



Investment passport

Vinnytsia



DEAR COLLEAGUES,

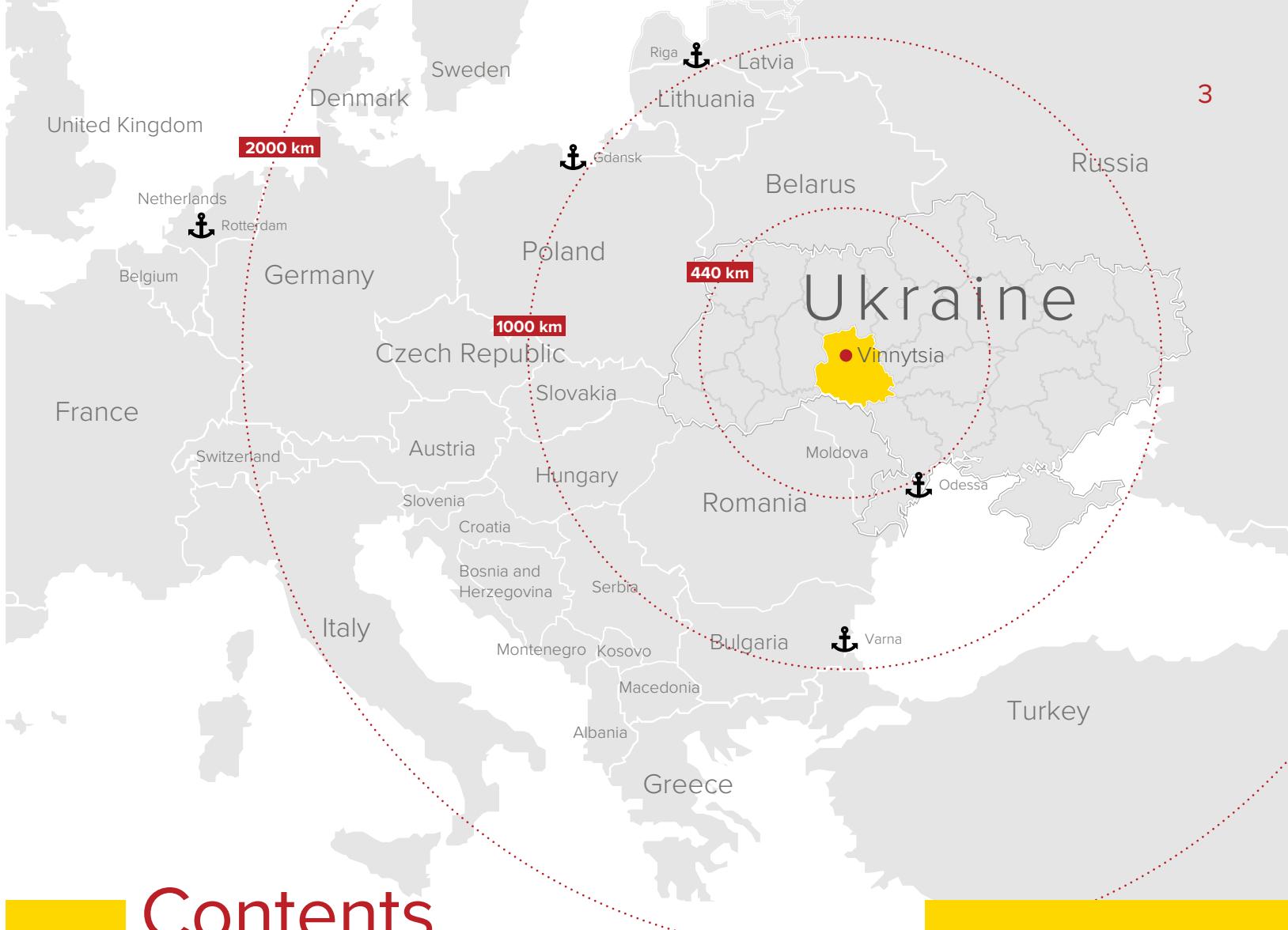
Vinnytsia is a modern city with a dynamically developing economy. The city has well-established industrial traditions, a strong educational base, scientific schools engaged in such areas as IT, engineering, health care.

Vinnytsia is characterized by an advantageous geographic location, which is one of its key competitive advantages. During the period of independence, the city's economy has significantly transformed: there has been a structural shift from machine building, electronic and chemical industries towards the food industry, trade and tertiary sector.

In recent years, the city authorities have been actively working on attracting investments and developing the industry sector.

The investment passport will be interesting and useful for private investors, representatives of foreign companies, citizens of the city and Ukraine. We invite you to cooperate in the implementation of joint investment initiatives.

Sincerely,
Serhii Morhunov
Mayor of Vinnytsia



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Canada

The Investment Passport of Vinnytsia city was developed by Vinnytsia City Council together with the Partnership for Local Economic Development and Democratic Governance Project (PLEDDG), a technical assistance project implemented by the Federation of Canadian Municipalities and financed by Global Affairs Canada. The views and opinions expressed herein are the responsibility of the authors and do not state or reflect those of Global Affairs Canada.

Quick tips about Vinnytsia

Year of the first written mention about Vinnytsia – **1363**

Area of the city – **113,2 km²**

Population – **371, 9 thousand** people

 City budget for 2018* – **4.8 billion UAH**, including development budget – **857 million UAH**.

*for 01.09.18

The length of the Southern Bug River within the city is **14 km**

 Vinnytsia **industrial park** – **60,7 ha**

Industrial Park "Vinnytsia cluster of refrigeration engineering" – **19,3 ha**

 **Nº1**
in «Index of satisfaction with the quality of spheres and services» 2016, 2017, 2018
All-Ukrainian municipal survey

Four times recognized as **the most comfortable city for life** in Ukraine.

