

GUIDE:
**GUIDE: INVESTMENT INCENTIVES
FOR INDUSTRIAL PARKS**

Industrial parks for business: where comfort meets opportunity

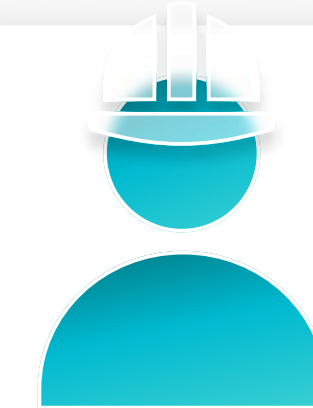
Advantages for residents of the industrial parks¹



tax and customs exemptions²



availability of required infrastructure



reduced costs for energy, logistics, etc.



opportunity to **buy** or **lease** land plot within the industrial park



simplified permitting process²



ability to **combine** with other governmental **incentives**³

1. Members of an industrial park or other subjects of an industrial park.

2. The managing company has the right to receive permits and approvals from executive authorities and local governments, either independently or on behalf of the participants.

3. A combination of incentives provided by the Law of Ukraine "On State Support of Investment Projects with Significant Investments" or the legal regime Diia City, taking into account the fiscal efficiency of the project.

LAW OF UKRAINE “ON INDUSTRIAL PARKS”

(amended as of 17.09.2023)

KEY TERMS

Industrial park - the territory determined by the initiator of the creation of an industrial park, within which the members of the industrial park can carry out economic activities in the area of processing industry, processing of industrial and/or household waste (except waste disposal), alternative energy, energy storage, as well as R&D, IT and electronic communications.

Initiator of creation - a public or a local authority, legal entity or an individual - the owner or tenant of a land plot that can be used and offered for creation of the industrial park.

Managing company - a legal entity with which an agreement on the creation and operation of the industrial park was concluded.

Member of industrial park - an economic entity registered on the territory of the industrial park, which has acquired the right to land and/or other real estate within the industrial park, has concluded an agreement with the managing company and must carry out activities exclusively in the areas defined by the Law of Ukraine “On Industrial Parks”.

Other subject of industrial park - an economic entity of any form of ownership, which, according to the legislation, acquired the right to a land plot and/or other object (or part of it) of real estate within the industrial park, entered into an agreement with the managing company and carries out its economic activities in areas that are not prohibited in the industrial park, but are not entitled to receive state incentives for members in industrial parks.

The Register of Industrial Parks - a unified information system maintained in electronic form for accounting industrial parks to provide state incentives to initiators of the creation of industrial parks, managing companies and members of industrial parks.

The Authorized State Body (the Ministry of Economy of Ukraine) - is the central executive body that implements the state policy on the creation and operation of industrial parks in Ukraine, whose activities are directed and coordinated by the Cabinet of Ministers of Ukraine.



STATE SUPPORT

The implementation of investment projects on the territory of industrial parks does not exclude the opportunity to receive additional incentives, in particular, provided for by the Law of Ukraine "On State Support for Investment Projects with Significant Investments in Ukraine" or the legal regime of [Diia.City](#).

Initiator of creation of industrial park and/or managing company



non-refundable financing for arranging an industrial park and/or construction of related infrastructure facilities ¹ up to **UAH 150 million** ²



exemption from compensation for losses of **forestry production** ³



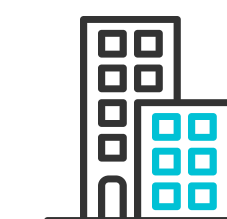
full or partial compensation of interest rates on loans for arranging an industrial park, carrying out economic activity ⁴



compensation for connecting to engineering and transport infrastructure up to **UAH 150 million** (during martial law - only to power grids ²)



exemption from **real estate tax** for industrial buildings



land tax exemption / reduced land tax rates

Members of industrial park



CIT exemption for 10 years (only if reinvestment)



exemption from **import duties** for new equipment



VAT exemption for importing new equipment

1. Provided to managing companies and initiators of creation of industrial parks.

2. According to the Procedure for the provision of funds for the arrangement of industrial parks, approved by the [Resolution](#) of the Cabinet of Ministers of Ukraine dated June 4, 2024 No. 644.

3. Regarding the use of land plots with a change in purpose for the establishment of industrial parks according to Article 208 of the Land Code..

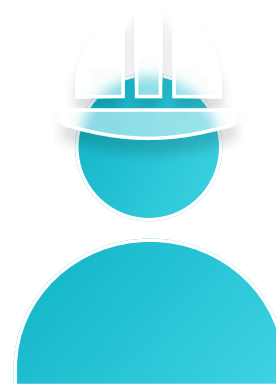
4. During the period of martial law and for six months after it ends or canceled, the Procedure for providing full or partial compensation of interest rates on loans for the establishment and/or implementation of economic activities within industrial parks has been suspended.

