



INVESTMENT PASSPORT OF BEREZHANY DISTRICT, TERNOPIL REGION



2015

The investment passport of Berezhany district is composed by the Department of Economic Development of Berezhany District State Administration. It contains high-quality, actual and exhaustive information on competitive advantages, investment possibilities, materials about economic potential of the district with propositions to establish international cooperation for opening and realization of its investment potential. It provides information on investment objects and free land plots, indication of tourist routes and hotels, historical and architectural information, competitive advantages of investing in district economy.

We hope that investment passport will be not only the source of information for business but also increase investment attractiveness of the district, will become an effective tool for establishing business contacts with potential investors, will favour in positive decisions on investing in the territory of Berezhany district.

***Berezhany District
State Administration***

COMPETITIVE ADVANTAGES

- **availability of local natural and raw materials base** (there are 35,100 hectares of agricultural land, 50 deposits of mineral resources on the area of 109.33 hectares);
- **availability of real estate objects and land plots uninvolved in a production;**
- **unique historical, architectural and natural heritage** (unique historical and architectural monuments, Nature Reserve fund);
- **favourable natural and climatic conditions** (for realization of investment projects in agro-industrial complex);
- **educational basis for professional training in different branches of economy** (there is Separated Department of National University of Life and Environmental Sciences of Ukraine on the territory of Berezhany district);
- **convenient transport communication** (Berezhany district is situated in direct closeness to the transit centers of Western Ukraine and to the border crossing points with European countries);
- **labour resources** (11,885 persons of economically active population).

CONTENT

CHAPTER 1. DESCRIPTION OF THE DISTRICT

- 1.1 Natural and geographical location and climatic conditions
- 1.2 Demography and human resources
- 1.3 Raw materials and resource potential
- 1.4 Main indicators of economic and social development
- 1.5 Economic potential
- 1.6 Transport infrastructure
- 1.7 Education
- 1.8 Social and cultural sphere
- 1.9 Success stories

CHAPTER 2. PROPOSITIONS FOR INVESTORS

- 2.1 Priority branches for investment
- 2.2 Strategic investment projects
- 2.3 Free land plots and real estate objects

CHAPTER 3. CONTACT INFORMATION

like a strand stretches Berezhany mountainous, hilly and forested area. Here there is the highest point of the district – the Popelyha hill (448 m).

The climate of Berezhany district, as that of any other district in the region, is formed under the influence of solar radiation, atmospheric circulation and other geographical factors. The duration of sunshine per year is 1,800 hours. The district clearly expressed all seasons. Fluctuations in average monthly wind speeds are small – in the range of 2-3 m/s.

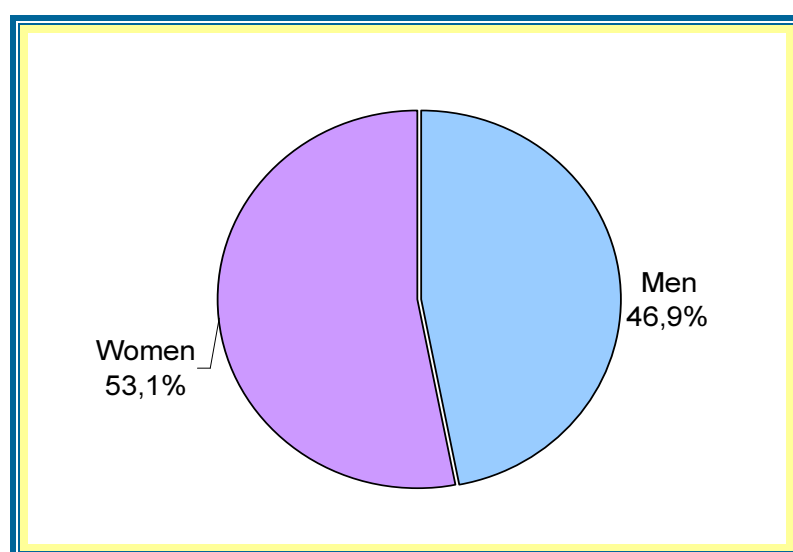
1.2. DEMOGRAPHY AND HUMAN RESOURCES

The territory of Berezhany district includes one city and 56 villages.

The population is 41,489 people.

Urban population – 44.1%, rural population – 55.9%.

