



**IMPLEMENTATION OF INVESTMENT PROJECTS IN UKRAINE:
COMBINING STATE INCENTIVES & EU FINANCIAL SUPPORT
MECHANISM FOR UKRAINE`S RECOVERY**

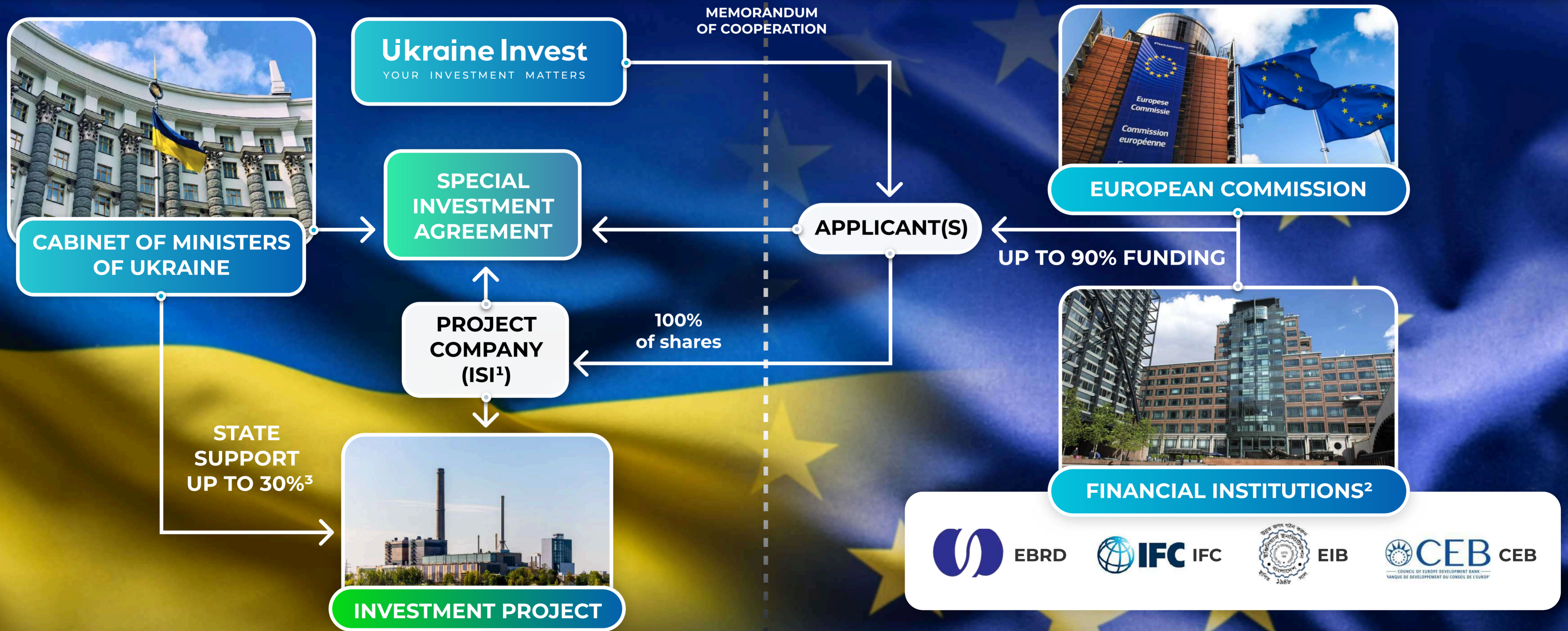
COMBINATION OF UKRAINE'S INVESTMENT INCENTIVES AND EU FINANCIAL SUPPORT MECHANISM



Investment incentives of the Law of Ukraine "On State Support for Investment Projects with Significant Investments in Ukraine"



Call for Expressions of Interest from EU/EEA-based businesses to invest in Ukraine within the framework of UKRAINE FACILITY



¹ A legal entity incorporated in Ukraine, which is specifically established to implement an investment project with significant investments, is a party to a special investment agreement and whose business activity is aimed exclusively at implementation of the investment project with significant investments and execution of the special investment agreement

² Bilateral financial institutions such as Member States' development banks and export credit agencies.

³ In the forms of tax exemptions and compensations

EU FINANCIAL SUPPORT FOR UKRAINE'S RECOVERY

Ukraine Facility¹ is EUR 50 billion financial support program for Ukraine from the European Union for 2024-2027.



