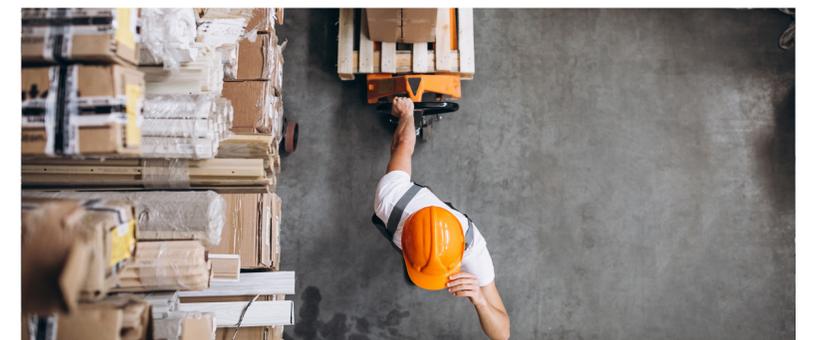


STATE SUPPORT FOR INVESTMENT PROJECTS WITH SIGNIFICANT INVESTMENTS IN UKRAINE



STATE SUPPORT



CIT exemption*
(for 5 years by choice)



Exemption from VAT
for importing new
equipment and
components to it **



Exemption from **import
duties** for new equipment
and components to it **



Construction/compensation for
built **engineering and transport
infrastructure**
(highways,
communication lines,
utilities, etc.).



Lease of **state
or communal
land plots
without land auctions**



Compensation for **costs of
connection to engineering
and transport
infrastructure**, necessary
for the implementation of
an investment project with
significant investments



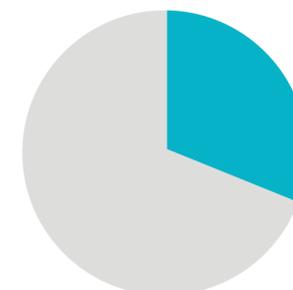
**Land tax exemption/
reduced land tax rates**



Exemption from
compensation **for losses
of forestry production**

* Not applicable to projects in the sphere of extraction for the purpose of further processing and/or enrichment of natural resources.
** The list and volumes of equipment are approved by the Cabinet of Ministers for each project.
*** No earlier than 18 months before the date of submission of the application to the authorized body, the applicant may contribute investments in investment objects in an amount not exceeding 30% of the total volume of significant investments required for the implementation of an investment project with significant investments

AMOUNT OF STATE SUPPORT



**up to 30%
CAPEX*****

GUARANTEES

Stable legislation:

Rights and obligations of an investor defined by an agreement are governed by Ukrainian legislation in force as of the date of concluding an agreement (except for legislation that reduces or abolishes taxes, simplifies business regulations, or otherwise improves business conditions).

Right to compensation:

An investor has a right to compensation of losses caused by state bodies' or local authorities' decisions that violate an investors rights.

REQUIREMENTS TO PROJECTS



€ 12+ million
of investments



10+
of new jobs



up to 5 years
of project
implementation



**construction,
modernization,**
technical and/or
technological
reequipment of objects



SPECIAL INVESTMENT AGREEMENT (SIA)



