

Chernihiv region: Business Revival



KEY FACTS - ABOUT REGION

31.9 thousand
sq.km
area

~1 million
population

485 thousand
workforce

57
territorial
communities

5
districts





Location



235 km
borders with Belarus

223 km
borders with Russia



851 km
railways



7.7 thousand km
motorway



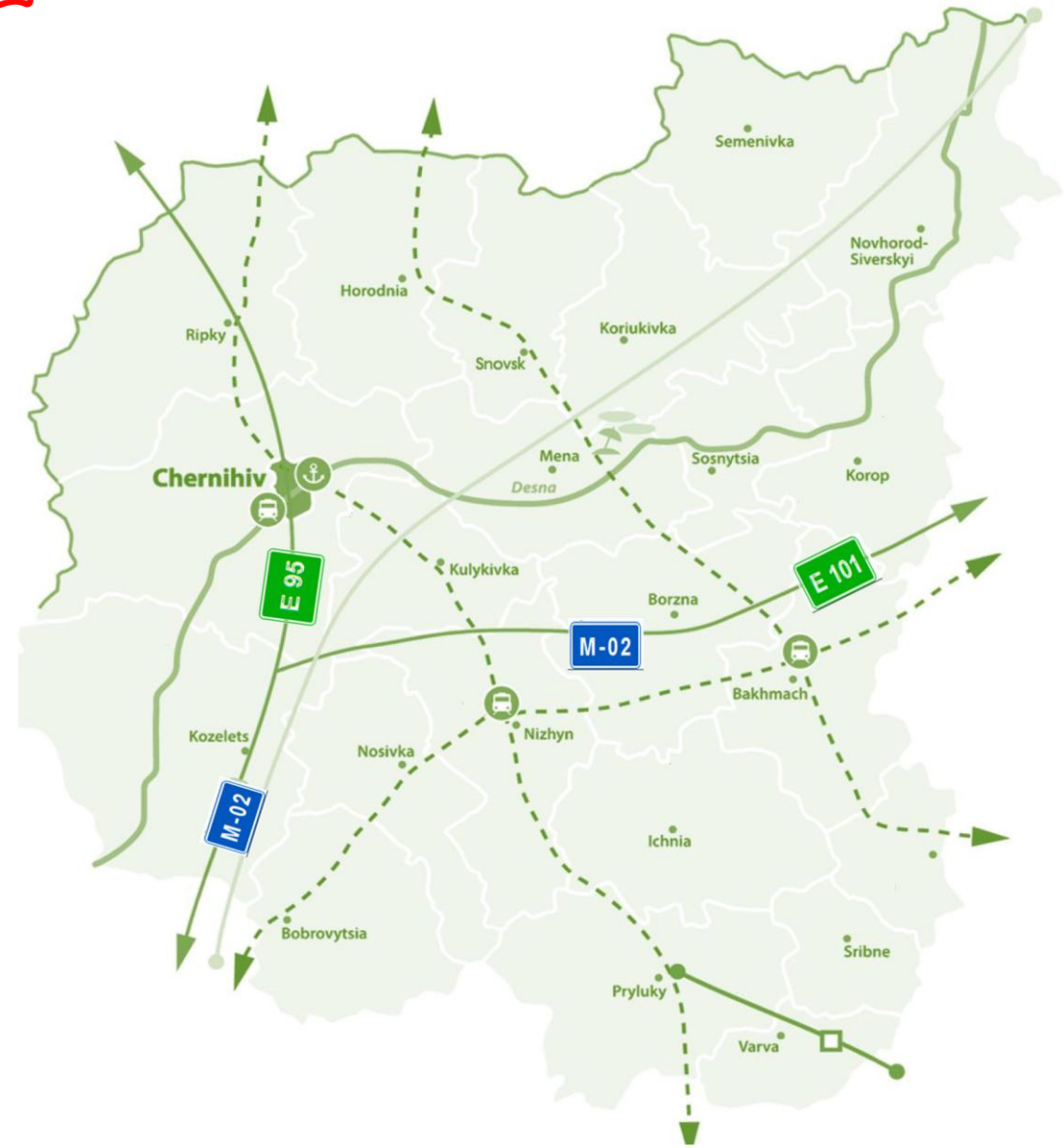
3.0 thousand km
40% roads of state importance