SEX STRUCTURE



| Indicators | Unit of measurement | 2013 | 2014 |
|--|---------------------|--------|--------|
| Economically active population | persons | 11,900 | 11,885 |
| Number of employees of economic activity – total | persons | 5,850 | 5,980 |
| including: | - | - | - |
| - industry | persons | 647 | 618 |
| - agriculture, forestry and fishery | persons | 272 | 236 |
| - construction | persons | 167 | 152 |
| Number of workplaces created in all sectors of economic activity | places | 713 | 443 |
| including: | - | - | - |
| - industry | places | 80 | 36 |
| - agriculture, forestry and fisheries | places | 15 | 10 |
| - construction | places | 8 | 6 |

| | | | |
|--|---------|-------|-------|
| Number of workplaces created in small business | places | 176 | 200 |
| Number of employees in public institutions (excluding industries of culture) | persons | 2,822 | 2,953 |

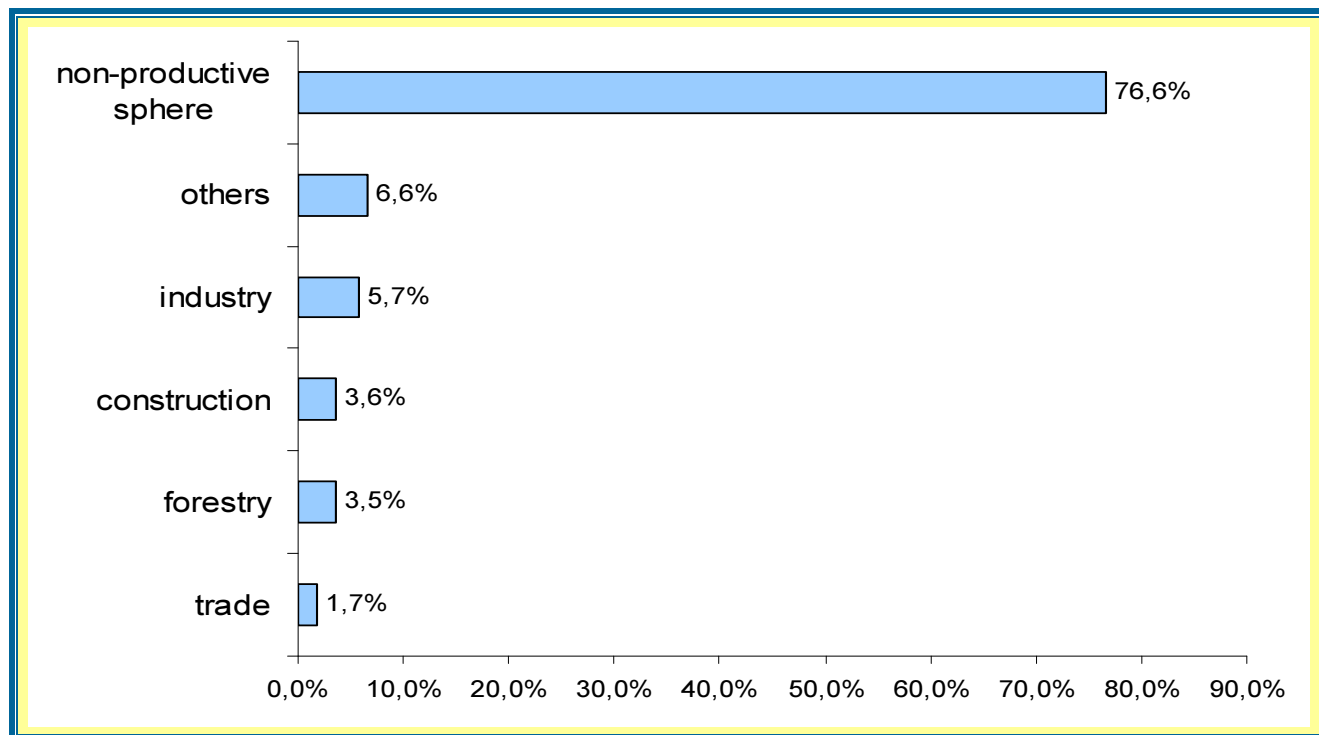
Berezhany is inhabited by 19,690 people (47.5%).

The population density per 1 km² is 62.76, the birth rate (per 1000 people) is 9.1.

The number of registered unemployed, as of 01.01.2015, is 850 people.

The number of employees at the enterprises of Berezhany district is 4,084 people.

The structure of employees by economic activities



The average monthly wage of staff members in the district, as of January 1, 2015 is 2,167 UAH.

1.3. RAW MATERIALS AND RESOURCE POTENTIAL

Raw materials and resource potential in Berezhany district (th. ha):

| | |
|------------------------|-------|
| agricultural resources | 37.5 |
| forest resources | 29.5 |
| water resources | 0.931 |
| minerals | 0.109 |

There are 50 mineral deposits with the area of 109.33 hectares registered in Berezhany district, including:

- 15 sand quarries with the area of 26.22 hectares;
- 7 limestone quarries with the area of 19.94 hectares;

- 13 clay quarries with the area of 18.88 hectares, suitable for production of bricks, tiles, pottery;
- 14 stone quarries with the area of 23.09 hectares;
- 1 peat quarry with an area of 21.2 hectares on the territory of Berezhany City Council, which needs recultivation.