up to 15 years

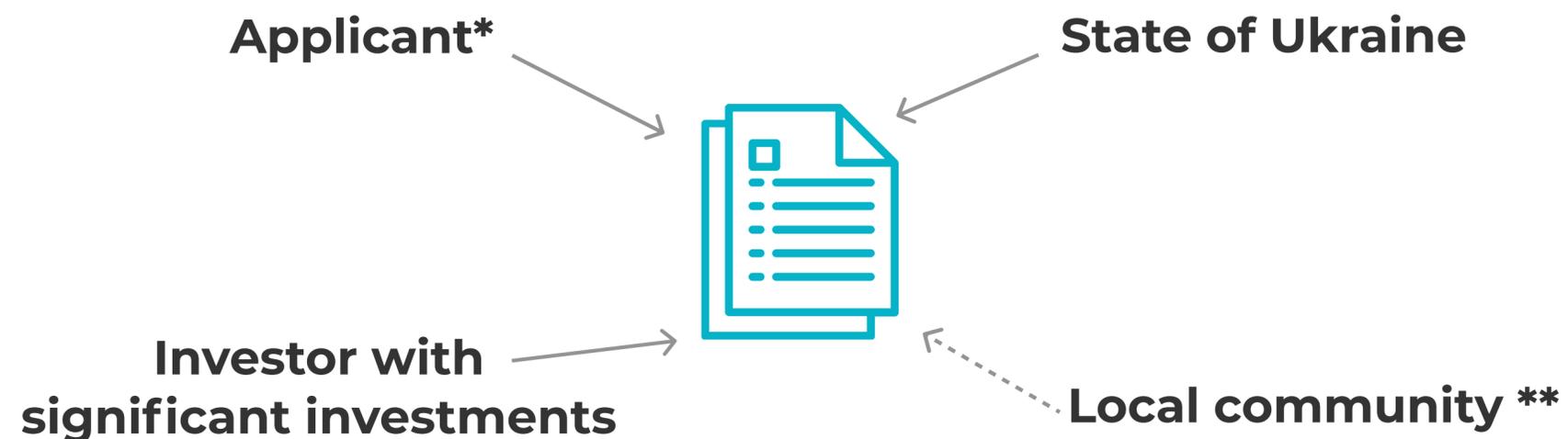


possibility to choose applicable law



possibility to choose dispute settlement mechanism

PARTIES TO THE SPECIAL INVESTMENT AGREEMENT (SIA)



*All requirements and restrictions imposed by the Law on the applicant apply to an investor with significant investments

**Local community is a party to SIA if it provides state support for project implementation.

APPLICANT

- legal entity registered in Ukraine or a foreign state;
- several applicants may finance a project jointly.

FOLLOWING LEGAL ENTITIES MAY NOT BE APPLICANTS:

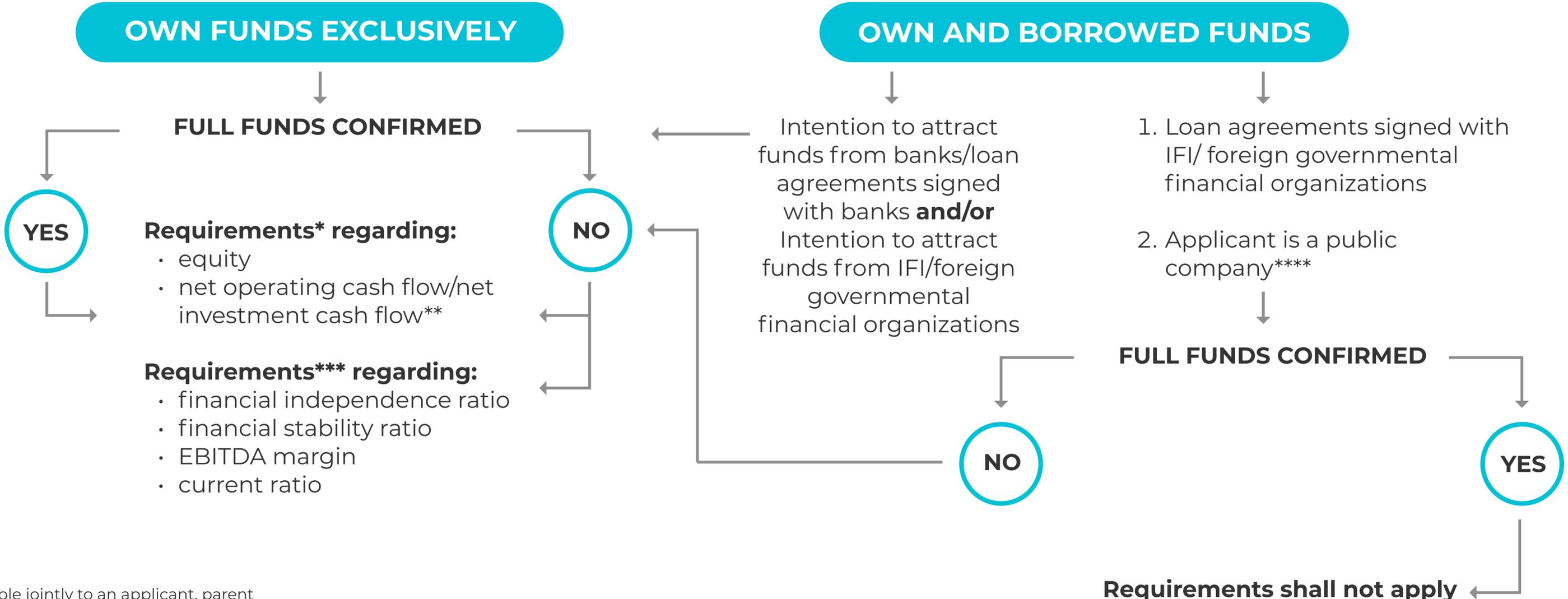
- state and communal enterprises, registered in offshore jurisdictions, aggressor state;
- subject to sanctions;
- registered in the states that do not cooperate in combating money laundering (FATF);
- subject to bankruptcy proceedings, dissolution or reorganization, etc.

