



# INVESTMENT PASSPORT OF PIDVOLOCHYSK DISTRICT, TERNOPIL REGION



2015

Investment passport of Pidvolochysk district was composed by the Department of economic development of Pidvolochysk District Administration. It contains the qualitative, current and complete information about the competitive advantages, investment opportunities of the district, and aims at the opening and realization of its investment potential.

We hope that this edition will not only be the source of information for business, but allows to increase the investment attractiveness of our district. It will also become an effective instrument for establishing business contacts with the potential investors and contribute to the adoption of positive decisions on investments on the territory of Pidvolochysk district.

***Pidvolochysk District***

***State Administration***

## COMPETITIVE ADVANTAGES OF THE DISTRICT

- **Advantageous geographical position:** a Kyiv-Lviv motorway of the state importance and Lviv railway pass through the district
- **Favourable natural and climatic conditions** for realization of investment projects in agriculture
- **Considerable potential of natural resources:** 62,835 hectares of arable lands, 1,022 hectares of ponds, 4,297 hectares of forests
- **Unique tourist potential:** unique historical, cultural and architectural memorials
- **High scientific and educational potential:** availability of the construction lyceum, vocational school and gymnasium
- **Potential of labour resources:** 24 thousand of economically active population of working age

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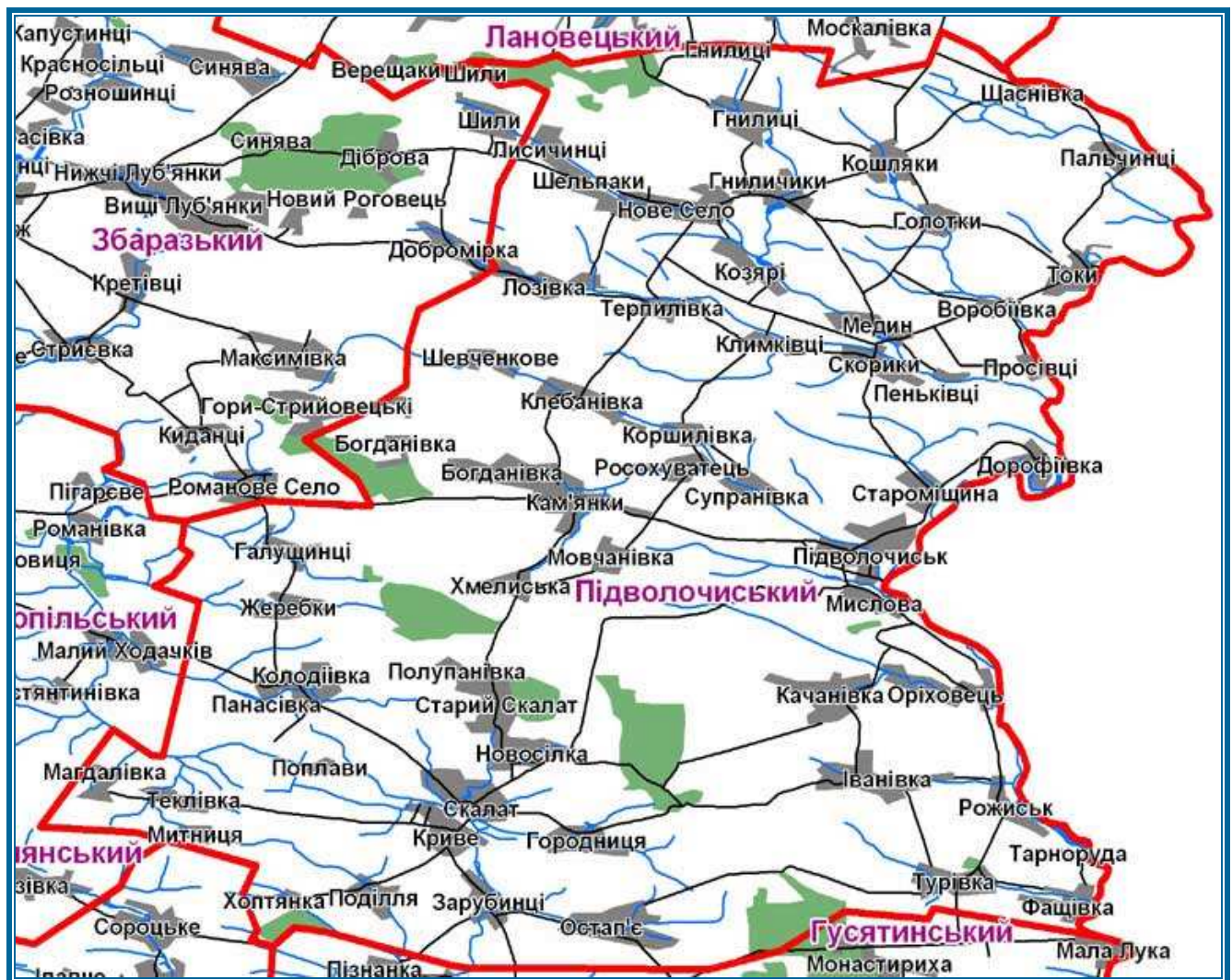
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# SECTION I. CHARACTERISTICS OF THE DISTRICT

