



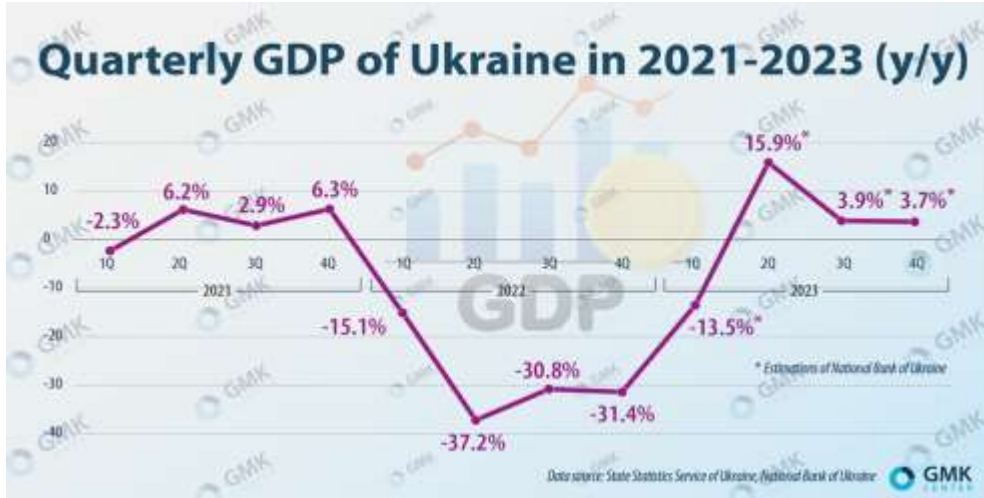
## Time for a Rethink - War time Strategies for Ukrainian Business

**BUSINESS UPGRADE PARIS**

Paris, France 2024

**VIACHESLAV KREDISOV**

# MAJOR PESTEL FACTORS IMPACTING UKRAINIAN BUSINESS



## PESTEL FACTORS 2023

### Political:

- **War Impact:** 32% GDP decline since War started.
- NATO financial and military support
- EU Accession: candidate status

### Economic:

- **Budget shortage** of USD 50 BLN per annum
- **Export Challenges:** Ukraine dominating role in World agricultural exports
- Black Sea ports blockade and EU import ban
- **Stop of export guarantees and investment insurance** for Ukraine
- **Real Estate Impact:**
  - 75% decrease of transactions in 2022;
  - Restart of construction by 60% developers in 2023
  - 15% prices growth in 2023
  - 50% UAH devaluation

### Social:

- **26,800 civilians** have **reportedly died**\* \* UN OCHA 2023
- 6.2 million people have been forced to flee Ukraine
- 5.1 million people are internally displaced
- 14.6 million people need health assistance
- **30% real unemployment** rate
- **Population decline** to 29 MLN in 2023

### Technological:

- **AI global impact**
- IT sector stability in Ukraine

### Environmental:

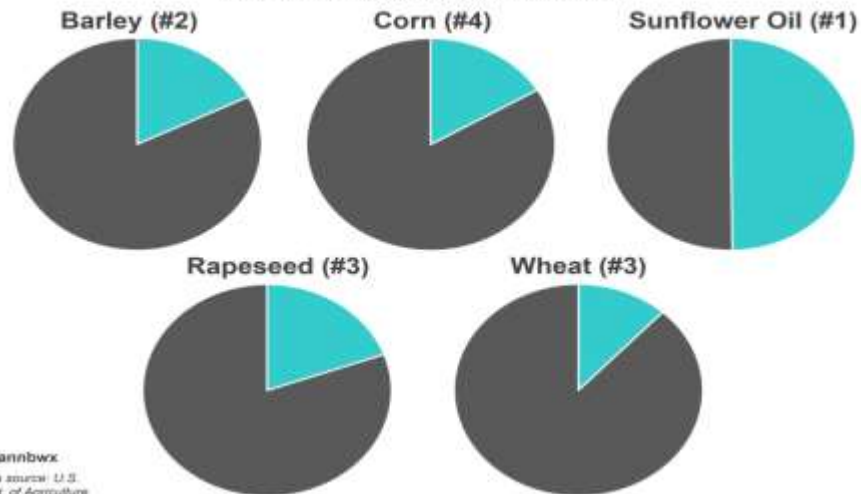
- Global Climate Change: rise in extreme weather events, shortage of arable lands

### Legal:

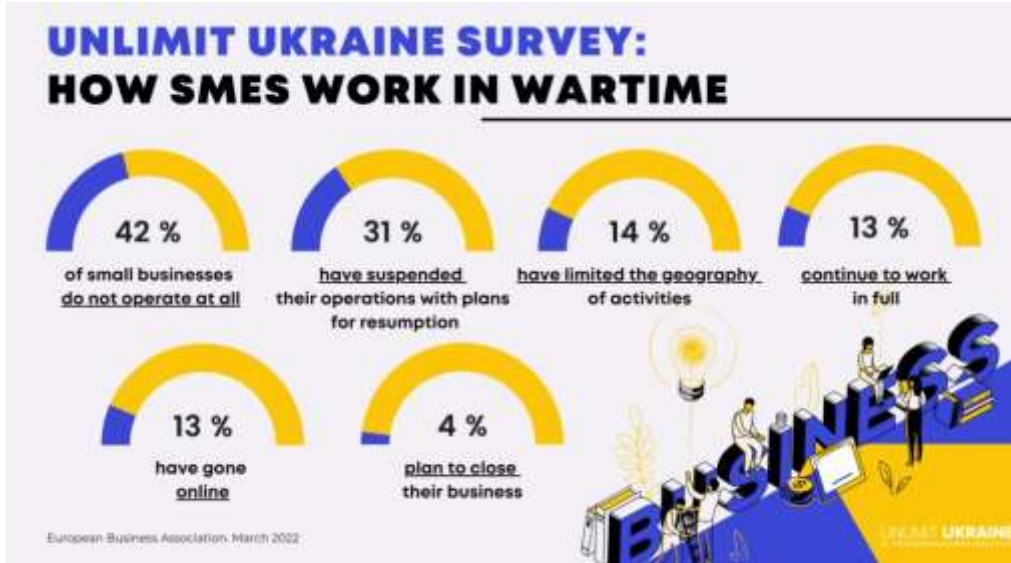
- **Martial law regime**

### Ukraine's Projected Share of World Exports 2021/22

(Shown in teal; product ranking in parentheses)