Berezhany bentonite clay deposit with the stocks of 0,426 mln. tons, which is considered a state reserve, is not being developed yet.

Quartz sands suitable for glass and construction production are also important. In particular, only Rohachyn deposit has been estimated for production of glassware; there is a possibility to develop Potutory deposits with approved reserves of almost 30 million tons of limestone.

The outskirts of Berezhany are rich in minerals, especially construction materials. Limestone, which is good for facing material and used for lime burning, is extracted by open method. The extraction of sand and clay are lead on an industrial scale. District construction companies and enterprises can be fully provided with all kinds of raw materials out of their own mineral resources. Reserves of cement raw materials (limestone, clay, gypsum) are identified and evaluated in Berezhany district.

Water resources

The river system of Berezhany district is represented by the Zolota Lypa, Narayivka, Bybelka rivers and their tributaries, which belong to the group of small rivers of the dissected plains. The river network is quite developed, its average density within the district is 0.47 km / km². In general, the hydronetwork density is higher in the northern part of the district.

In the past, the area was rich in ponds, now they are much less in number. The largest of the ponds in the district is Berezhany Pond. Its area is 240 hectares, and the volume of water is 4.3 million m³. Quite large in the district scale is Urman Pond. There is also a pond near the villages of Potutory, Vilkhovets and other settlements, but they are of small size.

In terms of hydrogeology, the district is a part of the Volyn-Podillya artesian basin, characterized by the spread of groundwater horizons system in Paleozoic, Mesozoic and Cenozoic sediments. Fresh water is available to a depth of 300-400 m. Mineral water deposits can be found within the district, although they are still not well-explored. Exploration works of the “Ukrheoksiptazhminvod” in Lityatyn village detected sulfurated waters containing 17 mg/l of hydrogen sulfide with the mineralization of 2.8 g/l. The predominant elements of their salt composition is calcium sulfate.

Forest resources

The total area of forest land in Berezhany district is 16,548 hectares. The total area of forest fund in the district is 16,824 hectares. The forest covered area in the district is 15,220 hectares.

1.4. MAIN INDICATORS OF ECONOMIC AND SOCIAL DEVELOPMENT

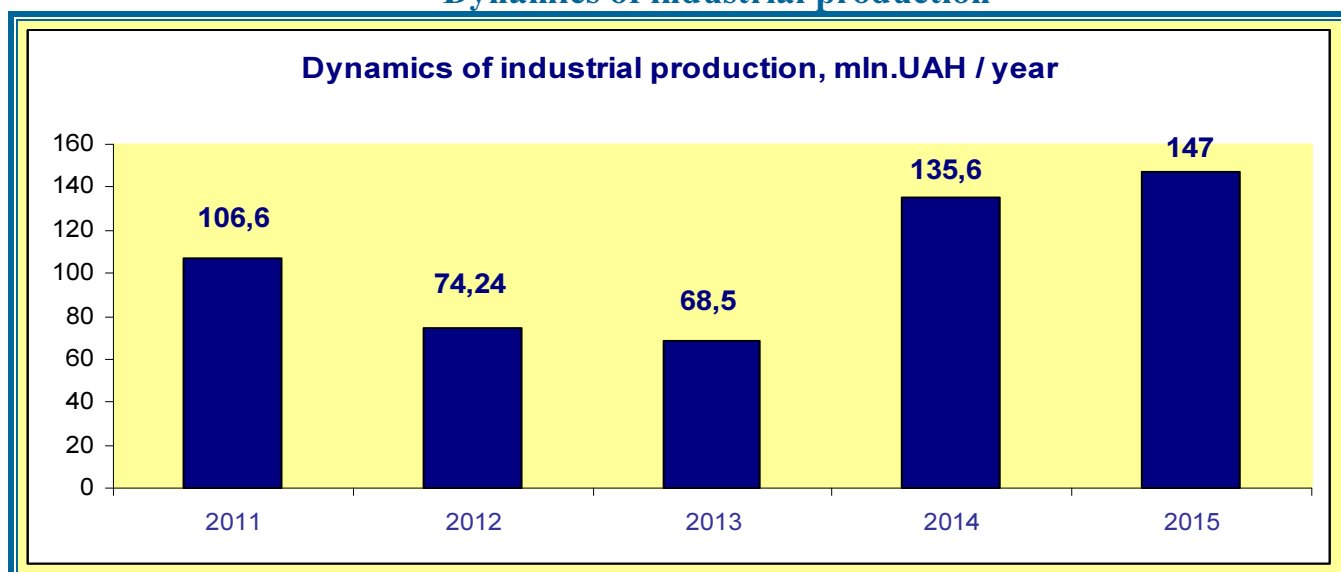
| Basic indexes of socio-economic development of district/city | | | |
|---|----------------------|---------|----------|
| Name of indicator | Units of measurement | 2013 | 2014 |
| 1 | 2 | 3 | 4 |
| Volume of the realized industrial output | thousand UAH | 66471.8 | 148895.1 |
| Volume of livestock production | million UAH | 58,4 | 60.6 |
| Volume of plant production | million UAH | 156.4 | 167.7 |
| Volume of direct foreign investments | thousand USD | 1144.1 | 1144.3 |
| Volume of capital investments | million UAH | 23.5 | 12.8 |
| Volume of the completed construction works | thousand UAH | 3942.0 | 5137.0 |
| Volume of export | thousand USD | 2630.0 | 2640.0 |
| Volume of import | thousand USD | 1283,0 | 1285,0 |
| Volume of retail turnover | million UAH. | 113.9 | 130.0 |
| Volume of the service sales | million UAH | 15.9 | 11.0 |
| Size of average monthly wage | UAH | 2,167 | 2,346 |
| Amount of administrative services provided by the Centre of administrative services | units | 586 | 1,126 |

