dnipropetrovsk region **steadily takes the first place** according to foreign investments attraction

**USD 7,2 bln** – the volume of accumulated foreign investments to the region (USD 6,7 bln of which came from EU countries).

**USD 2,2 thousd.** – the volume of foreign direct investment per capita in the region (**twice as much** as average rating in Ukraine).

Investments came **from 60 countries** (the main countries-investors are Germany, Cyprus, Virgin Islands, the Netherlands and Austria.

**USD 5,2 bln** were received from the export operations of regional enterprises.

**Examples of foreign investments into regional enterprises**

More than **USD 5,2 mln** investments into the construction of new innovative seed plant in Synelnykove district, Dnipropetrovsk region.

**USD 8,4 mln** has been invested into LLC “VSMPO Tytan Ukraine” enterprises which produce tubes, hollow shape and steel feeting (Nikopol).
Dnipropetrovsk region – is the leader among the regions of Ukraine by the following criteria:

Positive foreign trade balance: USD 3,1 bln

Foreign trade volume: USD 10,3 bln (11,3% of the total volume of Ukraine)

Commodity structure of exports

- USD 6,4 bln (16,8% of Ukrainian exports)
- 58,8% $ 3 765 mln Ferrous metals products
- 22,2% $ 1 422 mln Mineral products (ores, slag)
- 4,3% $ 276 mln Chemical products
- 3,6% $ 228 mln Vegetables oils
- 2,3% $ 149 mln Transportation vehicles
- 8,8% $ 560 mln Others

Commodity structure of imports

- USD 3,3 bln (8,7% of Ukrainian imports)
- 14,6% $ 478 mln Chemicals products (Pharmaceuticals)
- 10,1% $ 330 mln Polymers
- 10,1% $ 330 mln Machines and tools
- 9,5% $ 311 mln Ferrous metals products
- 2,6% $ 84 mln Textile products
- 2,3% $ 76 mln Transportation vehicles
- 12,8% $ 414 mln Others
- 38% $ 1 242 mln Mineral products (oil)
PREFERENCES FOR INVESTORS

Current state and local preferences:

- 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.

VAT exemption (20%)

- 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.

Exemption from taxation of import customs duty

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

Local privileges (on the resolution of local authorities)
**Activities**

- **It initiates** the creation of promising investment projects in accordance with the needs of the region and the interests of potential investors.

- **It forms** and provides the primary analytical information, which is necessary to make investment decisions;

- **It performs** the initial plot selection in accordance with the investors needs (the agency database has more than 400 plots with total area 13.8 thousd. ha);

- **It assists** in selection of potential partners, who are competent in different aspects of the investment project (there is available a base of regional companies from different fields of activity);

- **It provides** services of a personal investment manager. It makes a “investor's road map”.

---

**DIA AS A TOOL FOR ATTRACTING INVESTMENTS**
• Звільнення від оподаткування строком на 10 років прибутку, отриманого підприємством легкої промисловості.

• Спеціальний режим сплати ПДВ при інвестуванні в сільськогосподарську галузь.

• Податкові преференції учасникам індустріальних парків (в розробці).

• 0% ставка ввізного мита до 2022 року на ввезення обладнання та комплектуючих виробів (при інвестуванні в сільське господарство, транспортну інфраструктуру, машинобудування, переробку ТПВ, курортно-рекреаційну сферу та ін.).