According to IRI - the International Republican Institute

The first "European Energy Award" certificate in Ukraine

The Leader of **the Investment Sector Transparency Ranking**

* ranking of the global anti-corruption network Transparency International

"invA +" score — "High investment attractiveness" in ratings by IBI-Rating

"uaA" score — "High creditworthiness" in ratings by IBI-Rating by National Rating Scale

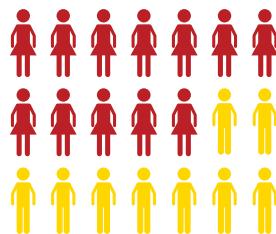
80% of FDI (Foreign Direct Investments) from EU countries

535 877 persons – visited city museums in 2017

Workforce and education



371 900
people



54%
women
vs
46%
men



LABOUR POTENTIAL*
104 190

*Population age from 15 to 35

The main competitive factor of Vinnytsia is a large number of talented youth. More than 45 thousands students are **GETTING EDUCATION** and professional training



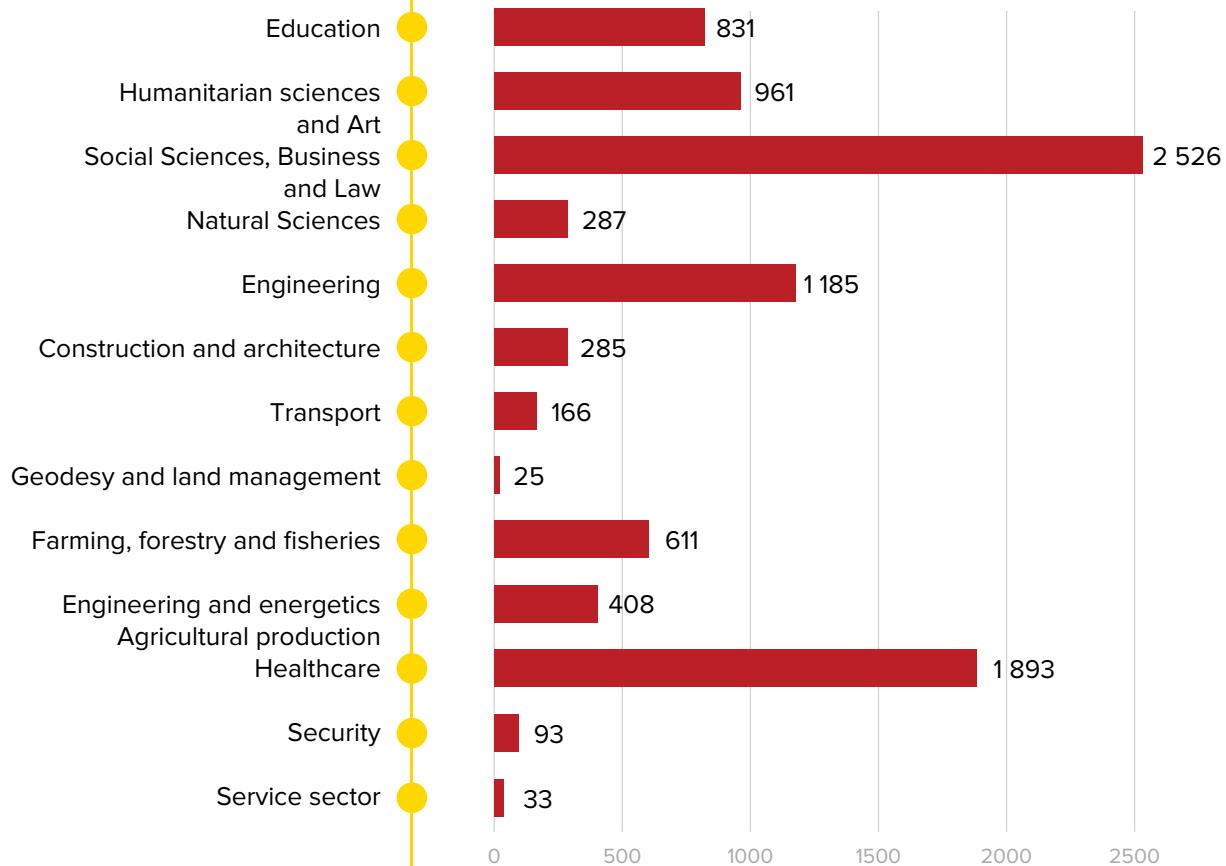
40 599 STUDENTS
in higher education institutions
5 518 STUDENTS
in Vocational schools

11 educational institutions
of the I-II level of accreditation

14 institutions
with the highest level of accreditation,
4 of them have a national university
status and 1 of them have a state status.

9 vocational schools

The number of graduates from the higher educational institutions and vocational schools of the city in 2017





City development

Capital investments



Volume of capital investments for the period from 2015 to 2017 increased by 36%

Key capital investments sectors in 2017



Investments in residential and non-residential buildings **1 426**
mln UAH



Investments in machinery and equipment **1 490**
mln UAH



Investments in engineering structures **473**
mln UAH



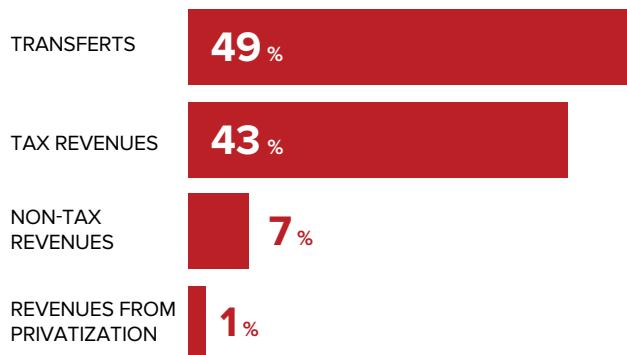
Investments in transport vehicles **375**
mln UAH