1.5. ECONOMIC POTENTIAL

The analysis of economic potential of the district indicated on the expedience of investments in and development of the followings industries of economy:

- **industry of food and non-food sector** (modernization of capital equipment with the purpose of production of new competitive products);
- **industry of agricultural complex** (production, processing of agricultural production, formation of agricultural service cooperatives);
- **development of tourist, recreational and other infrastructure objects.**

Dynamics of industrial production

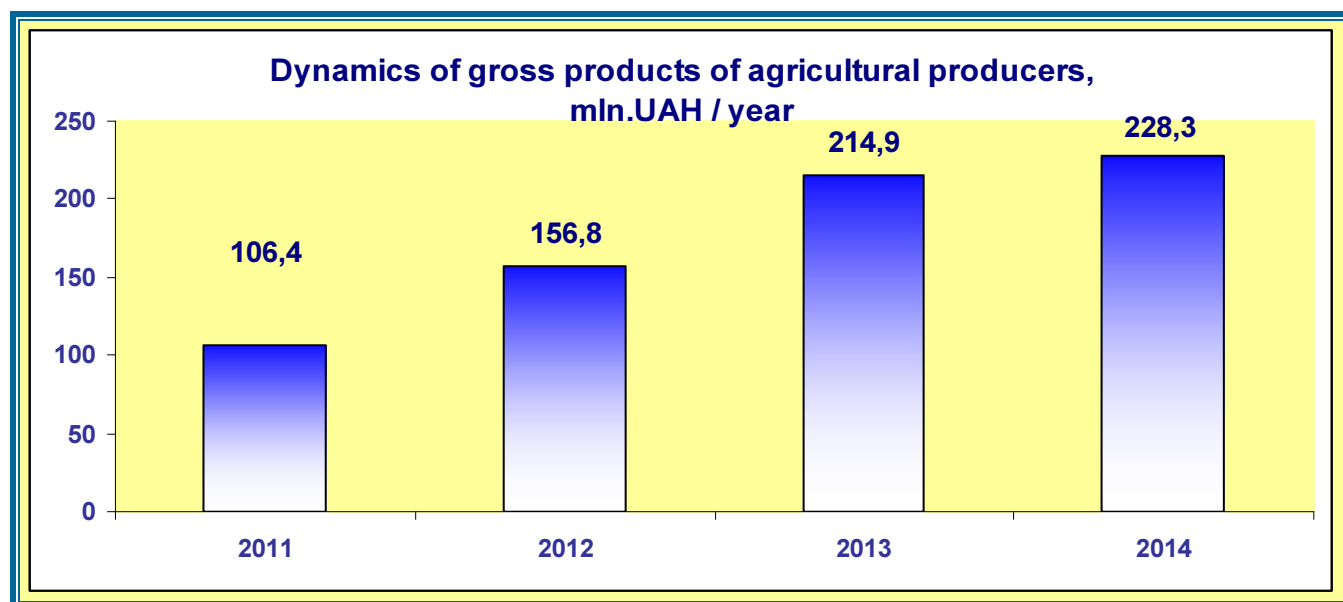


There are 13 industrial enterprises on territory of Berezhany district:

