

















Trade and Competitiveness Monitoring Note



Ukraine

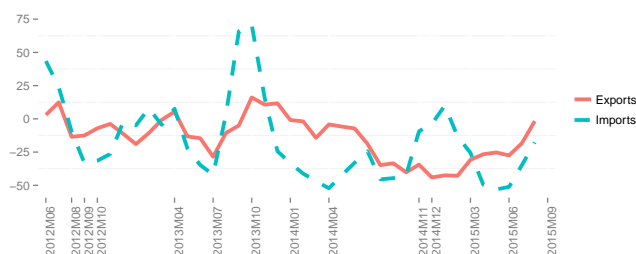
| GDP (US\$ billions) (2015) | Population (millions) (2015) | Income per capita (current US\$) (2015) | Poverty rate (2013) | Unemployment rate (2015) | Ease of Doing Business Rank (2015) |
|----------------------------|------------------------------|---|---------------------|--------------------------|------------------------------------|
| 83 | 45 | 1,849 | 0 | 11 | 87 |

Macro Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 | |
|---|---------------|--------|--------|--------|--------|-------|---|
| GDP growth (annual %) | 4.61 | 0.20 | 0.00 | -6.80 | -12.00 | 1.00 |  |
| Current account balance | 0.94 | -8.16 | -9.01 | -4.92 | -1.01 | -1.31 |  |
| Cash surplus/deficit (% of GDP) | -3.01 | -3.34 | -3.74 | -4.70 | -3.90 | -3.29 |  |
| Gross Fixed Investment (% GDP) | 21.18 | 17.47 | 16.00 | 13.22 | 11.30 | 12.39 |  |
| Gross capital formation (% of GDP) [1] | 22.43 | 21.72 | 17.90 | 14.08 | — | — |  |
| Foreign direct investment, net inflows (% of GDP) [2] | 4.59 | 4.60 | 2.39 | 0.30 | — | — |  |
| Private capital flows, total (% of GDP) [2] | 21.66 | 23.53 | — | — | — | — |  |
| Total Trade in Goods and Services (% of GDP, real terms) | 110.34 | 101.79 | 96.41 | 83.55 | 69.37 | 71.69 |  |
| Trade balance (% GDP, real terms) | -7.30 | -22.46 | -23.50 | -16.67 | -8.41 | -7.71 |  |
| Exports, Goods and Services, annual percent change (real terms) | 1.64 | -5.60 | -8.10 | -14.50 | -19.80 | 6.00 |  |
| Imports, Goods and Services, annual percent change (real terms) | 5.28 | 3.80 | -3.50 | -22.10 | -31.70 | 3.10 |  |
| Personal remittances, received (% of GDP) [1] | 2.96 | 4.81 | 5.27 | 5.58 | — | — |  |
| General government gross debt [3] | 25.90 | 37.54 | 40.65 | 71.21 | 94.38 | 92.06 |  |
| Total reserves in months of imports [1] | 4.79 | 2.66 | 2.26 | 1.16 | — | — |  |
| Real Effective Exchange Rate (2010=100) | 108.33 | 105.68 | 108.67 | 87.24 | 73.16 | 86.84 |  |
| Consumer Price Index, annual percent change | 10.98 | 0.57 | -0.26 | 12.10 | 36.39 | 4.00 |  |

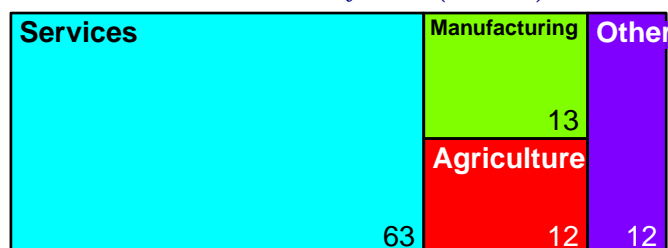
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



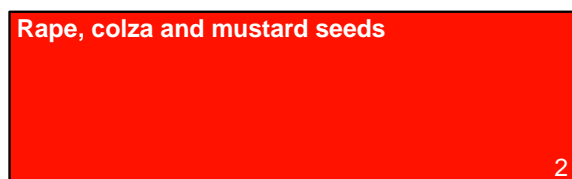
Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)