Volumes of capital investments in the city

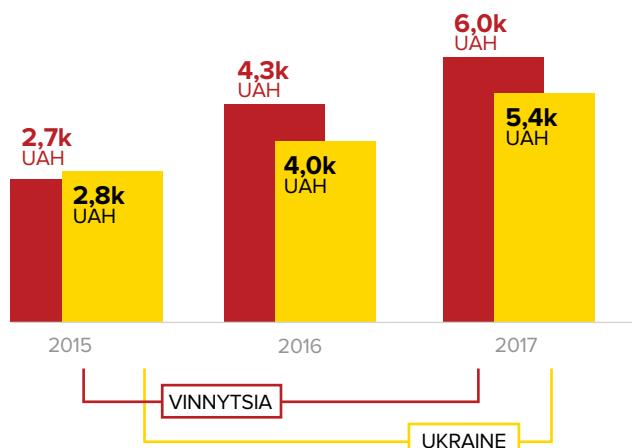


Budget opportunities

Structure of budget revenues 2017



Own budget revenues per capita

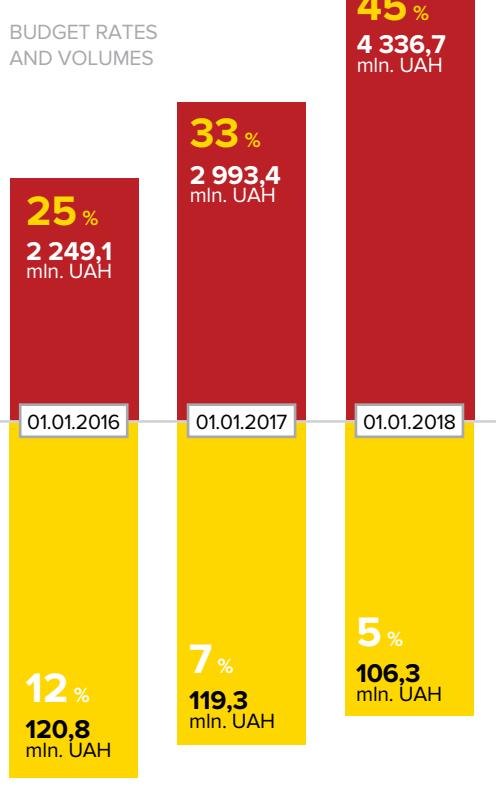


Consolidated debt and debt burden on budget revenues

The fiscal decentralization reform and growth of the business activity in the city allow Vinnytsia to increase budget revenues. Vinnytsia enterprises and institutions that works in more than 20 areas and industries - forms budget revenues.

Vinnytsia City Council, together with its municipal enterprises, is an active participant of the borrowing market from Ukrainian banks and international financial organizations.

Borrowing obligations are fully executed according to concluded agreements.





Investments factors



Tax rates

STATE TAXES		LOCAL TAXES	
Corporate income tax rate	18%	Rate of land tax (from the normative-monetary valuation, depending on the usage type)	1-12%
Withholding tax	15%	Rate of property tax (from minimal salary, depending on the object and location area)	0,1 - 0,9%
Personal income tax	18%		
Interest withholding tax	15%		
Dividends withholding tax:		Single tax rate:	
For non-resident	9%	Group I (from the size of the subsistence minimum)	10%
For resident	5%	Group II (from minimal salary)	20%
Value-added tax (VAT):		Group III (from annual circulation and depending on VAT)	3-5%
Rate	20%		
Import and supply of pharmaceuticals	7%		
Social security contribution:			
Employer part	22%		
Employee part	4%		



Commercial real estate

	Number of objects	Average rent cost USD / m ² /month*
Business centers	7	5-6
Shopping centers	18	7-10

*for August 2018



Average salary

by sectors,
USD/month*

Field of activity	Junior staff	Administrative personnel
Agriculture and agribusiness	250	550
Light and textile industry	160	320
Construction	276	470
IT	415	1500
Logistics	280	570
Trade	287	640
Services	250	655
Medicine and healthcare	183	550
Finance and accounting	215	440
Workers' professions (locksmiths, turners,welders, etc.)	300	650

*for August 2018 according to recruiting agencies



E-connectivity

- 4G coverage in the city.
- Mobile iOS app which inform you about the schedule of public transport.
- Chat-bot in Telegram with the timetable of public transport.
- Vinnytsia — on your smartphone. First mobile "Informer" application about the city's life.
- Telegram channel for the city entrepreneurs "City4Business".



59% of the city's citizens use Internet everyday

(results of all-Ukrainian municipal survey)





Mobility



Airport



In 2017, the airport took the **first place by the dynamics of passenger traffic** among small airports in Ukraine (up to 100k passengers per year).

The international **AIRPORT «Vinnytsia»** (IATA:VIN, ICAO:UKWW)

Municipal project — 100% of the airport's integral property complex is the property of the city consolidated community.

Located in the center of Ukraine, 7.5 km east from the Vinnitsa railway station, has a 2500x42 meters runway with hard surface. Airport can serve index 6 (six) aircrafts and below (A320, B737, Tu-154, Yak - 42, SAAB-340 and others) connecting the airports of Ukraine, Europe and the Middle East.

Bandwidth

400 passengers per hour.

Connect with

3000 airports of 80 cities in 40 countries around the world.

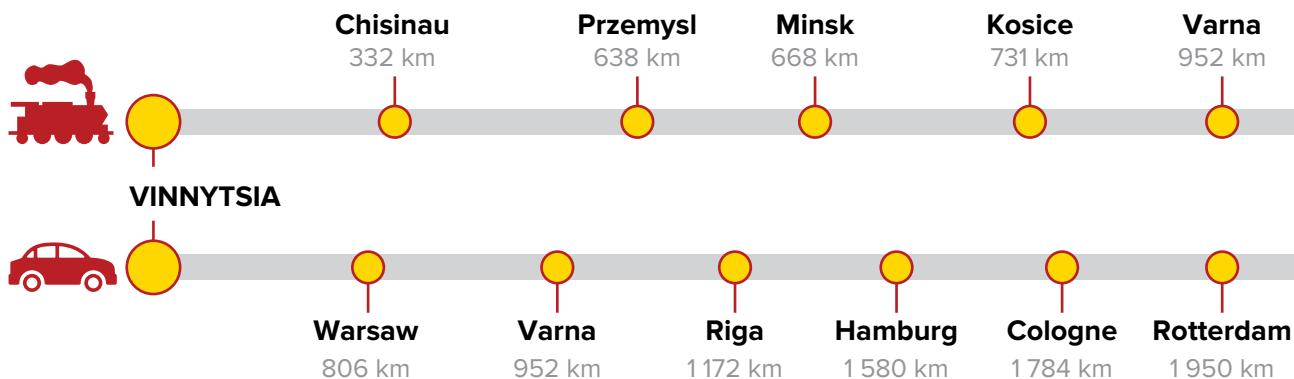
The network of automobile and railway connections, which combines the regional center with the capital and the seaports of the Black Sea, as well as with all regions of Ukraine.