## 1.1. NATURAL, GEOGRAPHIC AND CLIMATIC CONDITIONS



Pidvolochysk district is located in the south of Ternopil Region. It borders with Husyatyn, Terebovlya, Ternopil, Zbarazh, Lanivtsi districts and Khmelnytsky Region – to the east. The length of the district from the north to the south is 40 km, from the east to the west – 29 km. The territory of the district lies on the Podillya Plateau, based on the Volhyn-Podillya Uplands. The total height above the sea level of the territory is about 3000-4000 m. The Tovtry Ridge, which is known as Medobory Mountains, goes through the Volhyn-Podillya Uplands. It is a unique geological and botanical nature monument of national importance. The Pidvolochysk district has an area of 837 km<sup>2</sup> (83,700 hectares).

The longest river in the district is Zbruch – the second longest tributary of Dniester River.

## 1.2. DEMOGRAPHY AND HUMAN RESOURCES

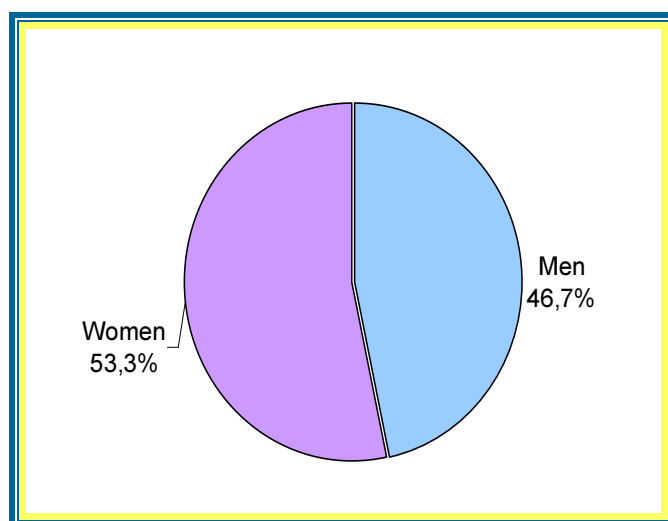
The district consists of one township, one town and 34 village council.

The administrative centre is situated in the eastern part of the district. Pidvolochysk township is located on the right bank of the river Zbruch, 42 km far from the regional centre.

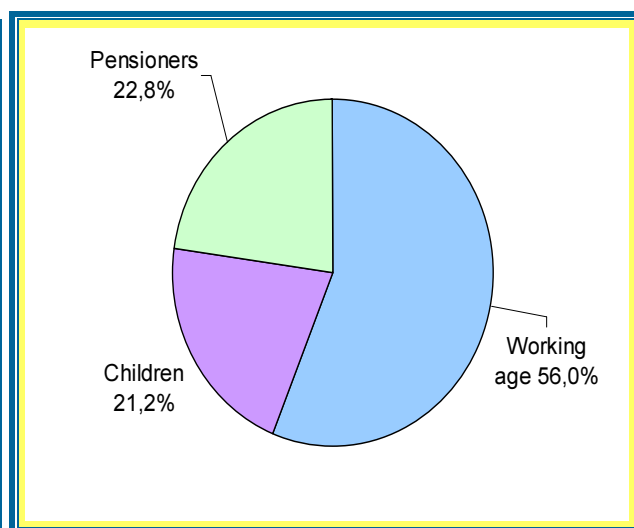
The population of the district is 48,083 people, including 12,119 people of urban population and 30,964 of village population.

