



INVESTMENT PASSPORT OF CHORTKIV DISTRICT, TERNOPIL REGION



2015

CONGRATULATORY WORD

The investment passport of Chortkiv district is created by Chortkiv District State Administration. It contains high-quality, relevant and comprehensive information on competitive advantages, investment opportunities and directions of realization of investment potential of Chortkiv district.

We hope that this edition will become a source of information for business and an effective instrument for establishment of business contacts with potential investors, will support the adoption of positive decisions on investments on the territory of Chortkiv district.

We invite all potential investors to the mutually beneficial collaboration with the aim of harmonious development of real economic sector in the district. With joint efforts we will build a powerful, economically developed Chortkivshchyna.

Chortkiv District

State Administration

COMPETITIVE ADVANTAGES OF THE DISTRICT

- **Advantageous geographical location** on the route of international value of Domanovo-Chernivtsi-Kyiv;
- **Favourable natural and climatic conditions** – for realization of projects in agro-industrial complex and power sector;
- **Considerable natural and resource potential** – a high level of agricultural development – 68896.45 hectares, or 76.6% of all district land fund is occupied by farmlands; deposits of minerals cover 149.06 hectares;
- **Unique tourist potential** – unique caves, castles and religious shrines;
- **High educational potential** – 5 higher educational establishments;
- **Labour potential** – number of economically active population of working age – 32,473 persons or 70% of a total amount.

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CHAPTER 1. DESCRIPTION OF DISTRICT

1.1. NATURAL, GEOGRAPHICAL AND CLIMATIC CONDITIONS



Chortkiv district lies on the Western-Podillyak plateau within the area of the Ternopil Plain on the height of 262 m above the sea level. The relief of the district is characterized by waving beam plains crossed by ravines. The climate is called a “warm Podillya”.

Average temperature of January is $-8-10^{\circ}\text{C}$, and July - $+20-25^{\circ}\text{C}$.

The average amount of precipitations is 561 mm per year providing moderate moistening of earth.

Chortkiv district is located on the south of the Ternopil region. It borders with Borshchiv, Buchach, Husyatyn, Zalizhchyky, Terebovlya districts of the Ternopil region, and Chemerivtsi of the Khmelnytska region.

Distance from the district center to Ternopil:

- by a highway – 78 km;
- by railway – 90 km.

The area of district is 892.2 km², or 6.5% of territory of region, sixth place among the districts in size.

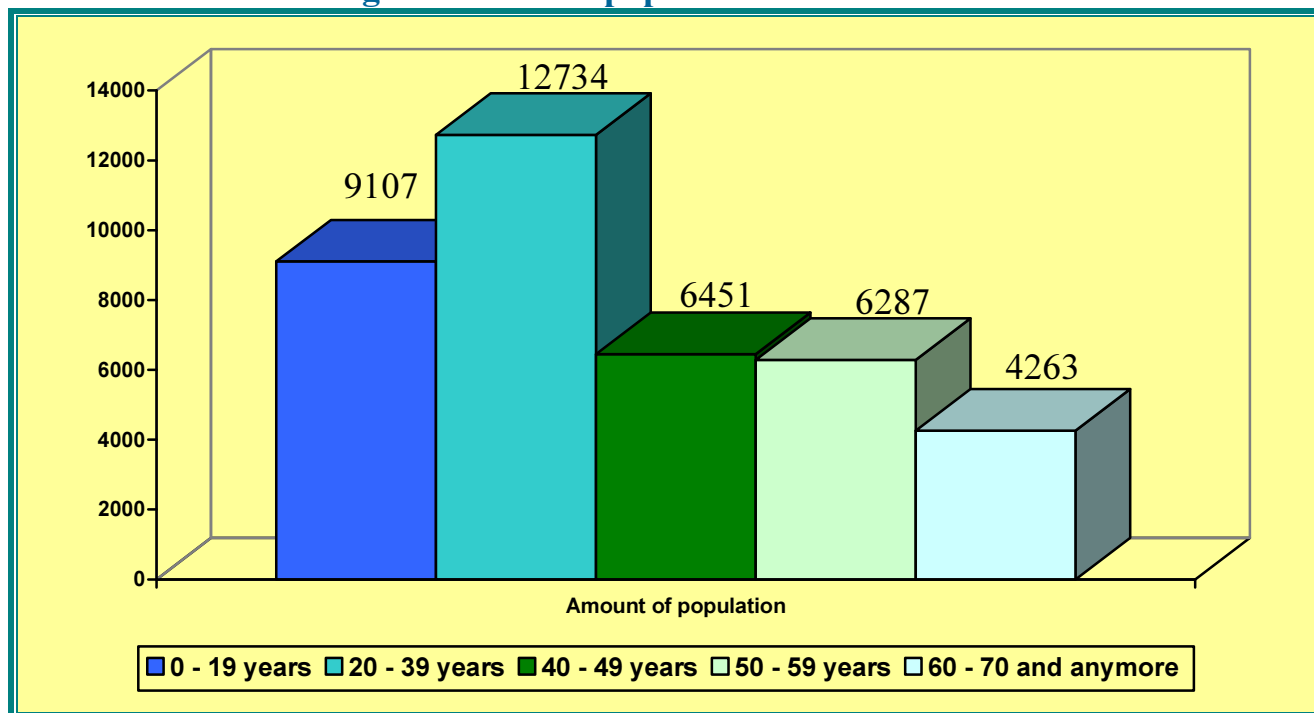
A present population of the district is 45.9 thousand persons, including urban (Zavodske township) – 3.4 thousand persons.