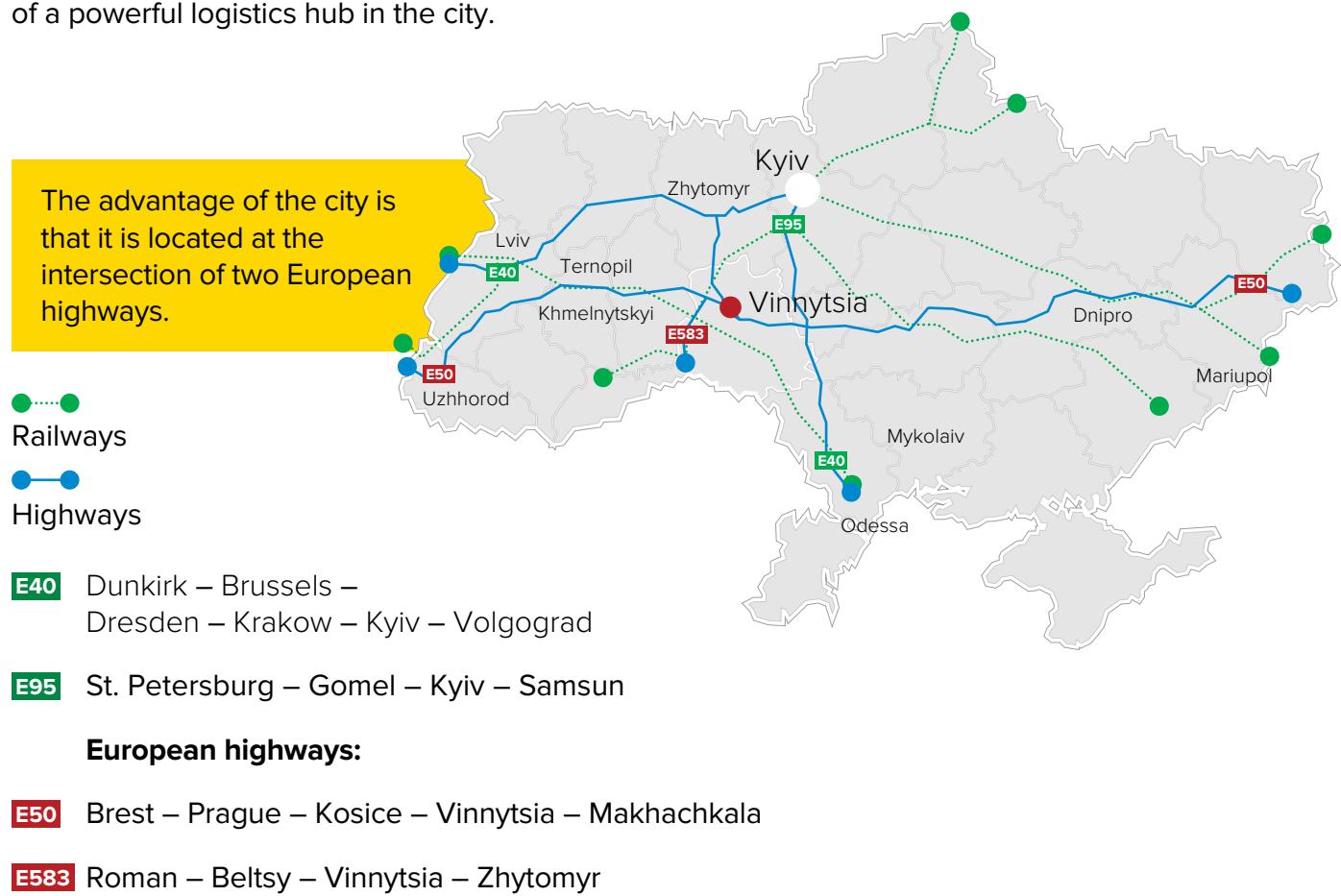
Railway



Vinnytsia railway provides daily international passenger connections.



The modern transport infrastructure of Vinnytsia, the geographic location and developed industry create prerequisites for the creation of a powerful logistics hub in the city.





Vinnytsia included to the largescale highway construction project «Go Highway». This international transport corridor will connect ports of the Baltic Sea and the Black Sea. Within Vinnytsia district the length of this highway is 185.4 km.



Bus connections



The city has **three bus stations** (Central, Eastern, Western), **2 of them are international**.



Public transport



Public transport — tram, trolleybus, bus



The total number of public transport in the city is 502 units



194 million passenger traffic per year



67 public transport routes



One of the best examples of public transport among Ukrainian cities.

63% of residents most often use the public transport to move around the city (according to results of the all-Ukrainian municipal survey).



In partnership with the European Bank for Reconstruction and Development, being implemented a global municipal project "Implementation of the automated system for collecting travel fares in public transport of the city of Vinnytsia".



Bicycle paths



With support of the Swiss Confederation was introduced a municipal bicycle rental system. The system will be managed by **Nextbike** company.

Bike tracks - 55 km according to **the Cycling Development Program** in Vinnytsia for 2013-2020, in two years the total length of the city bike tracks should be 85 km.

SMART – city specialization



The main «SMART» specialization of the city is the processing of food products, which meet international quality standards. Creation of products with **high added value**.



Woodworking industry. The Barlinek Group is a global leading manufacturer of multi-layer wood parquet boards.



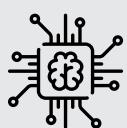
IT industry.

Vinnytsia takes the 6th place in Ukraine by the number of IT specialists.



The number of graduates in technical specialties is **2 069 people per year**.