| No | Name of enterprise | Type of production |
|----|---|--|
| 1 | Asndryiv R.T. PE | bakery products |
| 2 | Flyuk PE | bakery products |
| 3 | Prodservis JV LLC | pasta, oil, vinegar |
| 4 | Krona LLC | canned fruits and vegetables |
| 5 | Ahrospetshosp PE | canned fruits and vegetables, juices |
| 6 | Pidvysoke Construction Materials Plant LLC | lime, construction sand, lime flour, carbonate rocks, gravel |
| 7 | Khrystyna LLC | corrugated packaging |
| 8 | Keramik Berezhany Brich Factory LLC | bricks M-75, M-100 |
| 9 | Potutory woodworking factory LLC | lumber, artificial parquet |
| 10 | Sanza Top LLC | wood products |
| 11 | Uspikh LLC | lumber, artificial parquet |
| 12 | Kenner-Ukraine LLC | metal and plastic constructions |
| 13 | Second repair factory of communications facilities SE | repair and maintenance of transmission equipment |

In 2014 agricultural producers of all categories manufactured gross output on the amount of 228.3 mln UAH.

Dynamics of gross products of agricultural producers



11 enterprises with a foreign capital carry out their activity on territory of Berezhany district: Living land of Potutory LLC, Sanza Top JV LLC, Ekoprod-invest LLC, BOSS VKF LLC, Ukrellada LLC, UkrLytEksport LLC, Luba Interneshnl Ukraine LLC, Intehrokomerts PE, Palma Cuba LLC, Maderas Ukraine SE, Dukat-Euro LLC.

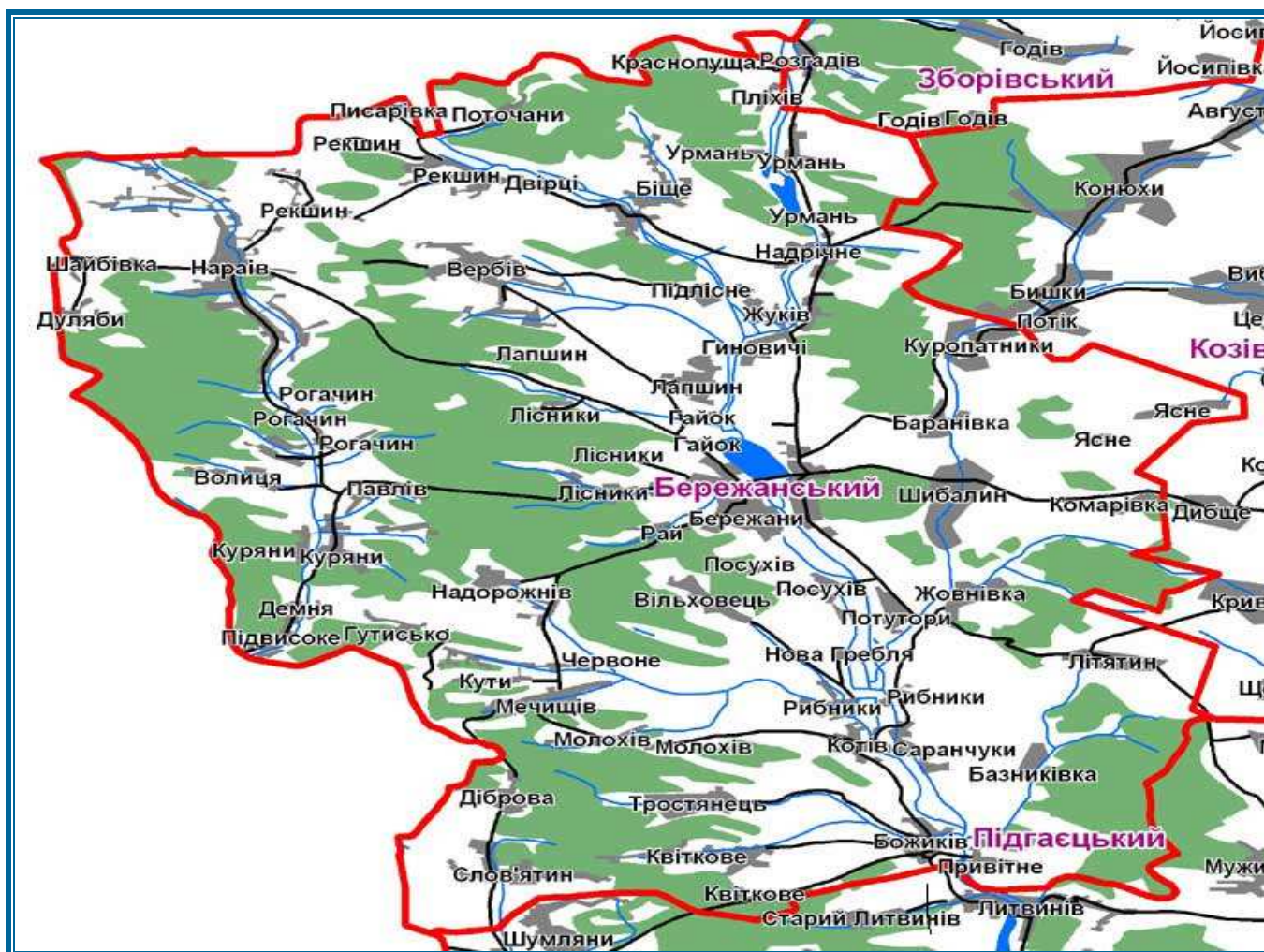
The largest investor in Berezhany district is Sanza Top JV LLC with the amount of foreign direct investments of 798.0 th. Euro.