REQUIREMENTS FOR INDUSTRIAL PARKS

Requirements for the land plots



belong to the lands of **industrial**



no restrictions for **industrial use**



the total land area **from 10 to 1000 ha**



term of use (lease) **not less than 30 years**



multiple land plots **should be adjacent** ¹



unused production buildings **for the past 10 years** ²

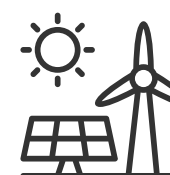
Areas of economic activities within the industrial park



processing industry



processing of industrial and/or household waste (except waste disposal)



alternative energy, energy storage ³



R&D



IT and electronic communications

1. It is permitted to establish land plots for engineering and transport infrastructure between the existing land plots of the industrial park, in accordance with the urban planning documentation.

2. According to the third paragraph of the fifth part of Article 14 of the Law of Ukraine "On Industrial Parks"

3. Other business entities that have obtained ownership or leasing rights for land or real estate and have signed a relevant agreement with the managing company may conduct economic activities within the industrial park but are not eligible for state incentives.

SUBJECTS OF INDUSTRIAL PARK



Initiator of creation ¹

- a public or local authority with the power to manage the disposal of the land plot;
- legal entity or individual – the owner or tenant of the land plot.



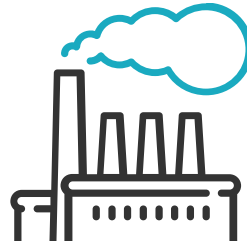
Managing company ¹

- a legal entity with which the initiator of creation concluded an agreement on the creation and operation of an industrial park.



Member of industrial park ¹

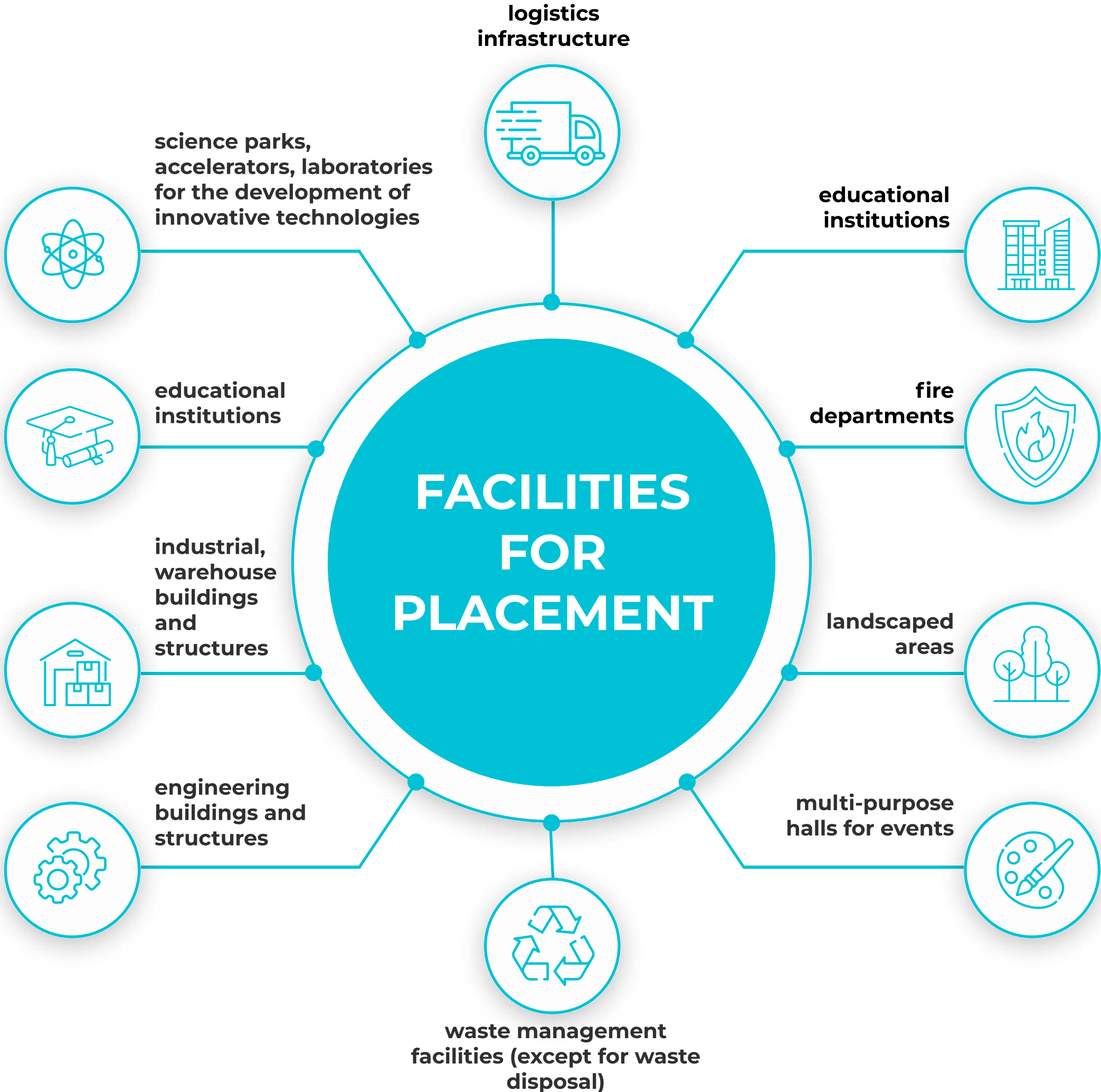
- An economic entity, which:
- registered on the territory of the industrial park;
 - acquired the right to land and/or other real estate within the industrial park;
 - concluded an agreement with the managing company on the implementation of economic activities within the industrial park in alignment with its concept.