STRONG INVESTMENT POTENTIAL IN:

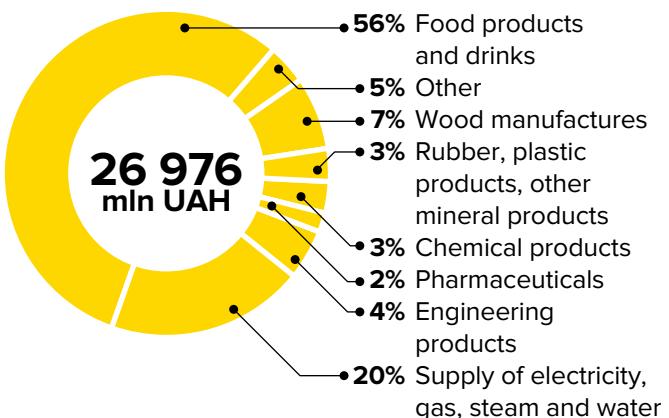


IT and computer engineering



Biotechnology and pharmacy

Structure of volume of industrial output sold in 2017





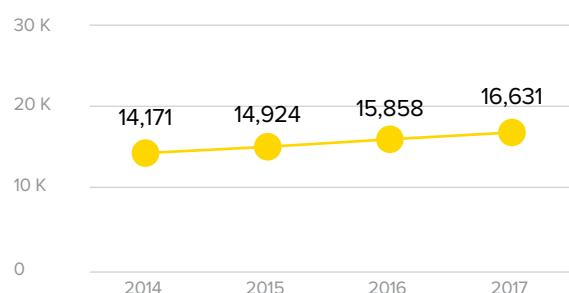
SME

Small and medium enterprises



In Vinnytsia was created a **HUB "City of Content"**, a platform for dialogue between representatives of the public, business and government. And **IHUB**, a space for **creating and maintaining of IT startups**.

Dynamics of changes in quantity of legal entities in 2014-2017



Vinnytsia took the 1st place in Regional Doing Business ranking, conducted in 2018 by the Better Regulation Delivery Office (BRDO).



Quick Registration of Business – 24 hours for Individuals

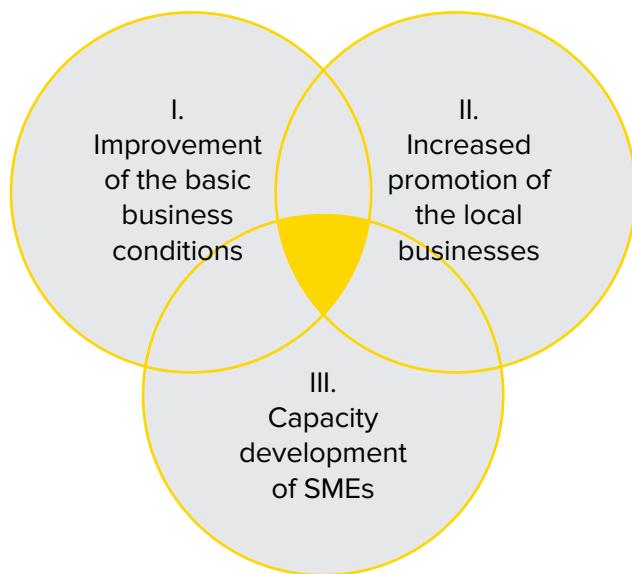


A wide range of administrative services



Vinnytsia region is one of the top 10 regions of Ukraine with the best business climate (according to the Kyiv International Economic Forum 2017)

VINNYTSIA IDENTIFIED 3 STRATEGIC GOALS FOR THE DEVELOPMENT OF SMEs



First in Ukraine was created a portal for entrepreneurs — «City4Business»



54% of respondents believe that it is easy to conduct business in Vinnytsia. (Quarterly survey of small business within the framework of the project «If you criticize-offer a solution»)



Trade



Over the last 3 years, exports have increased by 38%.



The foreign trade balance has a surplus of \$ 445 million



Over the last 3 years, imports have increased by 67%.

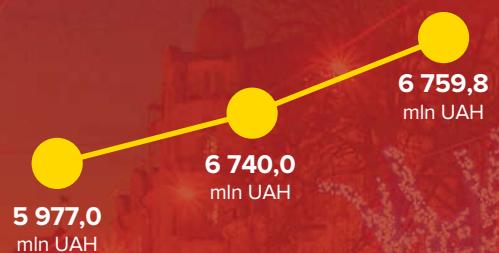
Export structure in 2017

Fats and oils	\$ 432,2 mln
Food products	\$ 90,2 mln
Wood products	\$ 69,6 mln
Animal products	\$ 59,5 mln
Plant products	\$ 24,8 mln
Textiles and materials	\$ 22,5 mln
Others	\$ 56,2 mln
TOTAL	\$ 755,0 mln

Import structure in 2017

Machinery, equipment	\$ 76,0 mln
Vehicles	\$ 50,4 mln
Basic metals and products	\$ 39,4 mln
Chemical products	\$ 33,0 mln
Polymer materials, plastics	\$ 21,5 mln
Wood handicrafts	\$ 21,2 mln
Others	\$ 68,5 mln
TOTAL	\$ 310,0 mln

Retail turnover





Innovations

IT INDUSTRY OF VINNYTSIA IN FIGURES:

- **6th place** in Ukraine by number of IT specialists
- **\$ 1,500** — average monthly income of specialists in the industry
- **11 IT companies from Ukrainian TOP-50** are working in Vinnytsia



Vinnytsia municipal center of innovation

The municipal enterprise "Vinnytsia Municipal Center of Innovation" is created for attracting investments to the city economy, providing favorable climate for business, improving the investment image of the city, as well as ensuring economic development and increasing the competitiveness of Vinnytsia.



The ME VMCI works on:

1. The development and arrangement of Vinnytsia industrial park (as a management company);
2. Creation of the Vinnytsia Innovation and Technology Park.

“Sikorsky Challenge” startup school



Vinnytsia National Technical University offers through the "Sikorsky Challenge" startup school in Vinnytsia a cycle of trainings for startups based on the best world-class techniques and with the participation of leading trainers from around the world, including Israel. The Sikorsky Challenge Innovation Ecosystem supported by the NTUU "KPI" and the "Kyiv Polytechnic" Science Park.