The European Commission has announced **Call**² under the **Ukraine Investment Framework (UIF)**³ for interested **EU/EEA**⁴-based **companies** to implement investment projects in Ukraine in line with the EU's strategic areas of interest and policy priorities.

[Click here to find more](#)



ELIGIBILITY CRITERIA

- **Geographic Area:** investment taking place **on the territory of Ukraine**.
- **Private Sector:** eligible participants to the Call shall be **private enterprises, joint venture or consortium of companies**, possessing a valid VAT registration number⁵ and Transparency registration number⁶.
- **Nationality of Private Entity:** **EU/EEA-based businesses** (companies possessing their real legal seat / legal incorporation in one of the EU Member States / EEA countries).
- **Alignment with Policy Priorities:** projects should focus on Ukraine's real economy sectors and align with the priority areas outlined in the Ukraine Plan, **which includes, in particular: processing and manufacturing, transport and digital sectors**
- **Minimum Investment Size:**
 - total size of the investment project - **EUR 50+ million**; and
 - project initiators should be able to finance **at least 10%** of total investments **by own funds**.

¹ The Ukraine Facility is the European Union's financial assistance programme for Ukraine.

² Publication of the Call for expressions of interest from EU/EEA-based businesses to invest in Ukraine.

³ The Ukraine Investment Framework (UIF) is part of the €50 billion EU's Ukraine Facility Support Program.

⁴ A short guide to the EU /Glossary: European Economic Area (EEA)

⁵ VAT registration number is a unique number that identifies a taxable person (business) or non-taxable legal entity that is registered for VAT.

⁶ **Transparency register** is a database that lists organisations that try to influence the law-making and policy implementation process of the EU institutions.

INCENTIVES¹ FOR INVESTMENT PROJECTS IN UKRAINE



 **up to 15 years**
validity period

 option **to choose the applicable law**



 possibility **to amend by consent** of parties

 option **to choose dispute resolution mechanism**

INVESTMENT PROJECT

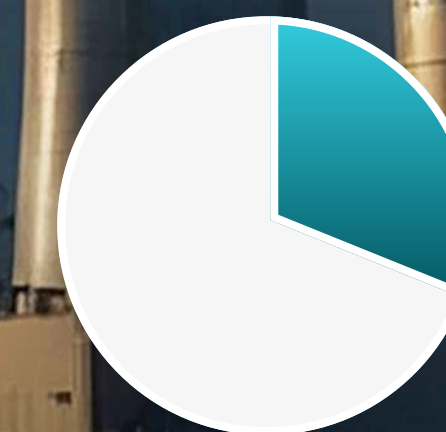
GRANTS/LOANS UNDER UKRAINE FACILITY



up to 90% of INVESTMENTS

CAPEX ⁴ OF INVESTMENT PROJECT	
€ 50 mln without VAT	→ up to € 15 mln of state support
€ 100 mln without VAT	→ up to € 30 mln of state support
€ 150 mln without VAT	→ up to € 45 mln of state support

STATE SUPPORT⁵



up to 30% of CAPEX

¹ The Law of Ukraine "On State Support for Investment Projects with Significant Investments in Ukraine" (amended as of 11.12.2024)

² An agreement concluded between the Cabinet of Ministers of Ukraine, the Investor with Significant Investments, the Applicant and a local authority (in case of granting state support by such authority) defining a procedure and conditions for implementing the Investment Project.

³ Investor with significant investments - a legal entity incorporated in Ukraine, which is specifically established to implement an Investment Project with Significant Investments, is a party to a Special Investment Agreement and whose business activity is aimed exclusively at implementation of the Investment Project and execution of the Special Investment Agreement.

⁴ Not less than EURO 12 mln

⁵ In the form of tax exemptions and/or receiving monetary compensations under the special investment agreement.

FORMS OF UKRAINE`S STATE SUPPORT FOR INVESTMENT PROJECT WITH SIGNIFICANT INVESTMENTS



CIT exemption¹
(for any 5 subsequent years within the validity period of the SIA)



Exemption from VAT²
for importing new equipment and components to it



Exemption from import duties² for new equipment and components to it



Construction/compensation for built engineering and transport infrastructure



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



Compensation for costs of connection to engineering and transport infrastructure



Land tax exemption/reduced land tax rates



Exemption from compensation for losses of forestry production



up to 30% CAPEX³

¹ Not applicable to projects in the sphere of extraction for the purpose of further processing and/or enrichment of natural resources.