5
international crossing points



150 km
to Kyiv
to Boryspil international airport





Potential and capacity

Natural resources

 **1.5+** thousand rivers

 **1/5** of the region is covered with forests

 **300+** mineral deposits

 **170+** deposits promising for development


 **2.06** million hectares agricultural land


 **4.8%** agricultural land of Ukraine


Economy **3.1** \$ billion gross regional product

 **1.7** \$ billion trade turnover

 **130+** partner-countries

 **42+** thousand business entities

 **6.4+** thousand legal entities

 **970** industrial enterprises (incl. small)

 **2.0+** thousand agricultural enterprises

 **500+** \$ million foreign investments

 **40+** main countries-investors

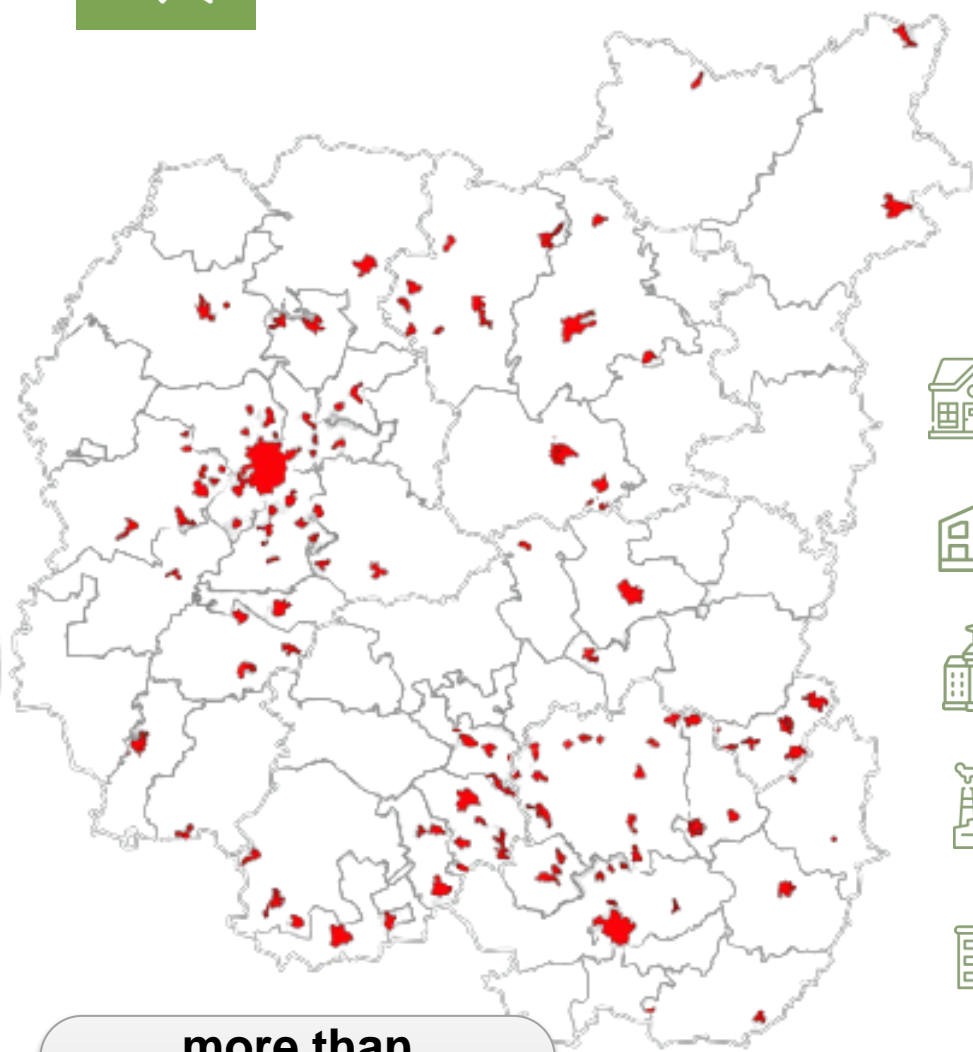


Consequences

DESTRUCTIONS CAUSED BY RUSSIA'S MILITARY AGGRESSION



**buildings in Chernihiv Region
that were destroyed and damaged:**



more than
4.500
destructions
WERE RECORDED