CMSM



ЦМСУ

Центр муніципальних
систем управління

From 2013, the CMSM is authorized to develop and maintain the Unified Municipal Databases, as well as to create and maintain a Single Information Space, as part of the implementation and development of the Single Account Project (www.Ray.vn.ua). Accompanying areas of activity are the development and implementation of automated control systems at municipal enterprises and governmental institutions.



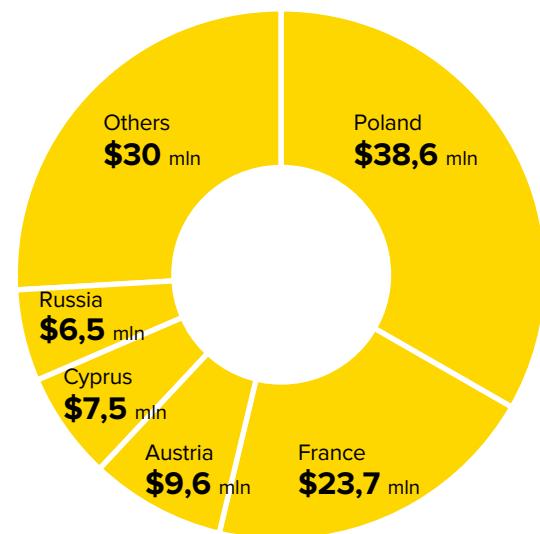


Foreign investments

The volume of foreign direct investments



Geographical structure of foreign direct investments* 2017



The Leader of **the Investment Sector Transparency Ranking**

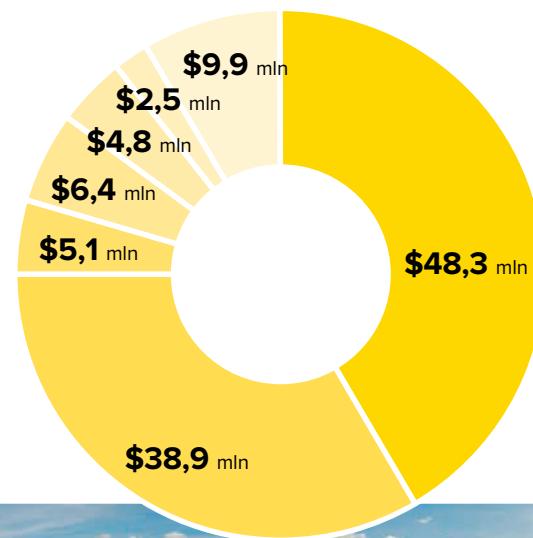
* ranking of the global anti-corruption network
Transparency International

In total, foreign investments came from 44 countries of the world. 80% of FDI in the city economy came from EU countries

*without reinvestment

Priority sectors for investing are food industry and woodworking 2017

- █ Food products
- Wood handcrafts
- Biotechnology and pharmaceuticals
- Engineering
- Real estate
- Agroindustry
- IT, services and other



Successful experience of Vinnytsia with investors has been the attraction of well-known foreign and domestic corporations.



Agrana Fruit
Austria

The full cycle of fruits and berries production has been set up



Delphi
USA

In 2017, the production of automotive wire harnesses was opened



Barlinek
Poland

The production of parquet board has been set up



Sperko
Spain

The production of pharmaceuticals has been set up



ViOil
Ukraine

One of top three producers of vegetable oils in Ukraine and the leader in the production of rapeseed oil



UBC group
Ukraine

Was opened the refrigeration factory

International cooperation

Vinnytsia is a city that aspires to European values, according to this purpose the municipality cooperates with international organizations bringing the city closer to European standards.

PARTNER

PROJECT



Reconstruction of the
microdistrict heating
system



Reconstruction of the CHP-4
heating system



Project of introduction
of an automated system for
collecting fares in public
transport

PARTNER

PROJECT



Energy efficiency



Reconstruction of the
microdistrict heating system



Energy efficiency
of buildings

Achievements



Cooperation with the Partnership for Local Economic Development and Democratic Governance Project (PLEDDG), which is implemented by the Federation of Canadian Municipalities (FCM) and financed by Global Affairs Canada, is aimed at enhancing local government capacity for democratic governance and local economic development; creating an enabling environment for the development of small and medium-sized businesses; facilitating decentralization and integrated Vinnytsia development planning at the local, regional and national levels.



Cooperation with German government organization Deutsche Gesellschaft Für Internationale Zusammenarbeit (GIZ) GmbH for an efficient governance, energy efficiency and sustainable economic development.



In 2011, Vinnytsia joined the European Covenant of Mayors initiative, which committed itself to reducing the consumption of natural resources and CO₂ emissions by 20% by 2020 and increasing the share of renewable energy sources by more than 20%. In accordance with the Agreement, has been developed an action plan for the sustainable energy development of the city, which provide the introduction of 52 project proposals over 9 years for a total amount of more than 300 million UAH.



Vinnytsia City Mayor Serhii Morhunov was awarded as the winner of the "**Mayor-Innovators 2017**" rating — International Mayors Summit and Ukrainian Trust WESTERN NIS ENTERPRISE FUND.



In 2015 Vinnytsia became the first city, which has successfully passed certification under the "**European Energy Award**" system, in Ukraine and the whole Eastern Europe. This award was given for the achievements that city made in energy efficiency.



TOURISM & LEISURE

Vinnytsia is the historical center of Podillya with a rich history, traditions, culture and a large number of museums.

Vinnytsia is intercultural and tolerant city where represented churches of all main religious confessions of Ukraine: Christian (Orthodox, Catholic, Greek Catholic, Protestant), Islamic and Jewish.



In Vinnytsia was developed a **mobile tourist application "Free Map"**, which should help the guests of the city learn more about city history.



[Get the app](#)



Vinnytsia Food Fest

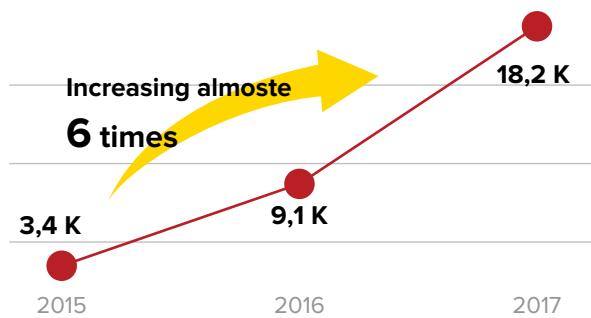
VINBOOKFEST



One of Vinnytsia's tourist cards is the **ROSHEN Fountain** — the only one in Ukraine and the largest floating fountain in Europe, built along the Southern Bug River.