Foreign trade turnover in 2014 was 3925.0 thousand USD.

Export is 2640.0 thousand USD.

Import is 1285.0 thousand USD.

1.6. TRANSPORT INFRASTRUCTURE



A transport network of the district includes a 228.6 km operating length of motorways of state value with hard surface, 176.6 km of communal roads with hard surface, and 29 km of railways.

Regular passenger transportations is carried out in the district by a 21 subject of entrepreneurial activity, including 1 – legal and 20 physical entities.

The route network of the district consists of 32 routes, including: 3 city, 16 suburban, 13 intercity and interregional routes with 27 busses.

1.7. EDUCATION

The network of educational establishments of general secondary educational system of the district in 2014/2015 school year includes 43 general educational establishments with 3,887 students.

There are 20 pre-school educational institutions (8 educational complexes and 12 school educational establishments, which teach 969 children. 1,507 children are

occupied by various forms of pre-school education. All 5-year-old children are occupied by schools.

Extracurricular education is presented by 4 extracurricular institutions, District House of Schoolchildren's creativity, District Station for Young Technicians, District Ecological and Naturalistic Youth Center, and Children and Youth Sports School.



Separated Department of Berezhan Agrotechnical Institute NUBiP Ukraine is an establishment of research type, which carries out educational, scientific, research, innovative, productive, informative and consultative activities, aiming at the study of modern problems of science for life and natural environment, use, restoration and sustainable development of terrestrial and aquatic ecosystems bioresources,

introduction of newest nature protection agro- and biotechnologies, technologies for revival of soils safety and fertility, energy saving agrotechnologies, ecological and legal management in the countryside, monitoring and control for standards and quality.

SD od NUBiPU prepares specialists and workers for market economy conditions. In 2015 in prepared: 655 specialists with higher education, 879 bachelors, 101 junior specialists, 750 workings professions.

1.8. SOCIAL AND CULTURAL SPHERE

Culture

There are 91 cultural institutions in Berezhan district: 43 club institutions, including: 8 Houses of Culture, 35 village clubs, 10 cinema institutions, a cinema, 2 museums, 95 monuments of history and culture, 43 libraries, 3 esthetic schools, 2 musical schools. There are 12 amateur artistic groups with the titles of "Folk" and "Exemplary" (Prosvita Amateur Folk Instrumental Anseble, Prosvita Amateur Folk Choir, Boyan Amateur Folk Choir, Amateur Folk Choir of Agrotechnical institute, Women Amateur Folk Chamber Choir, Women Amateur Folk Vocal Anseble, Zhuravka Women Amateur Folk Vocal Anseble, Bereh Zhanny Amateur Folk Group, Zhuravlytsya Amateur Folk-Ethnographic Anseble, Zernyatko Exemplary Children's Theatre, Vodohray Exemplary Children's Choreographic Group, Sonechko Children's Exemplary Choir. There are 216 employees in the cultural sphere.

Tourism

District has significant recreational resources on the basis of climatic landscape conditions, water objects, sources of mineral water, historical and cultural objects to promote for the development of tourism in different ways: educational, religious and water. An informative database of the tourism industry was created in the district, including excursion and tourist routes (State Historical and Architectural Reserve, Local History Museum, Museum of Books, B. Lepkyy Museum) rural (green), youth, infant, external and internal tourism.

There are 76 architectural monuments, 13 of them are of national value and 63 – of local value in Berezhan district.

Health care

Total number of health facilities – 41, including one hospital with 250 beds.
The number ambulatories – 6,
Polyclinics departments – 1,
Centers for primary medical and sanatory care – 1,
Rural medicinal ambulatories – 33
The number of medical workers – 494, including 140 with higher education.

Sport

The number of stadiums on the territory of Berezhany district – 1,

- football fields – 18,
- gyms – 6,
- sport clubs – 31 with 586 people.