Chortkiv district consists of a 1 township and 55 villages.

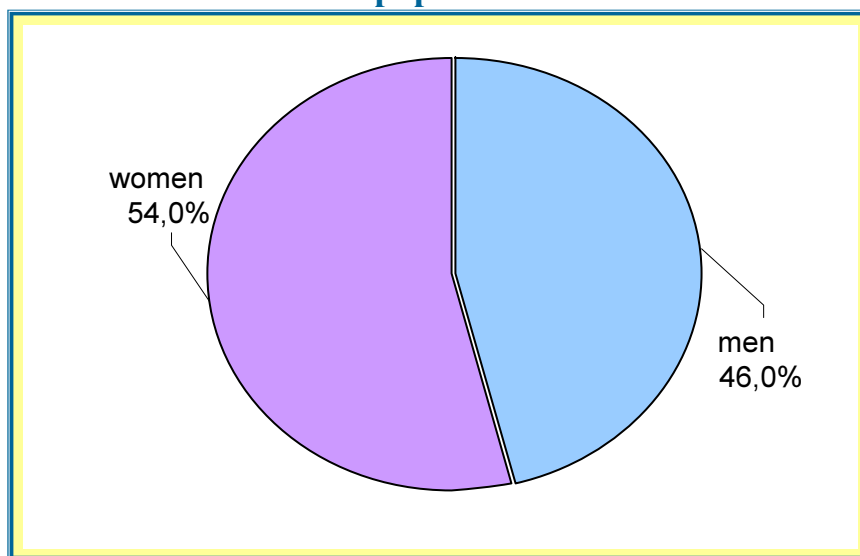
1.2. DEMOGRAPHY AND HUMAN RESOURCES

Total amount of population is 45,989 persons.

Age structure of population in Chortkiv district



Sex structure of population in Chortkiv district

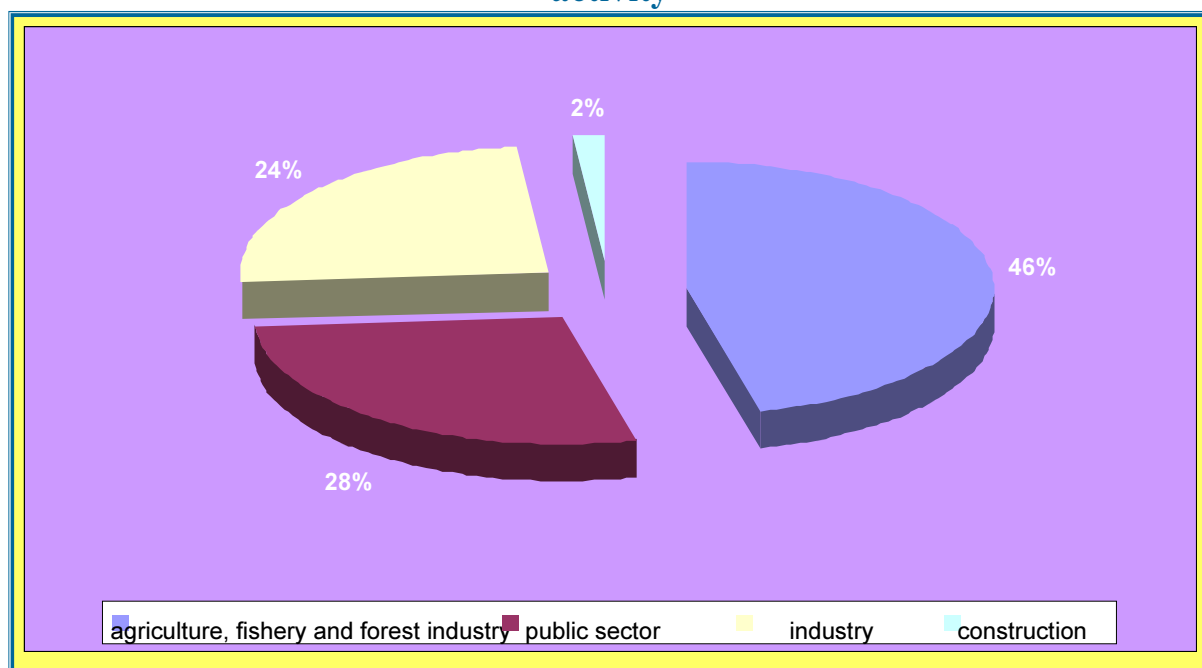


The amount of working population is: women of 16-54 years – 12,538 persons, men of 16-59 years – 14,148 persons.

Level of unemployment – 12.0%.

Average salary, as of 01.01.2015, is 2514.0 UAH.