2500 Residential private houses



43 Cultural institutions



976 Residential high-rise buildings



11 Social protection institutions



197 Educational institutions
*(institutions of higher education,
schools, kindergartens)*



5 Sports institutions



80 Industrial enterprises



2 Military facilities



67 Health care facilities



2 Parks and squares



53 Administrative buildings



1 Administrative Service Centre

●●● **600** Other objects

**Chernihiv Regional
State (War-time)
Administration**

**Chernihiv Regional
Council**

**Local and
regional
business
and
clusters**

**United in pain
and wish to
rebuild Chernihiv
region**

**Professional
Government
Association
(experts and
liaison with
the donors)**

**Center for Innovations Development
(data and analytics)**

01

**Analyzing the
damage**

02

**Working group on business
revival City and region-wide**

05

**Present
outcomes to
Government
of Ukraine
and donors**

Make Chernihiv region greater, again

03

**Submit ideas
to National
Council for
the Recovery
of Ukraine
from the war**

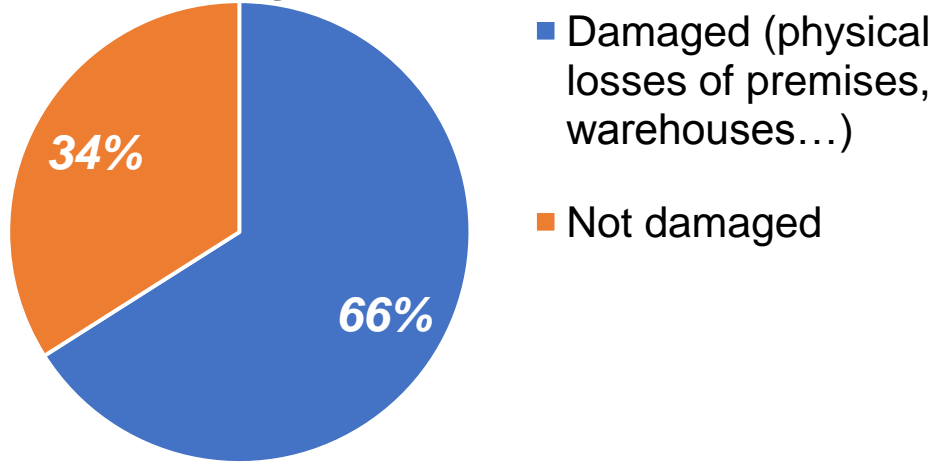
04

**Business profiles and analytics go into the
City Recovery Master Plan**

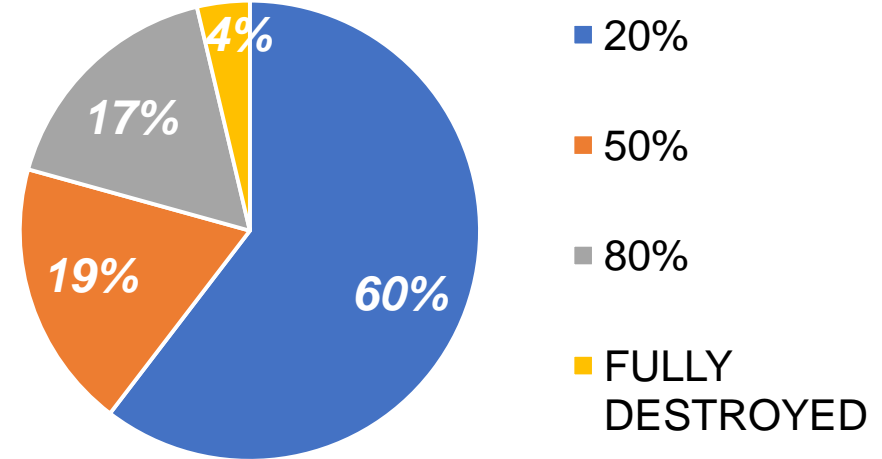


Survey Business: damage and needs (53 respondents as of June, 5)

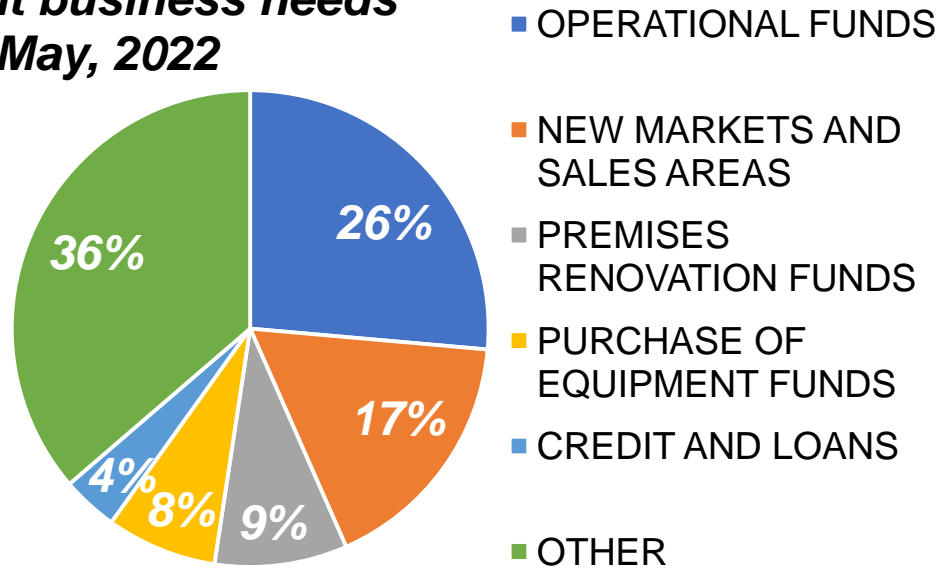
Direct war damages



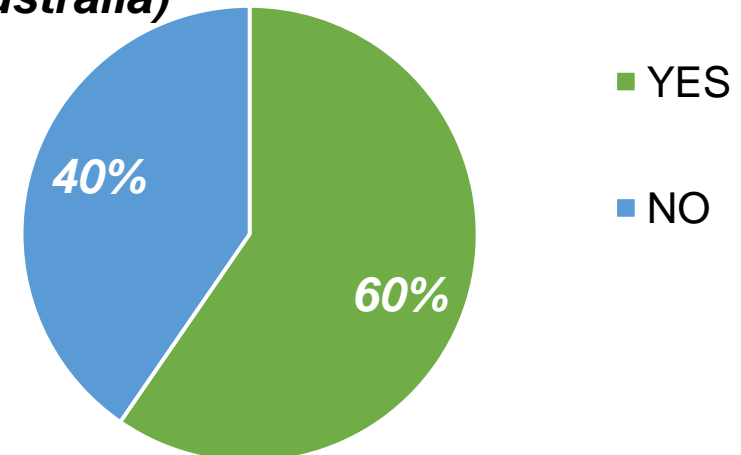
Damage percentage



Urgent business needs as of May, 2022



The business is ready to export and work with the Western markets (EU, UK, USA, Australia)





«TAN» LLC

Equipment for production and processing of vegetable oil

"TAN" LLC was founded in 1994 and engaged in:

- development, manufacture, supply, as well as installation, supervision and commissioning of equipment for extraction, extraction and processing of vegetable oils;
- performs design work on equipment placement, makes partial and complete automation of equipment.

