

INVESTMENT PASSPORT OF KREMENETS DISTRICT, TERNOPIL REGION



2015

WELCOME ADDRESS

Investment passport of Kremenets district has been compiled by Kremenets District State Administration. It contains high-quality, relevant and comprehensive information about competitive advantages, investment opportunities of the area, as well as aims at disclosing and implementing its investment potential.

We hope that the publication will not only be a source of information for business, but also will increase the investment attractiveness of the district, will be an effective tool for establishing business contacts with potential investors, facilitate the adoption of decisions on investment on the territory of Kremenets district.

We invite potential investors to cooperate in order to harmonize the development of the local economy in all directions. Together we will build a strong and economically developed Kremenets district.

***Kremenets District
State Administration***

COMPETITIVE ADVANTAGES OF THE AREA

Favourable natural conditions – for realizing projects in agriculture;

Tourist potential – shrines, availability of landscape, historical and cultural recreational resources;

Labour resource potential – about 39.3 thousand of economically active population of working age;

Possibility of winter sports development – the only in Ukraine toboggan track operating year-round, availability of ski jump complex and landscape for alpine skiing;

Significant natural resource potential – 50.5 thousand hectares of arable land, 16.7 thousand hectares of forests.

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CHAPTER I. DESCRIPTION OF THE AREA

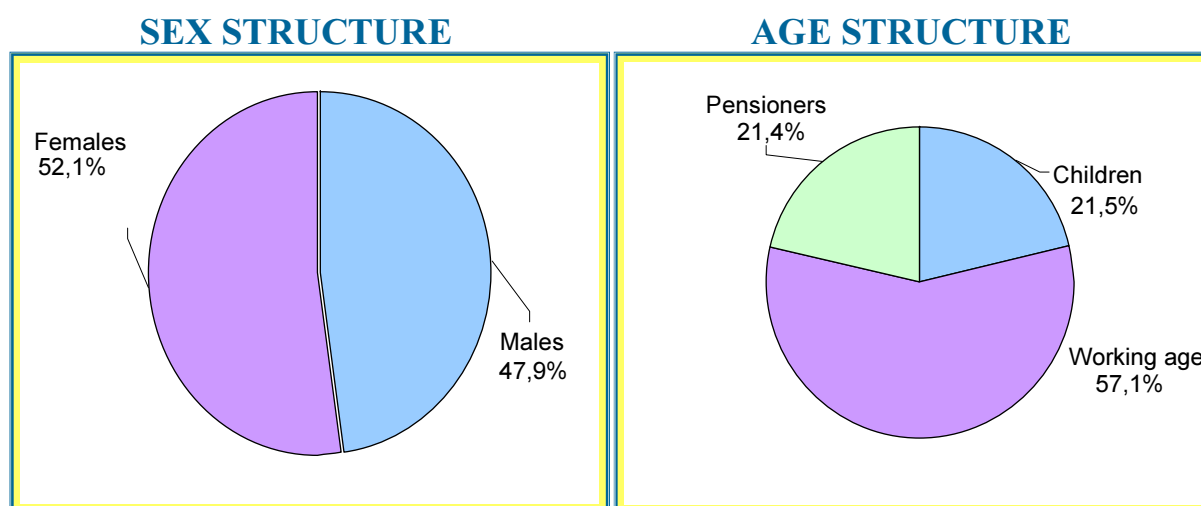
1.1. NATURAL-GEOGRAPHIC AND CLIMATIC CONDITIONS

The region is situated in Volyn-Polissya Plateau Western forest and steppe zone. To the South and South-East it borders with Zbarazh and Lanivtsi, and to the East – with Shumsk districts of Ternopil region, to the West – with Brody district of Lviv region, to the North – with Dubno and Radyvyliv districts of Rivne region.

By relief Kremenets district is divided into Northern (Small Polissya) and Southern (Cold Polissya) parts that lie within Volyn-Podillya Upland. Small Polissya or Kremenets ridge covers 15% of the area and is characterized by flat and monotonous relief. Cold Polissya occupies 85% of the area. The relief here is complex. Under the influence of atmospheric precipitation, rainfalls and melting waters in particular, erosion processes occur both flat and deep. The district is situated on the border of two climatic zones: Western-European with wet and moderately warm climate, and East-Continental with continental climate.

1.2. DEMOGRAPHY AND HUMAN RESOURCES

As of January 1, 2015, the population is 68,916 people, including those of working age – 39,325.



As of January 1, 2015, the level of unemployment is 5.4%, average monthly salary of the employees in the district is 2,440 UAH.