Age category	The total number of people	Men	Women
Children	9,142	4,827	4,315
Working age population	24,139	12,045	12,094
Pensioners	9,802	3,236	6,566
Total	43,083	20,108 (46,7%)	22,975 (53,3%)

**Sex Structure**



**Age Structure**



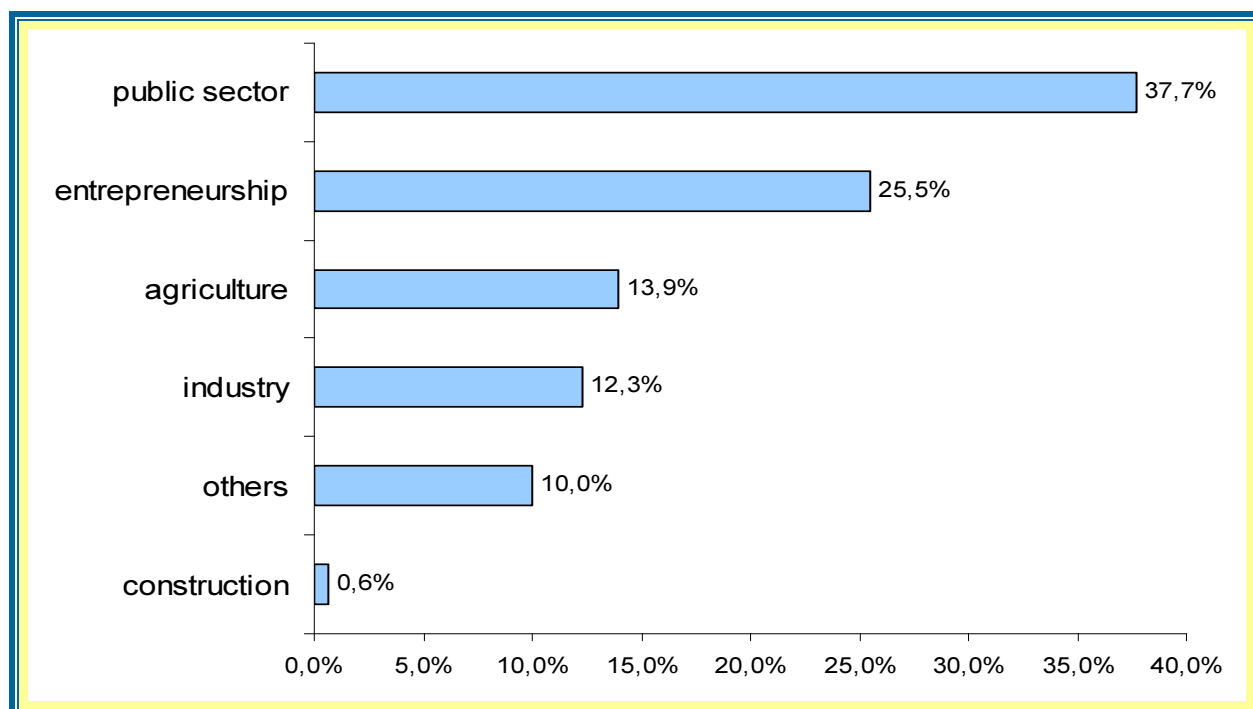
The ratio of rural and urban population out of the total quantity is:  
urban population – 28.1%, rural – 71.9%.

Economy of the district employs 6.5 th. people.

In terms of sectors	Number of employees	% of the total number of employees
industry	800	12.3
agriculture	900	13.9
construction	41	0.6
entrepreneurship	1,655	25.5
public sector	2,476	37.7
others	628	10.0
<b>Total</b>	<b>6,500</b>	<b>100</b>



## The structure of employees by economic activities



### 1.3. RAW MATERIALS POTENTIAL

#### Land resources

The most spread soils on the territory of district are:

- deep black soils with low humus, the area of which is 51.5 thousand hectares, or 75.4% of the examined territory;
- ashed and dark-gray ashed black soils make up the area of 9.8 thousand hectares, or 14.3 %;
- light-gray and gray-ashed soils – 378 hectares, or 0.6%;
- meadow soils – 4.3 thousand hectares, or 6.3%;
- marsh and peat marsh soils – 2,362 hectares, or 3.4%.