Structure of employees by the types of economic activity



1.3. RAW MATERIALS AND RESOURCE POTENTIAL

Forest resources

Forests and other forest covered areas occupy 11494.0 hectares. Basic land user is Chortkiv forestry SE, which processes 10038.6 hectares of forest areas.

Areas of forests and other forest covered areas of Chortkiv district, ha

Forests and other forest covered areas, total: 11494.053								
Covered with forest (wooden and shrub vegetation), total: 11171.683					Out of all forests and other forest covered areas			
					Groups of the forests		With a basic certain usage function	
Fieldshelte rbelts	Other plantatio ns	Not covered with forest vegetation	Other forest lands	Shrubs	I group	II group	For wood production	For protective, environmental and biological purposes
29.28	440.830	178.3	144.07	179.899	6350.774	4550.076	7553,401	2717.6

Water resources

Water covers 1067.715 hectares, including ponds and artificial reservoirs – 542.185 hectares.

The territory of the district is in a Dniester river basin and its left tributaries: Zbruch, Seret, Nichlava, Dupla, Hlynysta, Tsyhanka. All rivers, as a rule, are foot-hill with very steep winding banks, fast current, with clean thresholds and cracks. The rivers flow on the incline of the Volyn-Podillya plateau from north to south.

Water resources of Chortkiv district

Waters, total: 1067.715 ha			
Natural gullies (rivers, brooks)	Artificial gullies (channels, collectors, ditches)	Ponds	Artificial reservoirs
414.0	111.53	474,7895	67.3955

For today, lease agreements were signed and registered on the territory of 9 village councils, 29 ponds were passed in a lease to business entities for the careers of water fund with a total area of 312.92 hectares, including: coastal protection zone – 97.29 hectares, hydrotechnical buildings – 1.92 hectares, water pools – 212.73 hectares. Rent for the use of waters from the water fund is established at 3% of a normative monetary value and paid in full.

Minerals

Minerals in the district are presented by construction and raw material for their production. It includes the deposits of sedimentary origin: limestones, sandstones, construction sands, clay, gravel and shingle materials. The deposits of stone are present in the village of Kotsyubynchyky. Construction sands are concentrated in the villages of Ughryn, Sosulivka, Sokyryntsi, Bila, Horishnya Vyhnanka, township Zavodske; clay careers are in the villages: Bazar, Bilobozhnytsya, Zalissyia, Rosokhach, Yagilnytsya, Bila.

Loams and clays are widespread on the whole territory of the district and is a raw material for the production of brick, tile and other ceramic products. On territory of Chortkiv district there are carriers with the area of 149.06 hectares, including 13.8 hectares of openworks and careers, exploited mines, and 135.265 hectares of other (exhausted carriers, closed mines, dumps, waste banks that is not exploited).

The deposits of gravel and shingle materials are concentrated nearer to the backwaters of the river of Seret in the villages of Bila, Rosokhach, Ulashkivtsi are used for the construction and repair of roads.

List of loam and sand deposits in Chortkiv district

No	Name of deposit	Area, ha	Location
1.	Bazar deposit of loams	2.3	outside Bazar village
2.	Deposit of red stone	4.7	Bazar village
3.	Raspberry mountain deposit of sand	5.5	Bila village
4.	Deposit of construction sands	2.98	Horishnya Vyhnanka and Perekhody villages
5.	Kolyndyany sand area	not investigated	Kolyndyany village
6.	Kosiv deposit of loams	2.0	Kosiv village
7.	Sand pit	7.79	Kryvenke village
8.	Uhryn deposit of loams	not investigated	Uhryn village
9.	Ulashkivtsi deposit of loams	not investigated	Ulashkivtsi village
10.	Stone quarry	2.4	Shvaykivtsi village
11.	Skorodyntsi deposit of brick raw materials, Donhe array	15.5	Skorodyntsi village
12.	Rosokhach deposit of loams, Hlyboka	3.0	Rosokhach village

13.	dolyna tract Bila deposit of sand, Sadlovshchyna tract	3.5	Bila village
14.	Shmankivtsi sand area	not investigated	Shmankivtsi village
15.	Yahilnytsya deposit of loams	not investigated	Yahilnytsya village

List of business entities, that engage in the development and processing of minerals

No	Name of enterprise	Name of deposit, quarry, place of location	Area of deposit, ha	Address
1.	Seret-Invest LLC	Skorodyntsi deposit of brick raw materials, Donhe array	15.5	Skorodyntsi village, 5-21-27, 5-21-66 Chayka Petro Mykhajlovych
2.	Steppe-M i K	Rosokhach deposit of loams, Hlyboka dolyna tract	3.0	Rosokhach village
3.	Antkiv P.V. SE	Bila – 2 deposits of sand, Sadlovshchyna tract	3.5	Bila village, Antkiv P.V.

Agricultural resources (land fund)

The land fund of the district, as of 01.01.2015, covers 70854.52 hectares, including 68896.4511 hectares of agricultural lands, that indicates on a high level of agricultural land development.