Other subject of industrial park

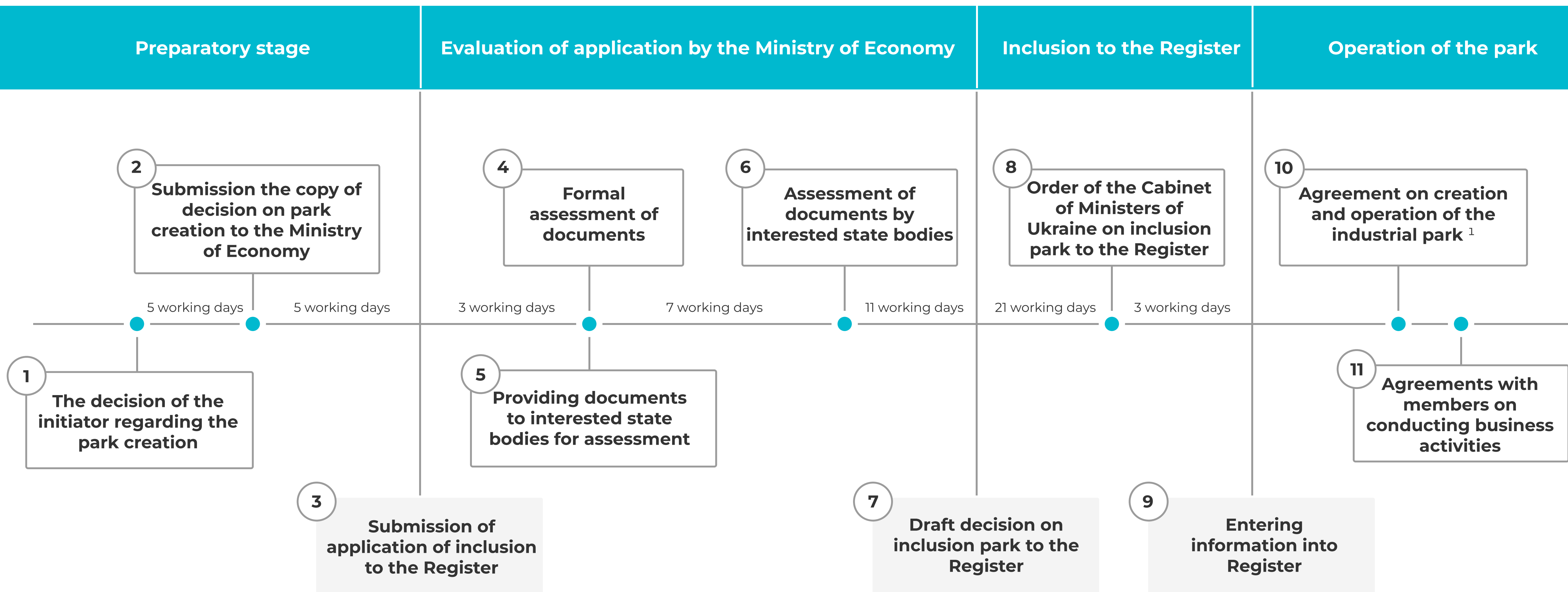
- An economic entity, which:
- acquired the right to land and/or other real estate within the industrial park;
 - concluded an agreement with the managing company on the implementation of economic activities within the industrial park;
 - conduct business activities not prohibited by the Law of Ukraine “On Industrial Parks”.