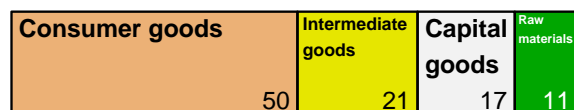


Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014



Imports Categories by % of Total Value, 2014



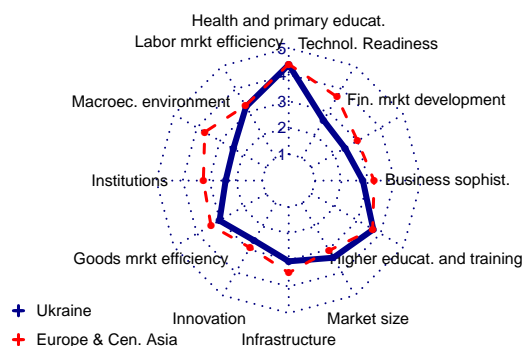
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

| | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 139 | 140 | -1 |
| Ease of Doing Business Rank | 87 | 83 | 4 |
| Enforcing Contracts | 98 | 98 | 0 |
| Getting Credit | 17 | 19 | -2 |
| Getting Electricity | 138 | 137 | 1 |
| Paying Taxes | 106 | 107 | -1 |
| Protecting Minority Investors | 87 | 88 | -1 |
| Registering Property | 64 | 61 | 3 |
| Resolving Insolvency | 141 | 141 | 0 |
| Starting a Business | 70 | 30 | 40 |
| Trading Across Borders | 109 | 109 | 0 |

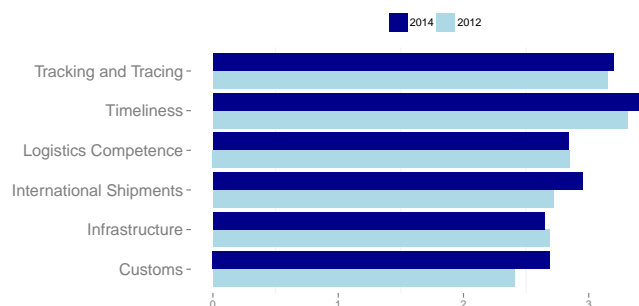
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



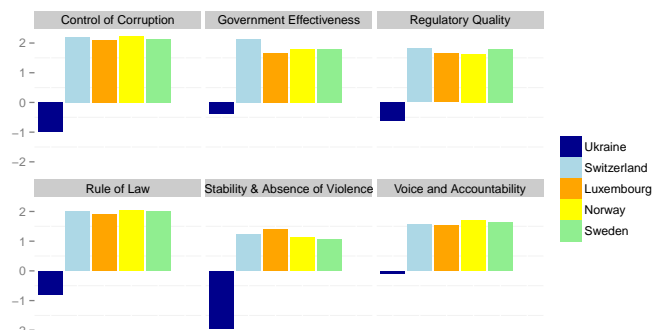
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|-------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 4.5 | 4.3 |
| Binding (%) | 100 | 100.0 |
| Dispersion (Standard Deviation) | 7 | 5.2 |
| Import duties collected (% 2011-2013) [1] | — | 1.6 |
| MFN Tariff (Agriculture) | 9.7 | 9.1 |
| MFN Tariff (Non-Agriculture) | 3.8 | 3.8 |
| MFN Tariff (Simple Average) | 4.5 | 4.4 |
| Services sectors with GATS commitments [1] | — | 137.0 |

Sources: WITS, [1] WTO Trade Profiles

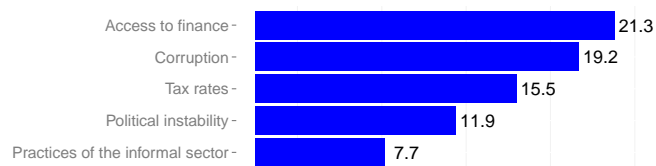
Private Sector's Views

Enterprise Survey 2013

| | Ukraine | Europe and Central Asia | All Countries |
|---|---------|-------------------------|---------------|
| Number of electrical outages in a typical month | 0.30 | 2 | 6.30 |
| Percent of firms with a bank loan/line of credit | 18.50 | — | 34.30 |
| Proportion of investment financed by banks (%) | 11.00 | — | 14.30 |
| Proportion of investment financed internally (%) | 66.90 | — | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | 19.60 | — | 9.90 |

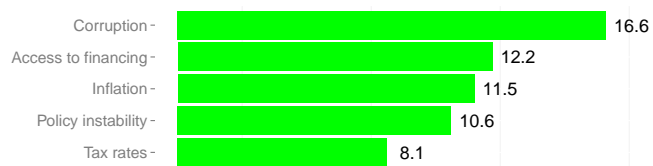
Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015