Agricultural lands of Chortkiv district, ha

Agricultural lands, total: 70854.5204						
Farmlands, total – 68896.4511:				Under farm buildings and yards	Under the motorways, runs	Lands on the stage of reclamative construction
Arable land	Perennial plantation (gardens)	Hayfields	Pastures			
68546.5186	548.1628	883.2944	6918.4753	1096.0591	858.0102	4.0

Agricultural enterprises process 34817.13 hectares, including: 6735.04 hectares – by agricultural societies, 27812.94 hectares – by other non-state agricultural enterprises, 279.76 hectares – by state agricultural enterprises. 5979.47 hectares are not provided reserve lands outside the settlements, including 538.22 hectares of arable land. 1074.82 hectares are not provided reserve lands within the settlements, including 352.43 hectares of arable land. Reserve lands, not available for the property and use, are 418.91 hectares, and 373.12 hectares of arable land.

41 farm functions in the district. 342.51 hectares are in their permanent use, and 35.8 hectares are privately owned, 2907.06 hectare are of temporary use (on lease). 3,097 citizens with the area of 6888.98 hectares did not decided how to dispose of their right for land share. 1,534 citizens with 3255.93 hectares went out from the members of agricultural enterprises and individually conduct a commodity agricultural production.

Priority private agricultural enterprises (PAE) with large land plots on the territory of the district are: Dzvin PAE, Dovira PAE, Obriy PAE, Fortuna PAE, Polivtsi PAE, Ahropolis LLC, Berezhyna PAE.

1.4. BASIC INDICATORS OF ECONOMIC AND SOCIAL DEVELOPMENT

Basic indicators of socio-economic development of the district			
Name of index	Units of measurement	2013	2014
1	2	3	4
Volume of sold industrial output	million UAH	706.0	789.0
Volume of livestock production	million UAH	18.0	26.1
Volume of crop production	million UAH	472.5	594.2
Volume of foreign direct investment	thousand USD	27.5	26.5
Volume of capital investments	million UAH	158.2	57.7
Volume of completed construction works	thousand UAH	496.0 (together with Chortkiv)	74.0
Volume of export	million USD	23.7	8.7
Volume of import	million USD	1.8	1.3
Volume of retail turnover	million UAH	87.9	110.0
Volume of service sales	million UAH	0.03	0.04
Size of average monthly salary	UAH	2442.0	2514.0
Number administrative services provided by the center for such services	units	414	446

1.5. ECONOMIC POTENTIAL

Priority sectors of economy:

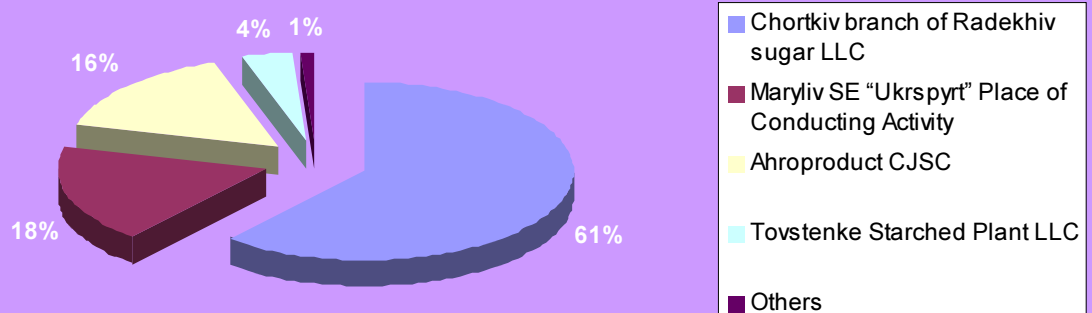
- 1. Agricultural complex.**
- 2. Processing industry** (processing of agricultural production of raw materials).
- 3. Development of raw material and minerals base.**
- 4. Tourism and recreation.**

12 industrial enterprises are located in Chortkiv district. In the structure of industrial products realization prevail: food industry (83%), chemical (8%), others (9%). In 2014 agrarian industry of Chortkiv district occupies a leading position in the structure of production in the main areas of material production and holds 44.0%, in particular crop branch occupied 95.7% of agricultural production in 2014. Important direction in the district is further development of livestock complex, its comprehensive support and assistance for expansion.

Largest industrial enterprises of Chortkiv district

No	Name of enterprise	Volume of production in 2014 (at current prices), thousandUAH	Type of activity
1.	Maryliv SE "Ukrspyr" Place of Conducting Activity	140029.0	production of alcohol ethyl rectified
2.	Chortkiv branch of Radekhiv sugar LLC	479000.0	production of sugar
3.	Ahroproduct CJSC	129949.0	preparation and production of block meat and byproducts
4.	Tovstenke Starched Plant LLC	32536.0	production of starch
5.	Seret-Invest LLC	3834.0	production of electric power and bricks
6.	Orhanika LLC	1778.0	production of dry mixture

Volume of industrial production in 2014, by industrial enterprises



Largest agricultural enterprises of Chortkiv district

No	Name of enterprise	Income (revenue) from product sales in 2014, thousand UAH
1.	Dzvin PAE	79885.0
2.	Dovira PAE	47549.0
3.	Obriy PAE	39626.0
4.	Ahropolis LLC	127954.0
5.	Fortuna PAE	81526.0
6.	Polivtsi PAE	15180.0
7.	Berezyna PAE	16516.0

Foreign trade turnover

Foreign trade turnover of Chortkiv district in 2014 was 9715.8 thousand USD (25462.0 thousand USD – in 2013 (together with Chortkiv)).