Objects that can be placed within the industrial park



1. Founders must not be citizens or legal entities of the aggressor or occupying state, legal entities registered in the aggressor or occupying state, nor can they be legal entities subject to sanctions or connected to the aggressor state through economic ties.

ROADMAP FOR INDUSTRIAL PARK CREATION



1. The initiator of the industrial park creation and the managing company conclude an agreement on the creation and operation of the industrial park within 2 years of the initiator's decision regarding the park creation.

DOCUMENTS FOR INCLUSION TO THE REGISTER OF INDUSTRIAL PARKS

- Application ¹
- The decision of the initiator regarding the park creation
- Industrial park concept
- The name of the managing company and members
- Extract from the State Land Cadastre re the land plot and title documents for real estate objects
- Documents confirming compliance of the territory of the industrial park with urban planning documentation
- Documents confirming the suitability of the land plot for industrial use
- Documents confirming the absence of putting the production buildings into operation within the last 10 years
- Documents confirming the absence of use within the last 5 years of production buildings
- Documents regarding buildings placed on the territory of the industrial park
- A copy of the land lease agreement ²
- A copy of the landlord decision for approving the industrial park concept ²

1. The application is drawn up in free form.

2. Submission in case of initiation of incorporation of the industrial park on leased lands.

EXCLUSION FROM THE REGISTER OF INDUSTRIAL PARKS

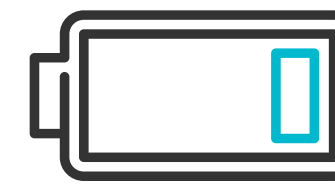
GROUND S



1. Failure to submit reports on the functioning of the industrial park to the Ministry of Economy of Ukraine during **two** reporting periods ¹



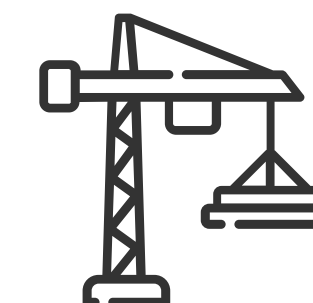
2. Non-compliance with the requirements of the Law of Ukraine "On Industrial Parks"



3. Liquidation of industrial park, in case of: ²



3.1. Failure to conclude the agreement on creation and operation of the industrial park within **two** years from the date of the decision to create it



3.2. Non-performance of economic activity by all participants within **three** years

Exclusion of an industrial park from the Register of Industrial Parks is not a reason for its liquidation.

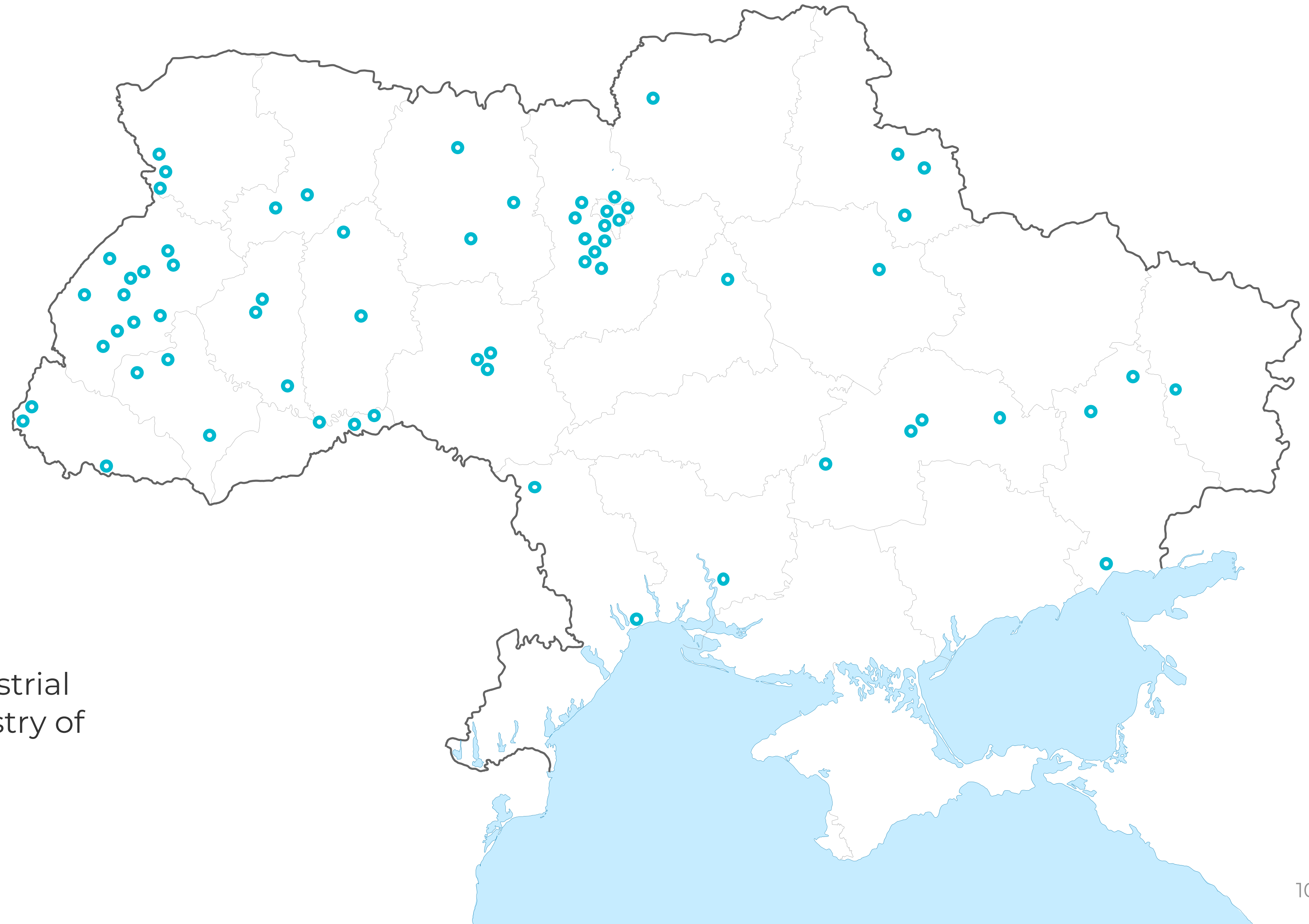
An industrial park excluded from the Register of Industrial Parks may be re-included in it no earlier than **six** months after exclusion.