Main assets:

The most modern integrated production and property complex, which included:

- 3-storey office building;
- numerous industrial and storage buildings;
- auxiliary buildings, open and closed canopies;
- equipped production complexes;
- loading and unloading complexes with modern equipment and communication system;
- recreation and food areas for employees with gazebos and a pond;
- the whole area has an asphalt-concrete cover.



350

number of employees



5

 hectare
land area



«TAN» LLC

Damage during February-April, 2022

As a result of **aviation and rocket artillery shelling**, an integral property complex was destroyed and received significant damage: real and movable property; motor transport; technical transport; production equipment, machines and tools; raw materials and finished products; office equipment and furniture; utilities system, energy-, gas-, water- supply, and sewerage systems, heating; fencing; land plot.



80

percentage of damage



11 € million

losses



4 € million

loss of profit





Solutions of existing problems:

- ✓ Funds for the repair of damaged property: premises and equipment
- ✓ Funds for company activities as well as for salaries for employees
- ✓ Searching for new markets
- ✓ Create a centralized assistance fund for damaged enterprises



Etalon Corporation (3 plants in Chernihiv)

Etalon Corporation is one of the largest corporations in the field of mechanical engineering that unites more than 20 enterprises, including 3 in the city of Chernihiv: commercial transport plant «Chernihiv Automobile Plant», cardan shaft plant «Ukrainian Cardan» and forging plant «Chernihiv Forging Plant»

The main activities of which are:

- Production of buses (school, city, intercity), trolleybuses, trams and trucks;
- Production of components for the automotive industry, cardan shafts for vehicles and agricultural machinery;
- Production of forging products - forgings for auto, railway and industrial engineering.

Main assets :

- «Chernihiv Forging Plant», production areas - **37 500 m²**, production capacity 42.000 tons / year;
- «Ukrainian Cardan», production areas - **48 706 m²**;
- «Chernihiv Automobile Plant», production area - **35 000 m²**.

Automotive engineering



~1000

number of employees



~50 hectare
land area

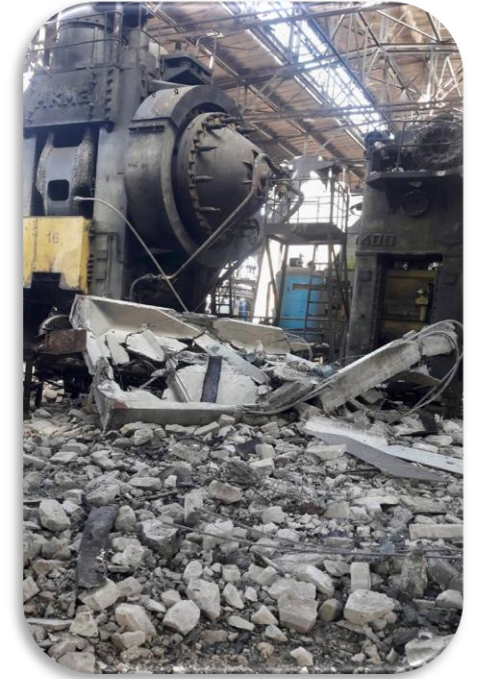




Etalon Corporation (3 plants in Chernihiv)

Damage during February-April, 2022

As a result of **air missile, rocket and artillery shelling**, the main production facilities were destroyed, production equipment, machinery, tools, materials, computer equipment, documents were destroyed / damaged.



 **50-80**
destroyed

 **~30** € million
losses

 **~3** € million
loss of profit





Etalon Corporation

(3 plants in Chernihiv)

Solutions of existing problems:

- ✔ Restore production capacities (repair of premises, buildings; repair / purchase of damaged equipment, machinery);
- ✔ Funds for relaunch of production activities as well as for wages for employees;
- ✔ Provision of interest-free (preferential) loans;
- ✔ Reconstruction / establishment of logistics routes



«Sivertex» LLC

Enterprise of the light and chemical industry

«Sivertex» LLC – one of the leading companies in light and chemical industry of Ukraine, was established in 2014.