Structure of the employees by economic activities

Field	Number of people
Agriculture, forestry and fishery	408
Industry	970
Construction	210
Transport and communications	236
Trade	190
Public administration and defense	776
Education	1,586
Health care	1,777
Housing and communal services	132
Financial activity	97
Hotel service	90

1.3. RAW MATERIALS AND RESOURCE POTENTIAL

Forests and other wooded areas cover the area of over 16.7 thousand hectares. They are mainly hornbeam, ash, elm, linden, oak, aspen, willow, beech, pine.

Inland waters cover the area of 861.1 hectares, including 128.3 ha of natural and 111.5 ha of artificial watercourses. Water resources of the district are sufficient for functioning and development of industry, agriculture, housing and communal services, industrial fish farming, tourism and recreational needs. Major rivers are Ikva and Horyn.

There are 45.42 ha of land for open-cast mining carriers, including 26.92 ha under operation and 18.5 ha exhausted. Mineral resources deposits are: lime, peat, chalk, sand, clay, building stone. Geological exploration for determining the reserves and forecasting the production volumes of all the deposits has not been conducted.

The farmland area of the region is 65.563 ha, including arable land – 50561.4 ha, perennial plantings – 1617.3 ha, hayfields – 1179.5 ha and pastures – 12205.6 ha.

1.4. MAJOR INDICATORS OF ECONOMIC AND SOCIAL DEVELOPMENT OF THE AREA

Major indicators of social and economic development of the area			
Indicators	Units of measurement	2013	2014
1	2	3	4
Volume of sold industrial output	mln. UAH	209.8	220.7
Volume of livestock production	th. tons	46.4	45.73
Volume of crop production	th. tons	283.4	303.6
Volume of direct foreign investments	mln. USD	0.26	0.2
Volume of capital investments	mln.UAH	71.1	52.0
Volume of completed construction works	mln.UAH	21.9	12.5
Volume of export	mln. USD	2.2	4.5
Volume of import	mln. USD	1.85	0.7
Volume of retail turnover	mln.UAH	205.2	235.0
Volume of service sales	mln.UAH	22.9	10.4
Volume of average monthly wage	UAH	2,337	2,440
Amount of administrative services provided by the Centre of administrative services	units	159	1.459

1.5. ECONOMIC POTENTIAL

Priority sectors:

- agricultural complex;
- tourism and recreation;
- timber-processing industry;
- alternative fuel production;

The biggest industrial enterprises of the district:

- Kremenets Milk LLC – milk production;
- Bekeray PE – bakery and confectionery products;
- Vatin Factory LLC – making clothes, mattresses, blankets;
- Ukrkreida LLC – ground chalk production;
- Plastyk–M LLC – polystyrene sheet and foil.

Foreign trade turnover in 2014 was 5.2 USD. In the export structure the largest proportion accounts for timber-processing industry.

The biggest investors: Danon company supported by Danon Ecosystem Fund, Community Wellbeing ICO and Heifer International (France, USA).

Enterprises with foreign investments:

- United Fashion of Ukraine LLC (Denmark);
- Amic Ukraine EFI (Austria);
- Mega-Bud JV LLC (Poland);
- Top-Bet LLC (Poland);
- Super Roof-MC LLC (Poland);
- Protsima Ukraina LLC (Poland);
- Ahrocenter EvroKhim-Ukraine AE (Russia).

1.6. TRANSPORT INFRASTRUCTURE

Transport network of general use includes (km):

- railways – 10.2;
- paved roads – 166.3;
- unpaved roads – 26.

1.7. EDUCATION

To meet the educational needs of the population there are 54 secondary schools, in which 7,583 students receive an education.

Today there are 21 institutions with 1,540 children getting pre-school education, including 17 preschools, 4 educational complexes and 4 preschool groups in secondary schools.

There are 2 vocational educational institutions and 4 institutions for training specialists with higher education in the district.

Education institutions	Number of students	Number of departments, specializations
Kremenets Taras Shevchenko Regional Humanitarian-Pedagogical Academy	2,844	4
Kremenets Pedagogical College	642	5
A. Richynsky Medical School	507	3
Kremenets Forestry College (Bilokrynytsya)	598	5
Kremenets Vocational Lyceum	570	10
Pochaiv Vocational School	508	10

1.8. SOCIAL AND CULTURAL SPHERE

Four medical institutions operate in the district (2 district hospitals, district dental clinic and center for primary health care), 5 medical institutions of regional subordination (4 of them subordinate to the Ministry of Health and one – to the Ministry of Social Policy), besides, there are 17 private institutions. Medical care in rural areas is provided by 12 Ambulatories for General Practice Family Medicine and 46 rural medicinal ambulatories.

There are 113 cultural institutions providing public service in the district, including 11 cultural houses, 39 village clubs, 3 museums, 57 libraries, 3 schools of arts.