² The list and quantity of equipment are approved by the Cabinet of Ministers of Ukraine for each project.

³ Not less than EURO 12 mln

KEY REQUIREMENTS FOR INVESTMENTS PROJECTS



Criteria	Investment incentives for investment projects with significant investments in Ukraine		Call for Expressions of Interest from EU/EEA-based businesses to invest in Ukraine
Investments	€ 12+ mln ¹		€ 50+ mln
Location	Project implementation area: Ukraine		Project implementation area: Ukraine
Type of ownership	No more than 50% of state/municipal ownership		Private sector: private enterprises, joint venture or consortium of companies
Nationality	No requirements ²		EU/EEA-based business
Timeline	Up to 5 years of project implementation		No requirements ³
Job requirement	Creation of 10+ new jobs		No requirements
Capital criteria	Not less than 30% of own funds or confirmation of funding sources ⁴		Ability to invest not less than 10% of own funds

¹ CAPEX

² Except for the legal entities with relations to Russian Federation and Republic of Belarus.

³ Timeline can be limited additionally by requirements of responsible IFIs

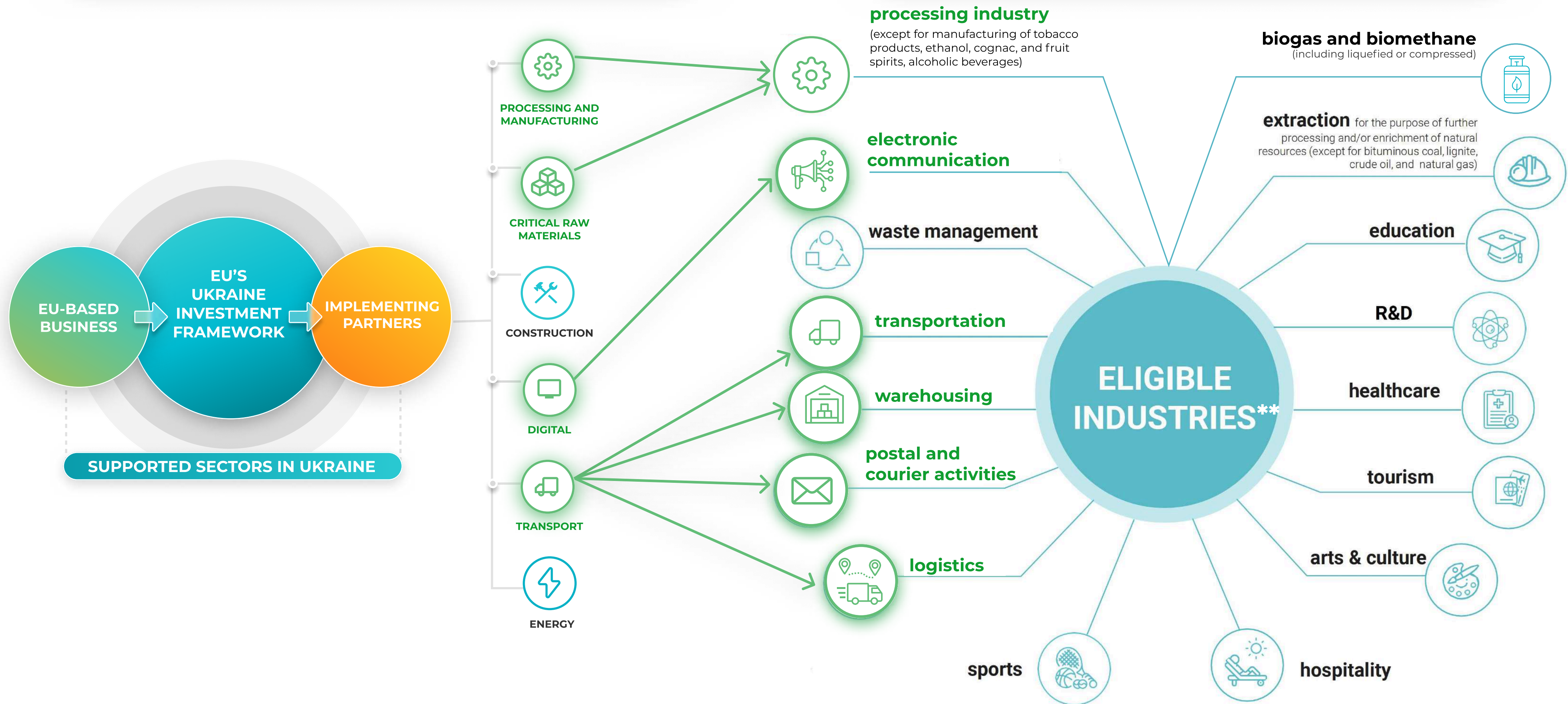
⁴ Can be confirmed by loan agreement or bank's/IFI's letter of intention to provide such loan