All land resources are developed in the district.

There is a recreation zone (5 hectares) on the territory of Novosilka village, on the basis of which a recreation base can be organized.

#### Forest resources

The area of all forest plantations is 4,297 hectares, including 3,190 ha. of the forests of protective value. From the economic point of view, the forests of the district belong to the forests of the first group. The organization of economic activity aims, first of all, at preservation and improvement of water conservative, soil protective, sanitary and hygienic, aesthetic and other useful functions of the plantations.

The main part of the forests in the district is composed by the artificial plantations of pine mixed with shrubs, which are created on the ravine beam systems. There are also hornbeam groves with different species composition. They are young and middle-aged plantations of the first and the second thinness. The forest cover is mixed.

### Water resources

The largest river in Pidvolochysk district is Zbruch. It is the second longest tributary of Dniester river in Ternopil region.

The total area of ponds is 1,022 ha.

### Mineral resources

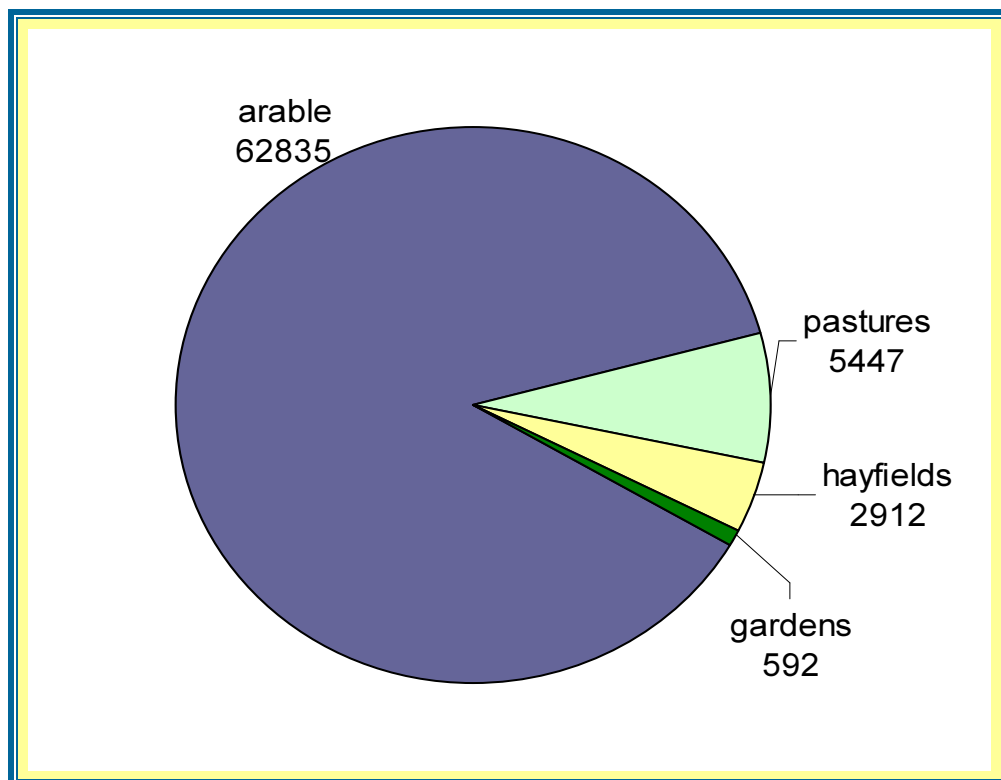
Among the mineral resources of the district the most common are construction materials. Such as carbonate rocks, sandstone, loess-like loams. The most widespread are carbonate rocks which are represented by limestone. There are 11 deposits of limestone in the Towtry ridge with the depth of 60m. on the territory of the district: the deposits in Halushchyntsi (900 thousand m<sup>3</sup>), Kamyanky and Khmelysk (1,400 m<sup>3</sup>), Staryy Skalat (500 m<sup>3</sup>), Horodnytsya (450 thousand m<sup>3</sup>), Ostapye (500m<sup>3</sup>).