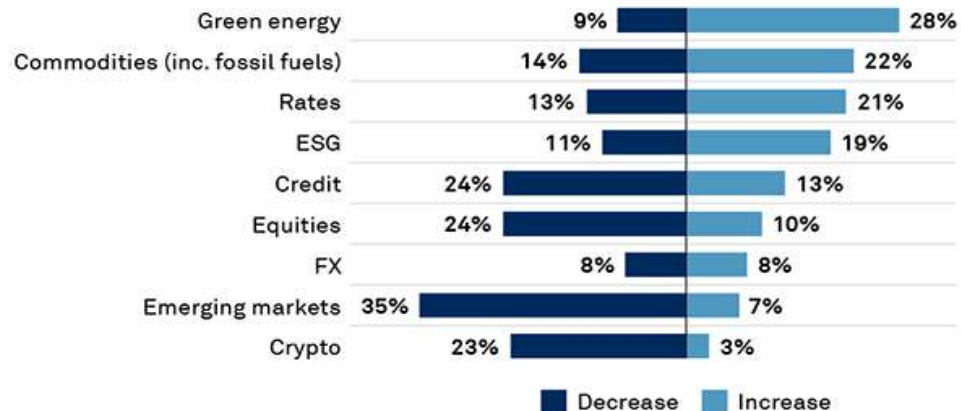
# WAR TIME STRATEGIES FOR UKRAINIAN BUSINESS



## LONG-TERM WAR STRATEGIES

- **WAR Immediate effect 2022**
  - 52% SMEs continued operations
- **Current state in 2023**
  - 70% SMEs continued operations
- **WAR Global effect on investment allocation**
  - **Focus on:**
    - green energy
    - commodities: agriculture, chemicals, fertilizers, fossil fuels
    - hedging funds
    - CSR & ESG
  - **STRATEGIES**
  - **Resilience & Adaptation**
    - IT sector 5 strategies experience:
      - European representation
      - Efficient group structure
      - Tax optimization
      - Business continuity
      - Access to stable financial markets
  - **Diversification:**
    - Export Focus to EU and Globally
    - Investment Attraction
    - **Donation Acquisition**
      - International NGOs like UN, WB, USAID
      - National NGO of EU and NATO
      - Charity funds
      - International banks like EBRD, EIB
      - CSR Initiatives of Multinational companies
  - **Networking and partnerships**
    - - NGO role increase

## Impact of Russia-Ukraine War on Future Asset Allocation



Note: Based on 88 respondents.  
Source: Coalition Greenwich Russia-Ukraine War Flash Study—April 2022

## 5 Key Strategies for Growing UKRAINIAN IT COMPANIES

- 1 Establish European Representation**
- 2 Form a Cohesive Group of Companies**
- 3 Tax Optimization and PR Advantages**
- 4 Emphasize Business Continuity Measures**
- 5 Additional solutions and benefits**
  - Access to Stable Financial Markets
  - Mitigating Political and Regulatory Risks
  - Enhanced Talent Acquisition and Retention

Client Profitability Support

# NWA



# FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

## ABOUT US:

For over 25 years, we have been uniting small and medium enterprises in Ukraine, promoting their businesses in Europe and globally, attracting foreign direct investments to strategic industries of Ukraine, and representing our members in policy dialogues in Ukraine and with foreign NGOs and Trade Chambers.



# NOVA

# FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

## JOIN US FOR NEW FORMATION OF UKRAINE

- Network with Ukrainian entrepreneurs and industry leaders
- Explore potential business collaborations and joint ventures
- Gain insights into Ukraine's major industries
- Discover the benefits of investing in Ukraine's economy in view of EU membership of Ukraine
- Stand with Ukrainian people and businesses in a face of war in Ukraine
- Access to European and Global export markets
- Develop the business support and recovery programs with the international NGOs and donors



NVA

FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

OUR MEMBERS IN UKRAINE:

BUDTECHNOLOGY LLC – LEADERS IN RE-BUILD DEVELOPMENT OF UKRAINE



# NWA



# FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

## OUR MEMBERS IN UKRAINE:



Kalush Melody – city center mixed use development project



# NVA

# FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

## OUR MEMBERS IN UKRAINE:

# AFT

AGRARIAN  
FOOD  
TECHNOLOGIES

Market leader in food ingredients segment





**NVA**



**FORMATSIA**

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

OUR MEMBERS IN EUROPE:



**SYNERGETICA**





## GLOBAL EVENTS

We represent and promote our members at the international congresses, forums and fairs



13<sup>th</sup> World Chamber Congress, Geneva, 2023





# FORMATSIA

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS

## OUR PARTNERS:

We have established strong partnerships with industry associations, governmental organizations, and international institutions to foster economic growth and development in Ukraine. Through collaborative initiatives, we aim to create a conducive business environment and facilitate trade and investment opportunities.



**NOWA**



**FORMATSIA**

ALL-UKRAINIAN ASSOCIATION OF ENTREPRENEURS



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**OUR CONTACTS:**