In particular:

- in 2014 export transactions were conducted by 2 business entities of the district: Orhanika LLC Enterprise and Ahroproduct CJSC. In 2014 they exported commodities on a total amount of 8685.5 thousands USD, which is 15016.6 thousand USD less than in 2013. Due to trade barriers for large amount of products supply of local commodity producers to the members countries of Customs Union, in particular Russian Federation, in 2014 decreased the volumes of chilled beef export by Ahroproduct CJSC in Rosokhach village by 34.1%. The following types of products were exported: wood fuel, chilled beef meat, female footwear.

- in the reporting period import transactions were conducted by 3 enterprises of the district: Hlobal Kosmed LLC, Orhanika LLC, IE Service LLC. Volume of import in 2014 was 1030.3 thousand USD, which is 729.6 thousand USD less than in 2013. It was due to a sharp devaluation of the national currency. The main imported goods were raw materials and equipment.

District balance is +7655.2 thousand USD (+21942. 2 thousand USD – in 2013).

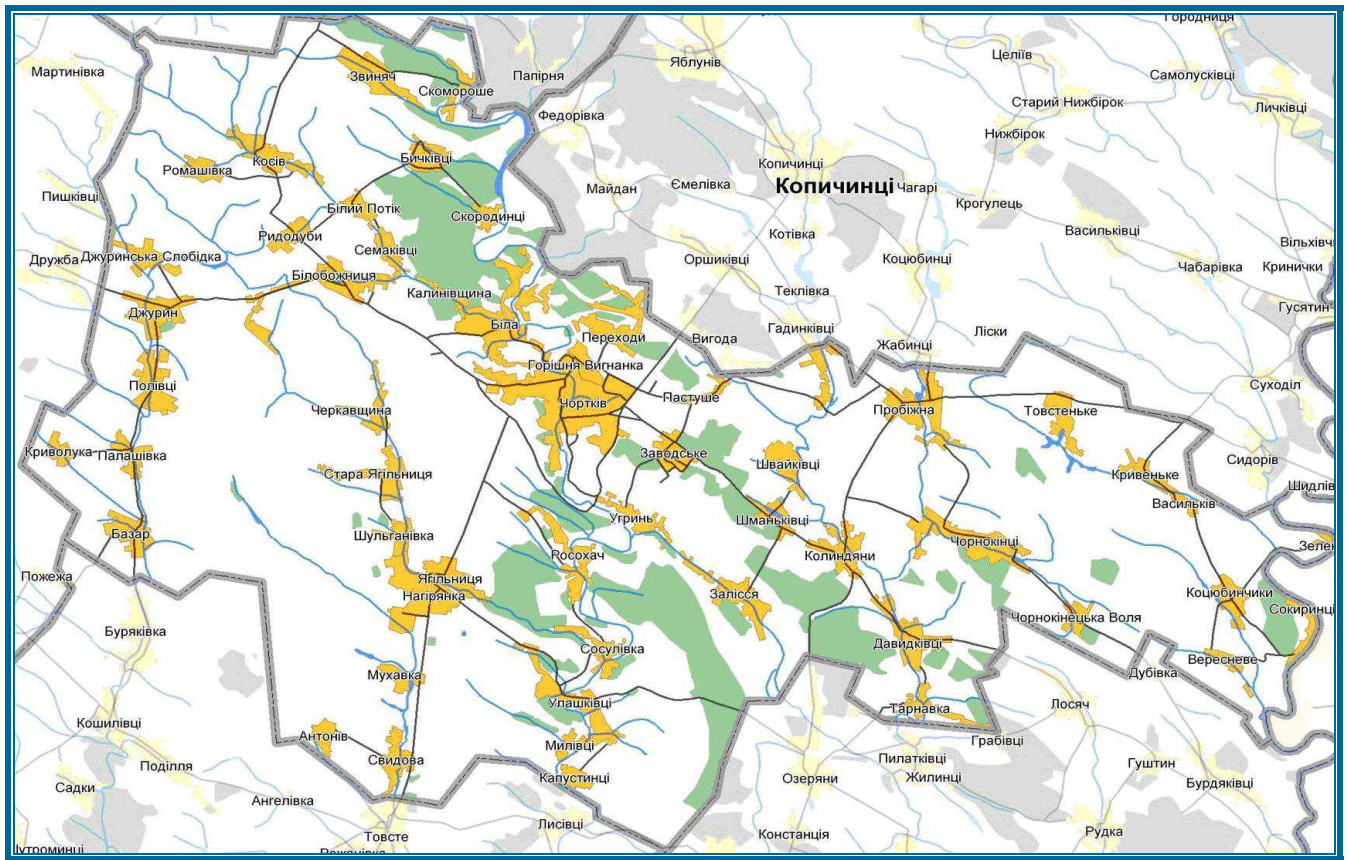
Main investors and enterprises with foreign investments

26.5 thousand USD direct foreign investments were attracted in the district. Volume of direct foreign investments per person is 0.6 thousand USD.