The list of cultural heritage objects numbers 125 archeological monuments, 97 historical monuments, 93 architectural monuments, 7 attractions of monumental art. Hiking, speleological tourism, climbing, pilgrim tourism are developed in the district. Since 2001 Kremenets-Pochaiv State Historical-Architectural Reserve has been operating.

The district has 2 stadiums, 26 gyms, 78 playgrounds with training equipment, 3 ski jumps and Kremenets toboggan run, on the base of which Kolos children and youth sports school operates.

The area has 12 accommodation institutions, Panorama leisure center has been opened in Kremenets. The number of hotel rooms of simultaneous accommodation covers 728 persons.

1.9. HISTORIES OF SUCCESS

Name of investment project	Initiator of the project	Approximate estimated cost, th. UAH	Designed capacity, in appropriate units	The total number of new working places
Reconstruction of the warehouses and installation of grain collection station on Kremenchanka ALC	Kremenchanka ALC	18000	300-500 tons per day	60
Reconstruction of the mill and modernization of elevator in Kremenets bakery	Kremenets bakery Khlib Ukrainy SJSC	2020	40 tons per day	28
Installation of cutting systems for cutting furniture leather	United Fashion of Ukraine LLC	800	400 items per day	12
Implementation of the project “Development of strawberry cooperatives”	Ecofruits LLC	307.5	1.4 tons per day	13
Construction of production base for liquid fertilizers	Ahrocenter Evrokhim-Ukraine SE	18000	33 tons per day	13

(warehouse of carbomid-ammonia mixture)				
Reconstruction of the production base for the complex for reloading, storage and packaging of granulated fertilizers	Ahrocenter Evrokhim-Ukraine	20000	80 tons per day	7
Shop for producing fuel pellets on the territory of Losyatyn village council, involving EU/UNDP "Community Based Approach to Local Development Project"	Losyatyn village council, Berry Land ASC	265.0	1.2 tons per day	6

CHAPTER II. OFFERS FOR INVESTORS

2.1. PRIORITY AREAS FOR INVESRMENTS

- highly productive agroindustrial complex;
- tourist and recreational complex;
- production of alternative fuels;
- development of winter sports.

2.2. STRATEGIC INVESTMENT PROJECTS

№	Name of the project	Initiator	Approximate cost (mln.UAH)	Payback period	Brief description
1.	Reconstruction of toboggan run and construction of infrastructure objects in Kremenets	Kolos Kremenets children and youth sports school	150 mln. UAH	4 years	The only in Ukraine toboggan run operating all year round. The possibility of creation a Center of Ukraine national teams in winter sports (toboggan, ski jumping, ski biathlon) on the basis of the school.
2.	Arrangement of temporary parking for tourist buses on the territory of Zamkova Mount in Kremenets	Kremenets -Pochaiv State Historical-Architectural Reserve	934.1 th. UAH	5 years	This project will significantly enhance the existing material-technical base, which will facilitate the establishment and development of organized tours in Kremets


3.	Land plots of commercial use (4000m ²)	Chuhali village council	3 mln. UAH	2 years	Construction of vehicle gas filling compressor station
4.	Development of chalk carrier	Staryy Pochaiv village council	500 th. UAH	2-3 years	Reclaimed chalk carrier was used for lime burning, area of 2.2 ha
5.	Ahrotekhservice LLC Enterprise for repair and service of agricultural machinery	Ahrotekh Service LLC	6.2 mln.UAH	year	Multidiscipline enterprise for repair and service of agricultural machinery, tractors, cars, restoration and production of spare parts, production of rubber-technical products for machinery and mechanisms, welding and lathe work, providing services by vehicles. The total area is 7.85 ha, including ponds – 2,000 m ² , garden – 1,500 m ² , paved area 3,000 m ² . Production facilities: tractor workshop –1,700 m ² , car service station –1,450 m ² , restoration shop – 1,000 m ² , warehouses – 4,320 m ² , office building – 600 m ²



2.3. AVAILABLE LAND PLOTS AND REAL ESTATE OBJECTS

Available land plots

Land plot area	Location	Brief description, investment model
0.3 ha	St. Pochaiv, Kremenets district	Land plot for commercial use; available gas-, water-, electricity supply systems; flat relief of the area; construction of industrial objects is possible.
4.5 ha	St. Pochaiv, Kremenets district	Land plot of reserve fund of the village council (arable land). May be used for farming.
2.2 ha	Kremenets district, v. St. Pochaiv	Land plot for reclaimed chalk pit of the village council. Chalk and gypsum mining is possible.
1,000 m ²	Kotovskyy Str., Horynka, Kremenets district	Land plot for commercial use; gas-, water-, electricity supply systems are available.
4,000 m ²	Airport tract, Chuhali village council, Kremenets district	Land plot for commercial use (construction of vehicle gas filling compressor station); gas-, water-, electricity supply systems are available.