2 deposits of sand are explored in Hnylytsi (210 thousand m<sup>3</sup>) and Shelpaky (300 thousand m<sup>3</sup>). The deposits of quaternary loess-like loams are used for producing bricks. The largest of them are in Nove Selo (220 thousand m<sup>3</sup>), Koshlyaky (200 thousand m<sup>3</sup>), Zarubyntsi (160 thousand m<sup>3</sup>), Kachanivka (150 thousand m<sup>3</sup>)

### The list of business entities which perform the processing of minerals (construction materials industry) or export them out outside the region:

- Novosilka Carrier LLC – the extraction of construction stone;
- Polupanivka affiliate of Mining Industry IC LLC – the extraction and realization of construction stone outside the region;
- Horodnytsya Carrier LLC, Keramis LLC – the development of Toky deposit of loams and production of bricks.

### Agricultural resources (ha)





## 1.4. MAJOR INDICATORS OF ECONOMIC AND SOCIAL DEVELOPMENT

Name of index	Units of measurement	2013	2014
1	2	3	4
Volume of sold industrial output	mln. UAH	218.535	288.0309
Volume of livestock production	mln. UAH	157.491	160.081
Volume of crop production	mln. UAH	478.117	594.667
Volume of direct foreign investments	th. USD	511.2	318.7
Volume of capital investments	mln. UAH	56.5	103.0
Volume of completed construction works	mln. UAH	1.1	1.157
Volume of export	mln USD	0.450	1.892
Volume of import	mln USD	1.350	1.300
Volume of retail turnover	mln. UAH	48.2	53.0
Volume of the service sales	mln. UAH	20.2	8.3
Size of average monthly wage	UAH	2,254	2,220
Number of administrative services provided by the center for such services	units	26	693

## 1.5. ECONOMIC POTENTIAL

The **priority areas** of economic development and, accordingly, of investment complex in the district, is the development of industrial and social infrastructure of local and all-regional importance, increase in volumes of investments in priority sectors of economy, assistance in creation and introduction of innovations, resource and energy saving technologies, quality management systems and environmental management, assistance in development of small and middle enterprises, advancement of competitive advantages and investment projects of regional scale.

**Based on these priorities, the most important investment areas are:**

- **high-tech industrial complex** (introduction of resource and energy saving technologies, development of new competitive, investment and import substitutive industrial products);
- **transport and logistics** (building of objects of roadside infrastructure, trade- and transport-logistics centers, including wholesale agricultural market, renewal of rolling stock and logistical support of transport and service enterprises);
- **development of mineral resources base** (construction of new and reconstruction of operating enterprises of construction materials industry);
- **agriculture** (large-scale agricultural production, technical re-equipment of agricultural enterprises, development of mixed fodder industry, creation of the ramified service infrastructure);
- **tourism and recreation** (building of objects of tourist and recreational infrastructure, creation and advancement of new tourist products in the field of cognitive, sacral, adventure, thematic and eco-tourism, preservation and restoration of objects of historical and cultural heritage, support of artistic, cultural potential of district, customs and traditions).

**The volume of foreign trade turnover is 3.2 million dollars.**

**Import – 1.3 million dollars.**

**Export – 1.9 million dollars.**

#### **The largest enterprises with foreign investments**

<b>Enterprise</b>	<b>Country</b>	<b>The share of foreign capital in the statutory fund</b>
Evrolis LLC	Bulgaria	0.1%
Antin LLC	Germany	15.2%
Antares LLC Tekosom Ukraine LLC	Sweden	31.4%
Ukrital LLS	Italy	3.4%
Novosilka Carrier LLC	Cyprus	33.5%
Crocus LLC	Poland	12.5%

## **1.6. TRANSPORT INFRASTRUCTURE**

**Distance to the regional center – 42 km.**

**Operational length (km):**

- motorways of state value – 16.1 km., and of local value – 274.8 km, including with hard surface – 281.2 km.