Direct foreign investments came from Poland, Belarus, Lithuania, Latvia, British Virgin Islands.

There are 4 enterprises with foreign investments, including 3 were active in 2014 (IE Service LLC, Tovstenke starched plant LLC, Chortkiv sugar LLC).

1.6. TRANSPORT INFRASTRUCTURE

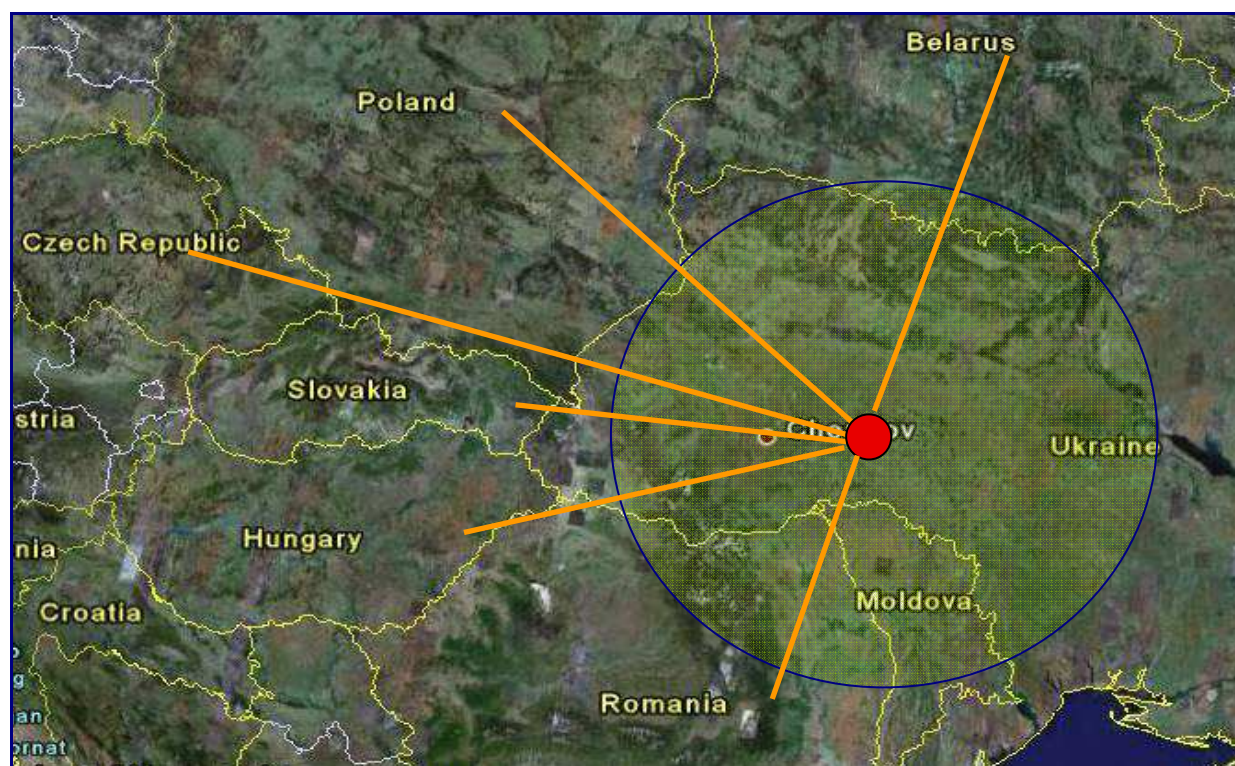


Chortkiv district is located on Domanovo-Chernivts-Kyiv motorway of international value.

Length of railway ways – 65 km, motorways – 395 km, including with hard-surface – 333.2 km and dirt roads – 61.8 km. Specific gravity of motorways with hard-surface – 84.4%. There are 44 bridges in the district.

Extremely convenient road and railway connection:

- to Kyiv – 460 km;
- to Ternopil: by a highway – 78 km, by railway – 90 km;
- to Chernivtsi – 88 km;
- to Ivano-Frankivsk – 96 km;
- to Lviv – 230 km.



1.7. EDUCATION

Educational institutions	Number, pcs	Number of students, persons
Secondary schools:	44	3,722
Comprehensive Schools	13	2,199
Secondary Base Schools	24	1,451
Primary Secondary Schools	7	72
CYSS	1	397
Higher educational institutions		
Educational institutions	Directions of preparation	Number of students, persons
Educational and Research Institute of Entrepreneurship and Business of TNEU	- Finance and Credit; - Accounting and Auditing	400
Chortkiv College of Economics and Entrepreneurship of TNEU	- Accounting; - Finance and Credit; - Evaluation Activity; - Informative Activity;	461
Chortkiv Medical College	- Farmacy; - Medical Activity (medical, nursing, obstetric activities, dentistry; orthopaedic activity);	1,757
Oleksandr Barvinsky Chortkiv Humanitarian and Pedagogical	- Primary Education; - Musical Art;	851