The main directions of activity are production of:

- women's and men's clothes,
- overalls,
- rubberized fabrics and products made from them

Main assets:

- cutting & preparation workshop;
- 2 sewing workshops for the production of products for work and special clothing, consumer goods (women's and men's coats);
- workshop for the manufacture of products from rubberized fabrics;
- subdivision for preparation and production support, transport, energy, repair subdivisions for social and domestic purposes;
- 10 administrative departments and management services;
- school of Craftsmanship (operates at the factory).



290

number of employees



6,4 hectare

land area






«Sivertex» LLC

Damage during February-April, 2022

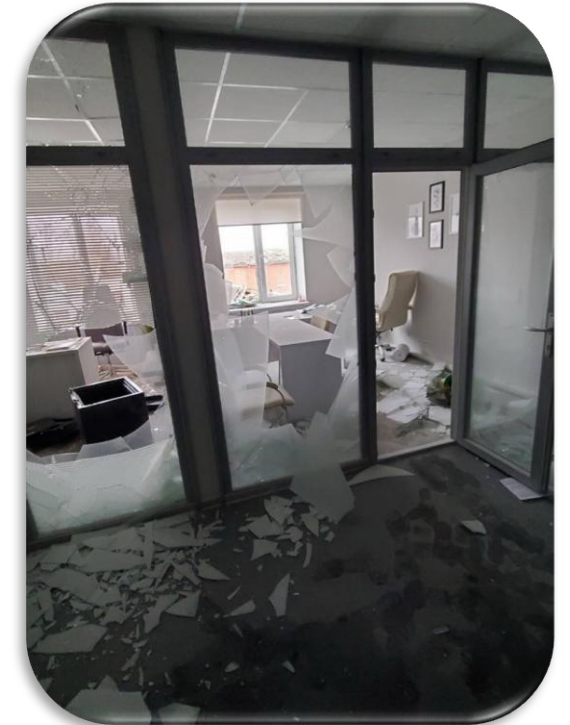
As a result of **aviation and rocket artillery shelling**, the main production facilities, storages, workshops were destroyed, production equipment, tools and materials were destroyed or damaged.



 **80**
percentage of damage

 **1,1** € million
losses

 **3** € million
loss of profit





«Sivertex» LLC

Solutions of existing problems:

- ✔ Funds for the repair of damaged property (repair of premises, repair of damaged equipment / purchase of new equipment)
- ✔ Funds for company activities
- ✔ Searching for new orders and conclusion of new contracts



Priority areas for the region



**Food and
processing
industry**



**Mechanical
engineering**



**Light
industry**



IT industry



Economic recovery solutions (regional level)

- ✓ Attraction of international donor organizations, government programs of foreign countries, private corporations, charitable foundations for infrastructure rehabilitation, assistance to the affected population and business (grants and assistance with construction materials, machinery and equipment)
- ✓ Conclusion of cooperation agreements with the regions of foreign countries in purpose of patronage by international partners over the region as well as cities of the region for their effective recovery
- ✓ Creation of a fund for centralized assistance to affected enterprises
- ✓ Design solutions from architectural bureaus and design organizations of foreign countries in order to restore social and critical infrastructure
- ✓ Twinning



Economic recovery solutions (regional level)

- ✓ Cooperation of enterprises with Business Support Associations
- ✓ Assistance to enterprises in finding and supplying production equipment on the terms of non-refundable aid / leasing
- ✓ Provision of long-term and cheap business loans with a deferment period/ provision of interest-free (preferential) loans
- ✓ Involvement of international insurance companies to cover risks and guarantees of obligations to return borrowed funds
- ✓ Transfer of technologies for the effective operation of the region`s enterprises, including defense industry
- ✓ Further liberalization of friendly countries' markets and support for Ukrainian producers