INVESTOR with significant investments

- legal entity registered in Ukraine;
- applicant/applicants own 100% of shares of investor with significant investments;

Requirements to applicant's financial capacity considering capital structure of investor with significant investments

According to Requirements to Applicant regarding Financial Capacity, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine as of 23 June 2021 No. 648



* Applicable jointly to an applicant, parent companies and/or persons related to an applicant by control relationship.

** Net investment cash flow requirement shall apply only to collective investment institutions (instead of net operating cash flow requirement)

*** Applicable to a legal entity which finances a project with unconfirmed funds.

**** Legal entity listed on a foreign stock exchange in accordance with the list that will be approved by the Ministry of Economy.

- Requirements:**
- equity ≥ 20% of investments
 - net operating/investment cash flow ≥ 20% of investments
 - financial independence ratio ≥ 0,2
 - financial stability ratio ≥ 0,3
 - EBITDA margin ≥ 0,07
 - current ratio ≥ 0,7

REQUIRED DOCUMENTS



- Application
- Feasibility study and financial model of a project
- Certificate confirming absence of arrears of taxes ***
- Certificate of an applicant's ownership structure and list of related companies
- Draft special investment agreement (SIA)
- Certificate confirming that an applicant has not been declared bankrupt ***
- Audit report of an applicant's financial statements (and its parent company's*)
- Documents confirming the availability of financing **
- Copy of an official document confirming legal status of an applicant ***

* Document shall be submitted if an applicant uses supporting documents of a parent company and/or persons related to an applicant by control relationship to confirm compliance with financial capacity criteria.