College		
Chortkiv Higher Professional School	<ul style="list-style-type: none"> - builder; - tractor driver of different categories; - locksmith-repairman of agricultural machinery; - vehicles driver; - operator of information processing and software; - pastry cook (waiter, barman); - machinist of refrigeration facilities; - tractor-driver of agricultural production. 	523

1.8. SOCIO-CULTURAL SPHERE

Healthcare

Medical treatment for the inhabitants of Chortkiv district is provided by:

- Central Communal District Hospital for 380 beds (50.3 per 10 thousand of people);
- District Polyclinic Department for 850 visits per day;
- Dental Polyclinic for 180 visits;
- communal institutions of Center of primary medic and sanitary care;
- 18 medical ambulatories (three ambulatories on territory of city) that work on the basis of family medicine;
- 39 health posts.

Culture

The network of cultural establishments of the district consists of 114 institutions in 77 apartments:

- 53 libraries;
- 57 club institutions;
- 4 schools of aesthetic education.

Available sports buildings of Chortkiv district

No	List of sports buildings	As of 01.01.2015
1	Sports buildings, total	180
2	Stadiums with tribunes for 1500 places and more	2
3	Plain sports grounds, total	100
3.1	- grounds with a training equipment	15
3.2	- football fields	30
3.3	- other sports grounds	55
4	Including (line 3) with synthetic coverage	1
5	Premises for physical and health training, total	26

5.1	- with training equipment	6
6	Sport halls with the area not less than 162 m ²	37
7	Covered and partly covered shooting galleries for the distance of not less than 25 meters	8

Tourism and leisure

Climate, landscape, natural, historical and architectural memorials are powerful tourist resource of Chortkiv district.

The district has a large potential for development of speleological tourism, as it is famous for the caves, in particular, Mlynky gypsum crystal cave of Podillya Transnistria. It is located 10 kilometres from Chortkiv city. Recent discoveries were made by Krystal Chortkiv speleological club. Today 28 kilometres of passages are explored. On the territory of Uhryn village there is the second largest cave – Uhrynska. It is also recognized as a natural monument of state importance, but it is still undiscovered.

Dacha Halileya is XV-XVI artificially planted forest area with the area of 1,865 hectares. Except ordinary forest trees, there are unique ones: Austrian black pine, Weymouth pine, European and Japanese larches, black nut, pikht, Douglas fir, many medicinal plants.

Unique memorials of history, architecture and nature

No	Name of the object	Location
1	Yahilnytsya castle, I quarter of XVIII century	Yahilnytsya village
2	Mlynky Cave (gypsum, crystal)	near Zalissya village
3	Uhrynska Cave	Uhryn village
4	Haliley Forest	territory of Rosokhach and Uhryn villages, near Ulashkivtsi village
5	Settlement of Trypillya culture of IV-III century BC	Bilyy Potic village
6	Settlement of Early Iron Age of VII-VI of century BC	Zvynyach village, Maravschina tract
7	Settlement of Trypillya culture of IV-III century BC	Sosulivka village, Kachurova Hora tract

Objects of tourist infrastructure

No	Name of enterprise	Name of the leader	Address, telephone number
1	Krystal Tourist Youth Club of speleologists	Snihur Volodymyr Anatoliyovych	Zavodske township, 2, Chernetskoho, 2-42-31
2	Pereval Nahiryanka Tourist Club	Kompaniets Volodymyr Andriyovych	Nahiryanka, 2-44-00, 2-12-71

1.9. SUCCESS STORIES

Major implemented projects

No	Name of the project	Cost of project, UAH	Source of investments
1.	Replacement of 33 windows for metal and plastic energy saving ones and 2 entrance doors in Primary Secondary School, Davidkivtsi village	48749.0	funds according to second phase EU/UNDP “Community Based Approach to Local Development Project”
		56668.0	budgetary funds
2.	Replacement of 46 windows for metal and plastic energy saving ones and 2 entrance doors in Primary Secondary School, Zalissya village	55011.0	funds according to second phase EU/UNDP “Community Based Approach to Local Development Project”
		53734.0	budgetary funds
3.	Replacement of 46 windows for metal and plastic energy saving ones and 2 entrance doors in Primary Secondary School, Zvinyach village	40779.0	funds according to second phase EU/UNDP “Community Based Approach to Local Development Project”
		67246.0	budgetary funds
4.	Repair of health post in Rosokhach village with the reorganization of ambulatory for general practice of family medicine	31.578.0	funds according to second phase EU/UNDP “Community Based Approach to Local Development Project”
		73180.0	budgetary funds
5.	Building and reconstruction of pig farm for 8,000 heads of pigs and introduction of the new technologies for production of pig meat and pigs growing on the European standards in Sydova village by Fortuna PAE	10000000.0	personal funds of the enterprise
6.	Reconstruction of livestock premise in Star Yahilnytsya on Dovira PAE with annual maintenance of 180 thousand heads of broilers	1900000.0	personal funds of the enterprise
7.	Put into operation of a new elevator for the storage of 4 thousand tons of grain in Bila on Nyva-Bila LLC	5000000.0	personal funds of the enterprise
8.	Construction and launch of Tovstenke starched plant LLC, construction of potato storages for 18 thousand tons	83283000.	personal funds of the enterprise