1,000 m ²	Kremenets district, v. Horynka, Kotovsky st.	Land plot for commercial use; gas-, water-, electricity supply systems are available.
37.99 ha	Rydomyl, Kremenets district	Land plot for agricultural use for sale or lease.
29.36 ha	Rydomyl, Kremenets district	Land plot for agricultural use for sale or lease.
11.78 ha	Chuhali, Kremenets district	Land plot for agricultural use for sale or lease.
13.43 ha	Haii, Kremenets district	Self-forested pasture – land of village council reserve.
1.5 ha	Hai village council, Kremenets district	Land plot (former collective farm silage pits).
100.0 ha	Ploske village council, Kremenets district	Land plot of reserve fund of the village council (arable lands). May be used for farming.
3.0 ha	Popivtsi village council, Kremenets district	Land plot for agricultural use.
14.9 ha	Komarivka, Kremenets district	Former farmyard – land of village council reserve.
14.0 ha	Budky, Kremenets district	Farmyard – land of village council reserve.
13.9 ha	Budky, Kremenets district	Former car-park – land of village council reserve
100.0 ha	Bilokrynytsya, Kremenets district	Lands of village council reserve – general use. May be used for construction of industrial and trade objects.
23.84 ha	Katerynivka, Kremenets district	Farmyards – land of village council reserve, general use.
0.50 ha	Dunaiv, Kremenets district	Land plot for agricultural purpose. May be used for construction of warehouses.

Area	Location	Brief description
Vacant areas		
18.0 th. m ²	1, Tekstylnykyv Str., Kremenets	 <p>Kremenets powder metallurgy plant PJSC. Purpose of the object – industrial production. There are all engineering networks except of gas supply system. Sale or lease are proposed, price – negotiable. Distance to the railway station – 0.9 km. Land plot area – 2.7 ha.</p>

1.2 th. m ²	Bashuky, Kremenets district	 <p>Tractor workshop. Total area of facilities– 12,040 m². There are electricity and water supply systems. Distance to the railway station – 45 km. Land plot area – 0.6 ha.</p>
12.0 th. m ²	5, Promyslova Str., Pochaiv	 <p>Plastyk Pochaiv factory CE LLC. Specialization of the enterprise – manufacture of plastics (plastic foil, polystyrene sheet, plastic pipes and profiles). Purpose of the object – industrial production. There are all engineering networks except of gas supply system. Sale or lease are proposed, price – negotiable. Private ownership. Distance to the railway station – 25 km. Land ploy area – 9.2 ha.</p>
4.5 th. m ²	Mali Berezhtsi, Kremenets district	<p>Kremenets research and specialized plant LLC. Specialization – production of ventilation systems, machines and equipment for livestock and fodder production. There are all engineering networks except of sewage. Land plot area – 3.5 th. m².</p>
5.6 th. m ²	18, Fabrychna Str., Pochaiv	<p>Ikva Pochaiv factory LLC. Total area – 5,576 m². There are all engineering networks except of gas supply system. Distance to the railway station – 25 km.</p>
1.5 th. m ²	Ploske village council, Kremenets district	<p>Livestock premises (halh-destroyed).</p>
750 m ²	Ploske village council, Kremenets district	<p>Livestock premises (halh-destroyed).</p>
1,000 m ²	Ploske village council, Kremenets district	<p>Premises of grain threshing floor, needs major repairs.</p>

140.0 m ²	Ploske village council, Kremenets district	Premises of former administrative building, needs major repairs.
874.0 m ²	Popivtsy village council, Kremenets district	Tractor garage, needs current repairs.
505.6 m ²	Popivtsy village council, Kremenets district	Premises of grain warehouse, needs current repairs.
1,489 m ²	Popivtsy village council, Kremenets district	Cowshed №1, needs major repairs.
1,688 m ²	Popivtsy village council, Kremenets district	Cowshed №2, needs major repairs.
1,575 m ²	Popivtsy village council, Kremenets district	Cowshed №6, needs major repairs.
568.2 m ²	Popivtsy village council, Kremenets district	Calf-shed №7, needs major repairs.
901.9 m ²	Popivtsy village council, Kremenets district	Calf-shed №4, needs major repairs.
74.6 m ²	Popivtsy village council, Kremenets district	Sawmill building, satisfactory condition.
115.4 m ²	Popivtsy village council, Kremenets district	Premises of artificial insemination, needs major repairs.
530.0 m ²	Stary Pochaiv village council, Kremenets district	Premises of fruit recycling shop and laboratory, satisfactory condition.
40.0 m ²	Shpykolosy village council, Kremenets district	Administrative building of village council, needs current repairs.

CHAPTER III. CONTACT INFORMATION

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