ELIGIBLE INDUSTRIES FOR INVESTMENTS PROJECTS



Call for Expressions of Interest from EU/EEA-based businesses to invest in Ukraine¹

Investment incentives for investment projects with significant investments in Ukraine²



¹ Publication of the Call for expressions of interest from EU/EEA-based businesses to invest in Ukraine

² Clause 1 of part 1 of Article 5 of the Law of Ukraine "On State Support for Investment Projects with Significant Investments in Ukraine"

WHY INVEST IN UKRAINE

Main advantages of Ukraine for investors

- 1



Rebuilding
related investment opportunities
- 2



Convenient and flexible **legislation**
- 3



Geographical position between Europe and Asia
- 4



Skilled and **qualified staff**
- 5



Significant **raw material base**
- 6



Digitalisation and fast state infrastructure
- 7



Fast obtaining of required **licenses and permits**
- 8



Low production and construction costs
- 9



Investment incentives (tax exemptions and state compensations)
- 10



Low-cost workforce and resources
- 11



Investments insurance (MIGA, EKA, DFC)
- 12



Low tax rates and reliefs

UKRAINEINVEST SERVICES



support in partner search and land plot selection



resolving business-related problematic issues



establishment of cooperation with state and local authorities



consulting on conducting business in Ukraine



participation in negotiations with stakeholders to obtain grant/loan financing



informational and advisory assistance regarding the implementation of investment projects



preliminary check of investment projects compliance with the requirements of the relevant law



providing support to prepare the application and implement the investment project, as well as assistance in the execution of the Special Investment Agreement

UKRAINEINVEST is an authorized institution to support preparation and implementation of Investment Projects with Significant Investments.

FREE OF CHARGE ASSISTANCE



12 Muzeinyi Lane,
Kyiv, Ukraine, 01008



+38 (044) 256 7832
+38 (098) 567 8899

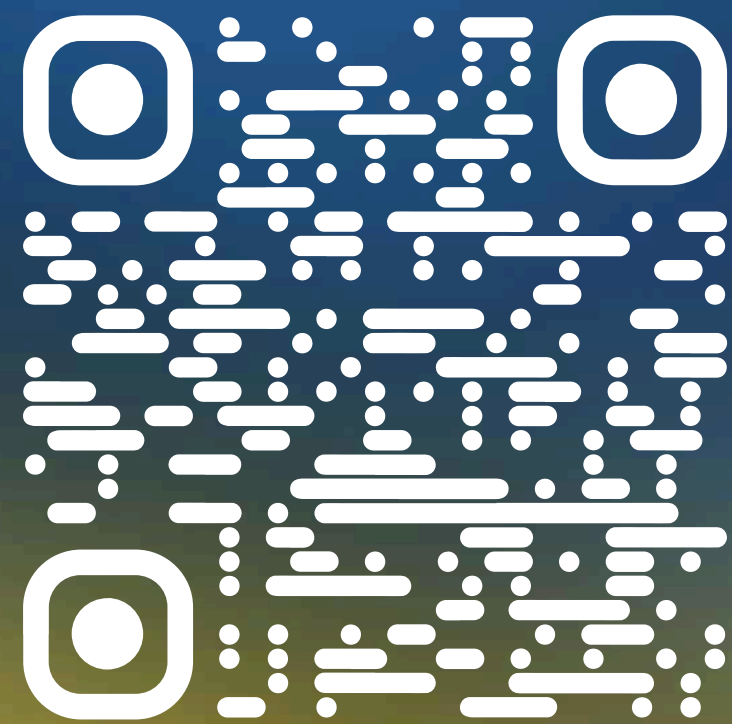


info@ukraineinvest.gov.ua



www.ukraineinvest.gov.ua





UKRAINEINVEST
GUIDE

UKRAINEINVEST: REBUILD UKRAINE

☎ +38 098 567 88 99

✉ INFO@UKRAINEINVEST.GOV.UA

🌐 WWW.UKRAINEINVEST.GOV.UA/EN

📍 12 MUZEINYI LANE,
KYIV, UKRAINE, 01008