CHAPTER II. SUGGESTIONS FOR INVESTORS

2.1. PRIORITY INDUSTRIES FOR INVESTMENT

Priority industries for investment in Chortkiv district are:

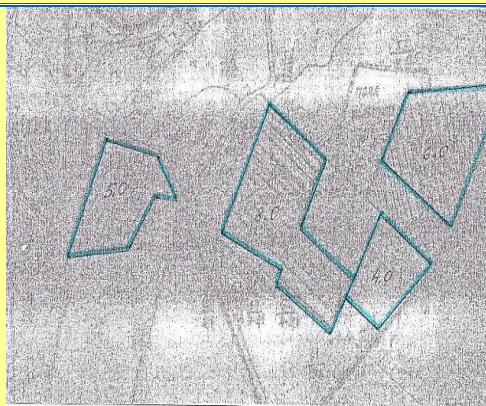

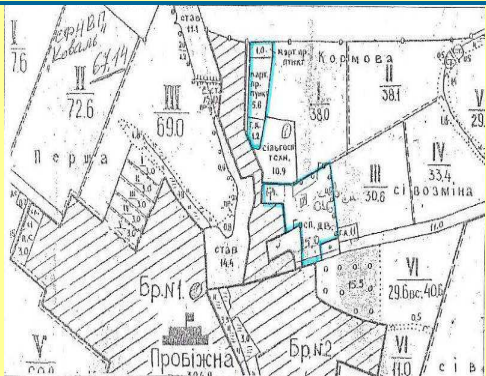
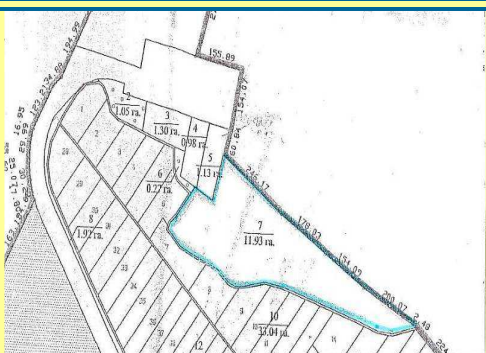
1. Agricultural complex.
2. Processing industry (processing of agricultural production raw materials).
3. Development of raw materials and mineral base.
4. Tourism and recreation.

2.2. STRATEGIC INVESTMENT PROJECTS

List of strategic investment projects

No	Name of the project	Initiator	Approximate cost (million UAH)	Payment period (years)	Brief description
1.	Building and reconstruction of dairy complex at Dzvin PAE in Zvynyach	Dzvin PAE, Zvynyach, Chortkiv district	30.0 million UAH, including 8.7 million UAH of personal funds is already invested	3.4	Project capacity of cows breeding – 1000 heads of main herd
2.	Reconstruction of the second livestock premise at Dovira PAE in Stara Yahilnytsya	Dovira PAE, Stara Yahilnytsya, Chortkiv district	2.5 million UAH, including 1.9 million UAH of personal funds is already invested	2.5	Project capacity of broiler growing – 1000 heads
3.	Complex for pigs raising in Polivtsi	Symak PE, Polivtsi	10.0 million UAH, including 1.0 million UAH of personal funds is already invested	3.0	Project capacity of pig growing – 5000 heads
4.	Purchase of refrigeration equipment for potato storage at Berezhyna PAE in Kapustyntsi	Berezhyna PAE, Kapustyntsi, Chortkiv district	1.4 million UAH, including ..9 million UAH of personal funds is already invested in construction of a potato storage	3.4	Project storage capacity – 2,800 tons of potatoes

2.3. FREE LAND PLOTS AND REAL ESTATE OBJECTS

Area	Location	Brief description	
Land plots			
23 ha	Dzhurynska Slobidka, Chortkiv district	Land plot is free from construction, is located on reserve lands of village council and intended for commodity agricultural production. Distance to the motorway (Kamyanets-Podilskyy-Ivano-Frankivsk) – 1.8 km, to the nearest railway station – 1.5 km, to Ternopil – 85 km	
16,8508 m ²	Zavodska Str., Probizhna, Chortkiv district	Household yard. Land plot is free from construction, is located on reserve lands of village council, near the motorway and intended intended for commodity agricultural production. Distance to the motorway – 0.6 km, to the nearest railway station – 19 km, to Ternopil – 84 km	
80,000 m ²	Tsentralna Str., Probizhna, Chortkiv district	Land of potato station. Land plot is free from construction, is located on reserve lands of village council, near the motorway and intended intended for commodity agricultural production. Distance to the motorway – 0.6 km, to the nearest railway station – 19 km, to Ternopil – 84 km	
119,300 m ²	Pastushe, Chortkiv district	Former airfield. Land plot is located on reserve lands of village council. Distance to the motorway (Ternopil-Chernivtsi) – 0.07 km, to the nearest railway station – 0.01 km, to Ternopil – 76 km	

CHAPTER III. CONTACT INFORMATION

CHORTKIV DISTRICT STATE ADMINISTRATION

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