Sports work is carried out in 62 schools of the district attended by 4,927 students. Educational process is carried out by 43 staff employers, 5 specialists of physical education in pre-school institutions.

There are 216 children in the groups of teaching and primary training in CYSS, guided by 13 coaches, including 2 of staff ones. There are volleyball (boys and girls), football, athletics, table tennis and boxing departments in Berezhany children and youth sports school. The School cooperates with the Department of education and other sports organizations of the district, which enables selection of the most gifted children. A large drawback is that CYSS does not possess its own material and technical base. That is why, trainings are held mainly on the city stadium and in school gyms of Berezhany Secondary School No.1, Berezhany Secondary School No.3, Berezhany Agrotechnical Institute NUBiP SE, and Berezhany boarding-school.

1.9. SUCCESS STORIES

| Name of the project (company) | The main points of the project |
|---|--|
| Second repair factory of communications facilities SE | Was relaunched in the second quarter of 2014. During April to December 2014 the factory has fixed transmission equipment in the amount of 8039.7 thousand UAH. The number of employees is 66 people. |
| Kenner–Ukraine LLC | In 2014 the factory manufactured 1756968 kg of plastic constructional products in the amount of 33759,8 thousand UAH. |
| Verbiv LLC | Verbiv LLC deals with the reconstruction of premises for keeping of 800 pigs. The work is done for more than 220.0 thousand UAH. |
| Polyovi Maystry LLC (in Lityatyn village) | Polyovi Maystry LLC was involved as an investor (Zaporizhzhya, manager Byliv V. M.) to reconstruction of the premises for 120 pigs. |
| EU/UNDP “Community Based Approach to Local Development Project” (III stage) | The trilateral agreement between Berezhany District State Administration, Berezhany District Council and Deputy of the permanent representative of United Nations Development Programme in Ukraine was signed a partnership on the EU/UNDP “Community Based Approach to Local Development Project” |

CHAPTER II. PROPOSITIONS FOR THE INVESTORS

2.1. PRIOPITY BRANCHES FOR INVESTMENT

- Development of highly productive industrial complex;
- Development of highly productive agro-industrial complex;
- Introduction of resource- and energy-saving technologies;
- Development of modern infrastructure of Berezhany and rural areas;
- Reconstruction of engineering networks of housing communal sphere;
- Development of natural environmental protection infrastructure;
- Development of heathcare, educational, physical educational and sports objects;
- Development of tourist and recreational complex.

2.2 STRATEGIC INVESTMENT PROJECTS

List of strategic investment projects




| No | Project title | Initiator | Estimated value (mln. UAH) | Payback period | Brief description |
|----|--|--|----------------------------|-----------------------|--|
| 1. | The construction of the electric boiler house with the implementation of electric thermal storage technology for Berezhany regional municipal school with intensive study of Labor Training at 12, Ruska Str., Berezhany | Berezhany regional municipal school with intensive study of Labor Training | 2.152 | 8 years and 7 months | <p>The realization of the project will allow to expand the effective electric power network by means of:</p> <ul style="list-style-type: none"> - the replacement of existing cable from the electricity substation 35/10 kV 'Berezhany-town' to Closed Converter Substation-301 for AWA grade of cable with cross-sectional area of 150 mm²; - the restoration of 2 cells of factory-assembled switchgear cells of one-sided maintenance KZO 307-04 104 U3 in DS - 10kV Closed Converter Substation-301; - the package of the tyre bridge with disconnectors between 1st and 2nd sections 10 kV; - setting a linear cell electric shield equipment IIQO-07 1361, entry cell IIQO-07 1117, unit cell IIQO-07 1209 in DS -04 kV Closed Converter Substation-301; - setting a power converter 100 kVA in reservoir chamber of Closed Converter Substation-301; - setting a linear cell Complete Distribution Devices of outer setting KPYH 10 with vacuum switch VOES10-5/630 at the electricity substation 35/10 kV 'Berezhany-town' in Closed Converter Substation-301. |
| 2. | The implementation of electric thermal storage technology for Berezhany district council at 15, Shevchenko Str., Berezhany | Berezhany District Council | 1.635 | 7 years and 11 months | <p>The realization of project will allow to expand the effective electric power network by means of:</p> <ul style="list-style-type: none"> - the construction of the single converted substation 10/0,4 kV with capacity of 630 kVA; |