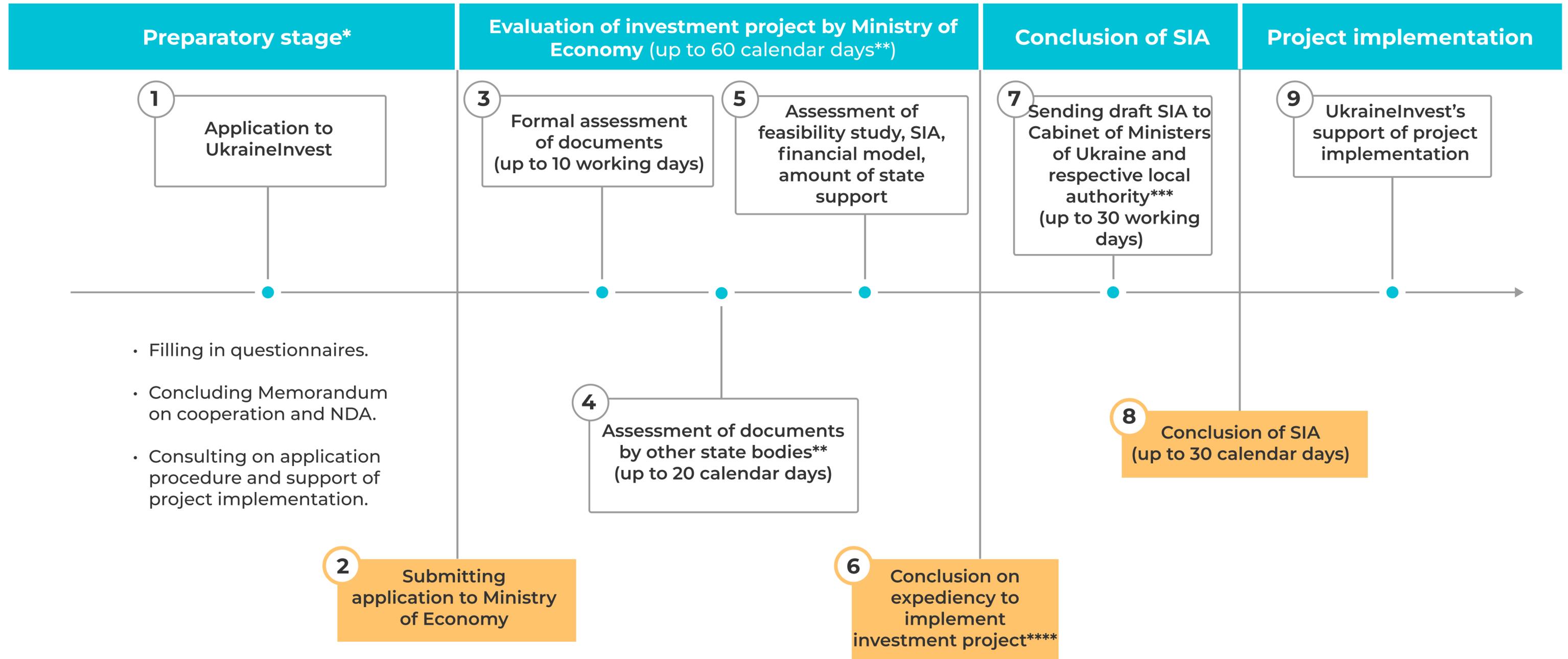
** Certificate confirming availability of relevant liquid assets; letter of intent to provide financing or confirmation letter on signing a loan agreement from banks, IFI, foreign governmental financial organizations.

*** Document shall be submitted if an applicant is a legal entity registered in a foreign state.

According to:

- Requirements to Applicant regarding Financial Capacity, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine as of 23 June 2021 No. 648;
- Requirements to Application, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine as of 28 July 2021 No. 819;
- Requirements to Feasibility Study, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine as of 19 May 2021 No. 515;
- Methodology for Calculating State Support, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine as of 07 July 2021 No. 714.

APPLICATION PROCEDURE



* In case the investor applies for assistance in preparing an application to UkraineInvest

** Evaluation of the projects lasts up to 45 days if the applicant signed a loan agreement with IFI/ foreign governmental financial organizations.

*** Ministry of Finance, Ministry of Ecology, Ministry of Justice, AMCU, relevant government body, relevant local authority.

**** If respective local authority provides state support and is a party to SIA.

***** For applications that were returned according to Clause 2 of the Final and Transitional Provisions of the Law No. 3311 a simplified procedure for evaluating an investment project with significant investments is provided

UKRAINEINVEST SERVICES



attraction of investors



organizational, informational, and advisory assistance in preparation and implementation of investment projects



cooperation with state bodies, local authorities re preparation and implementation of investment projects

UkraineInvest is an authorized institution to support preparation and implementation of investment projects.

SERVICE IS PROVIDED FREE OF CHARGE



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