For many years, Vinnytsia has been known for holding numerous events and festivals, the most famous among them are: «Colours of the music. Avangard. Classics», «VINNYTSIA JAZZFEST», «VinBookFest», «Vinnytsia Food Fest», international VINNYTSIYan Festival of comedy and parody films.

The number of visitors to Vinnytsia, including foreigners, is increasing annually



The number of foreigners who used the "Vinnytsia" airport



A list of tourist routes

"A walk through the historic center of Vinnytsia" is the best way to get known about the city.

"Vinnytsia is the capital of the UPR. (Ukrainian People Republic)"

The route is dedicated to the Ukrainian revolution of 1917-1921.

"Vinnytsia — Jerusalem."

The walk will allow you to feel the heartbeat of the Vinnytsia shtetl in beautifull mansions and synagogues, streets and squares.

"Excursion to the Vinnytsia catacombs and the dungeons of the Monastery of the Lesser Capuchin Brothers."

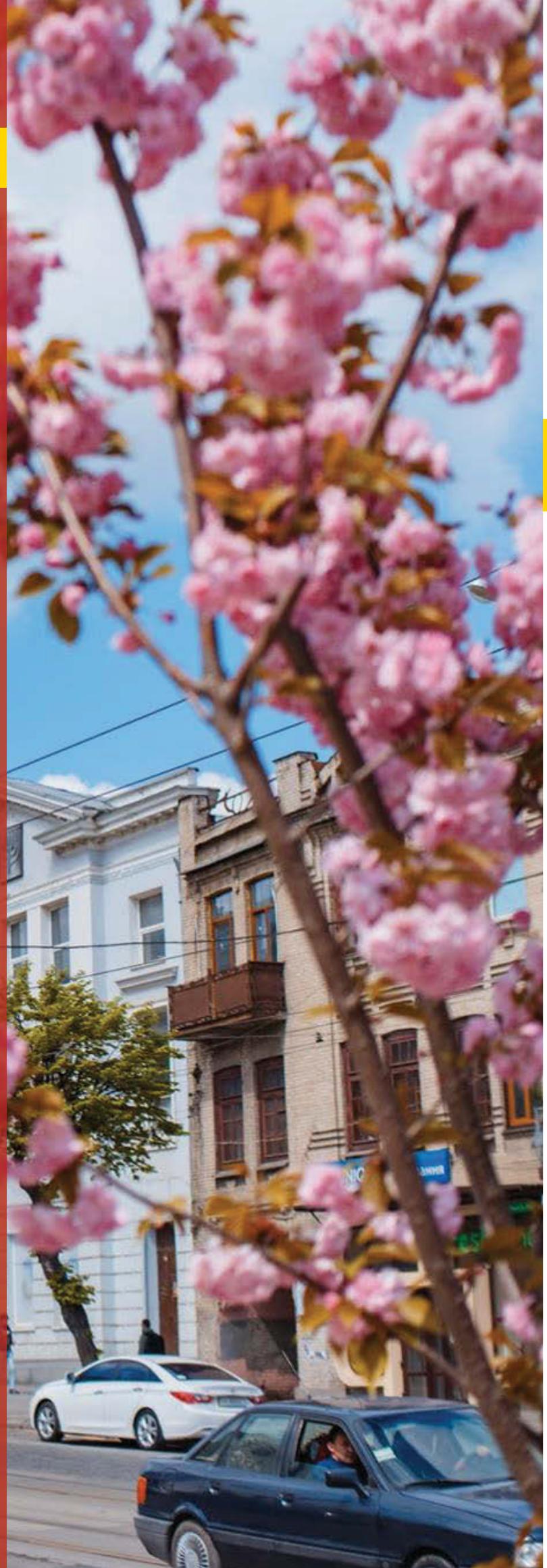
"Mini-Vinnytsia" mini-park tour" (Central Park).

"Excursion to the historic center of Vinnytsia on the "100-year-old tram" will allow you to get as close as possible to the feeling of the "golden age" in the beginning of the XX-th century.



PRICES

Average bill in restaurant	\$ 7-12
Cost of one-way fares in public transport	\$ 0,18
Average cost per stay in hotel standard room	\$ 30





Interesting facts about Vinnytsia



The only one in Ukraine "Jacob Balaban Museum of Ukrainian Stamps"



The largest celebration of Europe Day in Ukraine



Vinnytsia is the first capital of the UPR

(Ukrainian People Republic)

WHEN

- February** Lend-Art Festival "Mythogenesis"
- April** Art project "Revision"
- May** Europe days
- June** "Europe Island" Festival
- July** Celebration of the "Ivan Kupala" holiday
- August** "Opening of the VINNYTSIYan Festival of Comedy and Parody Films"
- September** City Day
International Investment Forum
VINNYTSIA JAZZFEST
- October** All-Ukrainian Festival of Military and Historical Reconstruction "Vinnytsia - The Capital of the UPR" (Ukrainian People Republic)
- December - January** The cycle of events for celebration of the New Year and Christmas
during the VinnytsiaFoodFest year



Investment proposals



VINNYTSIA INDUSTRIAL PARK

Location	Vinnytsia, Nemiriv'ske shosse St., 213
Land plot area	60,7 ha
Landholder	Vinnytsia City Council
Designated purpose	Lands for industry, transport, communication and energy
Managing company	ME «Vinnytsia Municipal Center of Innovation»
Term of validity	30 years
Normative land cost	392 UAH/m ²
Distance to hard-surface roads	50 m
Distance to the highway	2 km
Distance to the airport	3 km
Distance to the railway station	4 km
Distance to the gas pipeline	1,7 km
Distance to power supply lines	2,2 km
Distance to the point of connection to the water supply	2,2 km or 3,4 km



INTERNATIONAL AIRPORT «VINNYTSIA»

Location	Gavryshivka village, Vinnytsia district
Purpose of investment attraction	infrastructure development
Estimated volume of investments	\$ 37,1 mln
Implementation period	36 month
Payback period	from 9 years
Expected readiness of the project documentation	December 2018



CONSTRUCTION OF OVERPASS

Location	Connecting YANGELYA ST. AND VATUTINA ST.
Purpose of investment attraction	solving of the problem of transport links between the two regions
Total length	650 m
Estimated volume of investments	\$ 40,5 mln
Implementation period	24 month
Payback period	infrastructure object. Possibility of introducing a fare.