| | | | | | |
|----|---|------------------------|-------|----------|--|
| | | | | | <ul style="list-style-type: none"> - the construction of the single cable line from PY-10kV of the electricity substation-35/10 kV 'Berezhany-town' and the package of the linear cell 10kV; - the construction of the single cable line from distribution devices PY-10Kv ZTP-301 and the assembling of line closet 10kw; - replacement of current transformer 100\5 to 150\5 at the adding F-21LEP 10 kw ZTP-301. |
| 3. | Capital reconstruction of preschool educational institution in Berezhany, 28A, Sichovykh Striltsiv Str. | Berezhany City Council | 3.731 | 19 years | <p>In order to reduce heat loss through the fencing design of the building a thermo modernization of the Zolotyy Klyuchyk kindergarten in Berezhany is proposed by means of:</p> <ul style="list-style-type: none"> - insulation of facades of the building with the area of 2461.4 m²; - insulation of the roof overlapping with the area of 1.166 m²; - insulation of the basement with the area of 290 m²; - replacement of wooden windows with plastic ones with the area of 444.9 m²; - replacement of wooden doors with plastic ones with the area of 27.4 m². <p>After the insulation of the building structures and replacement of old windows and doors with new modern energy-efficient, the heat loss will be reduced, thus reducing the consumption of thermal energy. According to the major environmental and energy indexes of the project, heat consumption will decrease by 310.7 Gcal / year, fuel and energy resources in terms of natural gas will decline by 49.3 thousand cubic meters / year, reduced greenhouse gas emissions by 99.14 tons CO² / year. A payback period of the entire complex of energy saving measures includes 6.5 years (taking into account the dynamics of tariffs for thermal energy).</p> |

2.3. FREE LAND PLOTS AND REAL ESTATE OBJECTS

| Area | Location | Short description |
|-----------------------|--------------------------------|---|
| Free objects | | |
| 7 ha | 36, Rohatynska Str., Berezhany | Reconstruction of Ceramic Berezhany brickwork. Long experience of production and sales of products, qualified workers, preserved production base, equipment for brick production, administrative and warehouse premises, availability of production certificates and personal vehicles for production delivery. There is a repair-mechanical workshop, preserved engineering networks, transformer substation, clay quarry, a developing and unfulfilled market of ceramic brick consumers. |
| 12,100 m ² | 33, Lepkyh Str., Berezhany | Relaunching of BerezhanyGlass Factory. Years of experience in production and sales, the availability of qualified personnel, preserved industrial base, equipment for glassware manufacture, administrative offices, the premises of former tileworkshop, canteen and warehouses. Availability of repair and mechanical workshop, preserved engineering networks, transformer substation. Land plot area – 9.91 hectares. |



| | | | |
|-----------------------|---------------------------------|--|---|
| 16,000 m ² | 30, Zolochivska Str, Berezhany | <p>Relaunch of Micron LLC.</p> <p>Preserved industrial base, equipment, administrative offices and warehouses are available. Availability of repair and mechanical workshop, preserved engineering networks, transformer substation. Two wells and a water tower are reavailable on the territory. Land plot area is 8.3 hectares.</p> |  |
| - | 136, Shevchenko Str., Berezhany | <p>Relaunch of Berezhany RAIST sausage workshop.</p> <p>Premises for industrial use are not exploited for a long of time. Preserved engineering networks. The enterprise is in the process of liquidation due to lack of investor. Sales at auction.</p> |  |
| 4,650 m ² | Zolochivska Str., Berezhany | <p>Construction of Berezhanyavtotrans Motor Company LLC.</p> <p>The area is fenced by reinforced concrete slabs, automotive gasfilling station nearby. There is own electricity substation, water tower.</p> |  |

| <i>Land plots</i> | | | |
|----------------------|------------------------------|---|--|
| 600 m ² | 2a, Pyrohova Str., Berezhany | Land plot for construction of residential houses with built-in shop. Distance to the motorway (Lviv-Ternopil) is 0.5 km, to the nearest railway station – 1 km, to the city of Ternopil – 50 km. |  |
| 7,000 m ² | Pryvokzalna Str., Berezhany. | Land plot for construction of a shopping center or market with parking. Distance to the motorway (Stryi-Ternopil-Kirovohrad) is 1.2 km, to the nearest railway station – 1 km, to Ternopil – 56 km. |  |

CHAPTER III CONTACT INFORMATION

BEREZHANY DISTRICT STATE ADMINISTRATION

15, ShevchenkoStr, Berezhany, Ternopil region, 47501

Tel.: (03548) 02-11-78, 02-12-78,

e-mail: rda@ber.te.ua

web-сайт: <http://www.oda.te.gov.ua/berezhanska>

DEPARTMENT OF ECONOMIC DEVELOPMENT OF BEREZHANY REGIONAL ADMINISTRATION

15, ShevchenkoStr, Berezhany, Ternopil region, 47501

Tel.: (03548) 02-12-61, 02-12-62,

e-mail: ekon@ber.te.ua