1. [The procedure for submitting a report on the functioning of the industrial park and its publication](#) is approved by the Order of the Ministry of Economy of Ukraine dated July 26, 2022 No. 2285.
2. The decision to liquidate the industrial park is made by the initiator of creation. After liquidation, the managing company or members may continue to conduct their economic activities as business entities on a general basis.

TOTAL NUMBER OF INDUSTRIAL PARKS

>100 industrial parks

2500+ ha
of zoned industrial
land available for
manufacturing
projects



More information regarding industrial parks on [the website](#) of the Ministry of Economy of Ukraine

UKRAINEINVEST SERVICES



support in partner search
and location selection



establishment of cooperation
with state and local authorities



resolving business-related
problematic issues



consulting on conducting
business in Ukraine



12 Muzeinyi Lane,
Kyiv, Ukraine, 01008



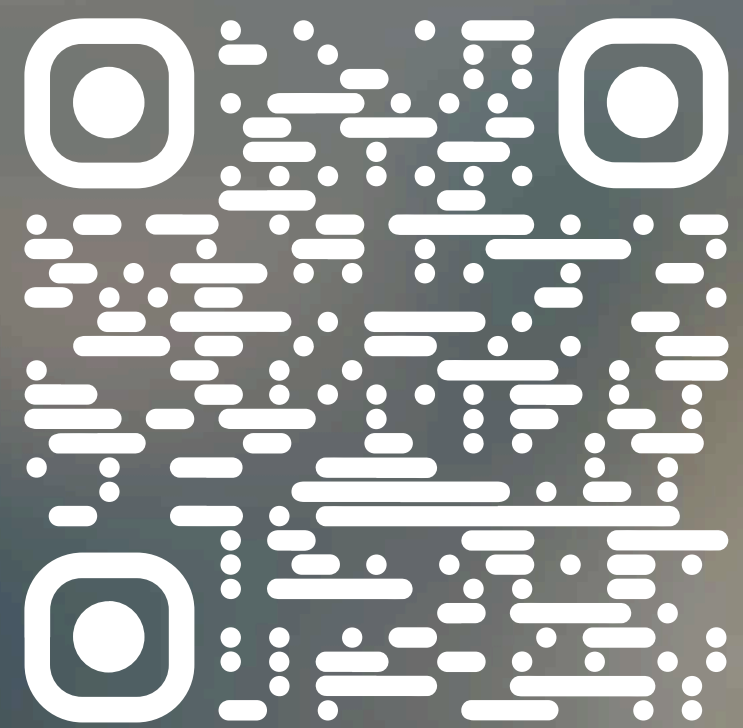
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