INDUSTRIAL PARK «VINNYTSIA CLUSTER OF REFRIGERATION ENGINEERING»

Location	Vinnytsia, Nemiriv'ske shosse St., 213
Land plot area	19,3 ha
Landholder	Vinnytsia City Council — 8.4 ha, PJSC "Ukrainian beer company" — 10.9 ha
Designated purpose	Lands for industry, transport, communication and energy
Managing company	Industrial and investment company Ltd.
Term of validity	30 years
Normative land cost	392 UAH/m ²
Distance to hard-surface roads	50 m
Distance to the highway	2 km
Distance to the airport	3 km
Distance to the railway station	4 km
Distance to the gas pipeline	1,7 km
Distance to power supply lines	2,2 km
Distance to the point of connection to the water supply	2,2 km or 3,4 km

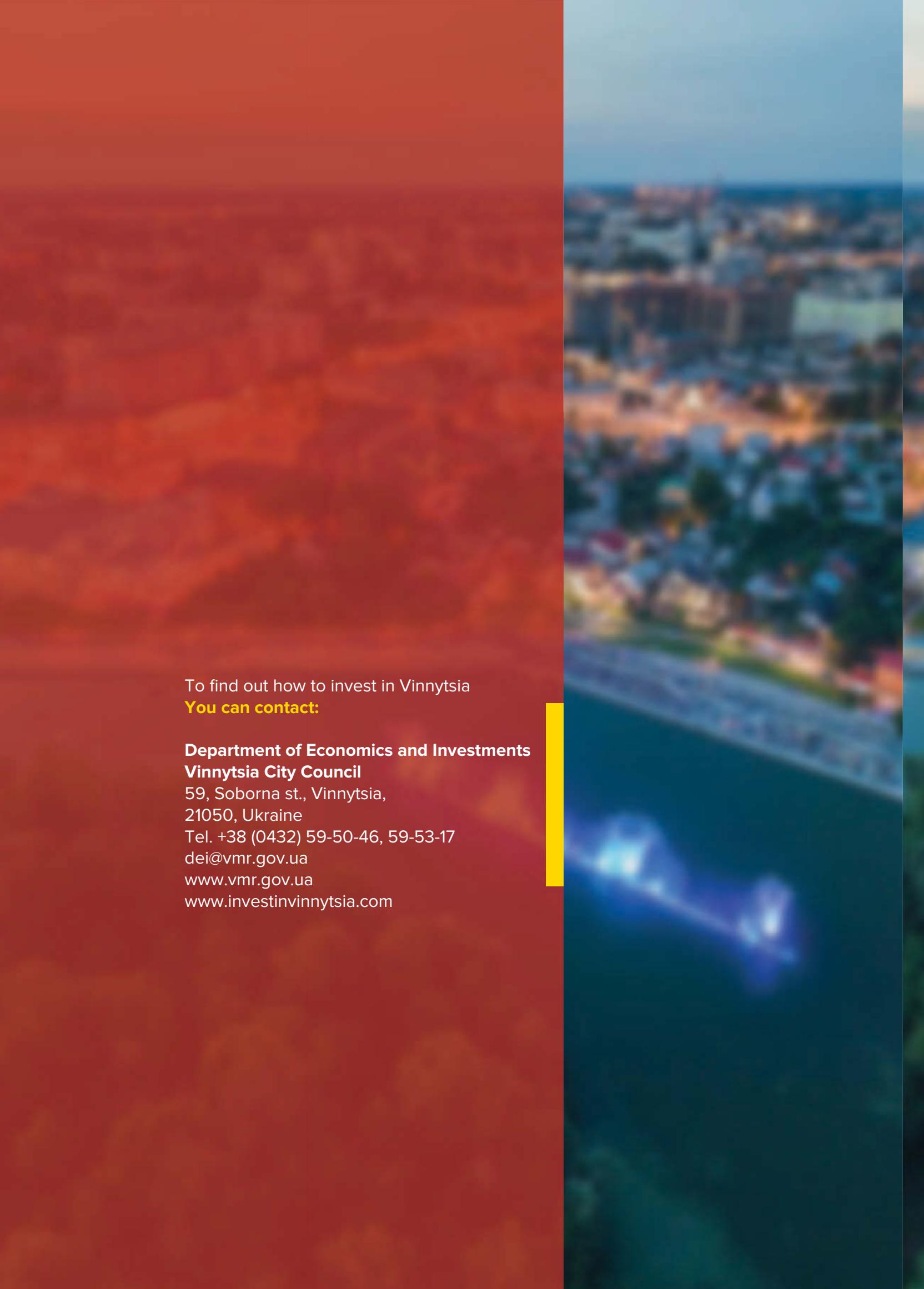
VINNYTSIA INNOVATION TECHNOLOGY PARK

Location	21, 600-Richchya St., Vinnytsia
Purpose of investment attraction	development of new technological solutions, technology transfer, incubation and scale of startups, creation of new workplaces
Estimated volume of investments	\$ 7,1 mln
Implementation period	18 month
Payback period	13 years
Expected readiness of the project documentation	December 2018



* Used data developed by the IBI-rating rating agency.

** For preparation of the Investment Passport have been used official data from the State Statistics Service of Ukraine and materials of the executive committee of the Vinnytsia City Council.

The background of the page is a blurred photograph of a scenic landscape. It features a large, calm body of water in the foreground, likely a river or lake, with a long, light-colored bridge stretching across it. In the middle ground, there are green hills and some buildings, possibly a small town or city. The sky is clear and blue.

To find out how to invest in Vinnytsia

You can contact:

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