**Number of bridges:**

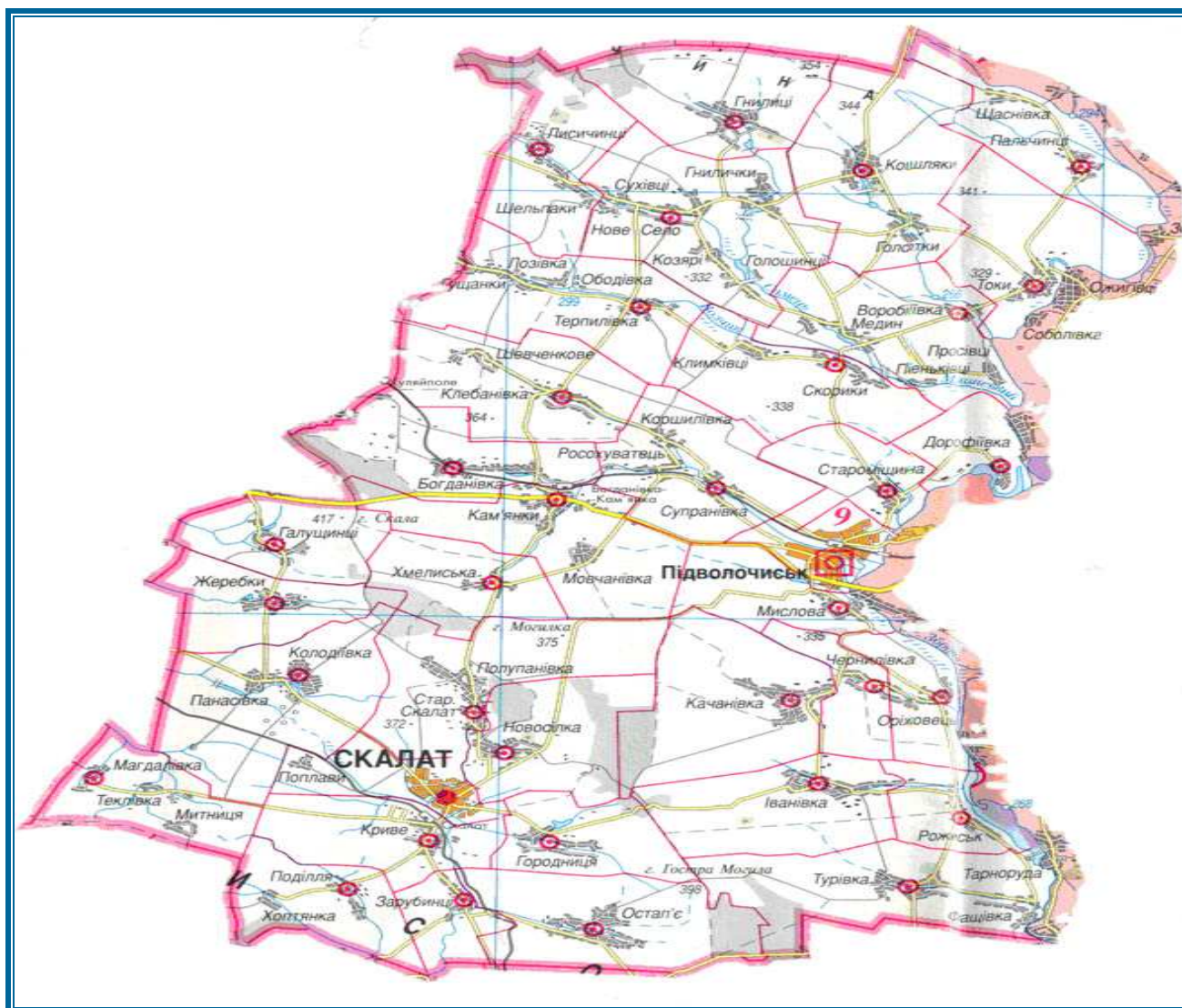
- automobile – 57 units, 519 running meters; 338 pipes – 4419 m;

- railway – 12 units.

Kyiv-Lviv motorway of state value and Lviv railway pass through the district.

In 2014 28 thousand tons of loads were transported by automobile transport.

Passenger transport services in 2014 benefited 1,106 thousand passengers. It realized services in the amount of 8.3 million hrn.



## 1.7. EDUCATION

Educational institutions	Number	Location
secondary schools	15	settlements of district
middle schools	19	settlements of district
school-gymnasium	1	Pidvolochysk
boarding-school	1	Nove Selo
schoolboy houses	2	Pidvolochysk, Skalat
child and youth sport schools	2	Pidvolochysk, Skalat
interschool educational-productive combines	2	Nove Selo, Kamyanky

There are also 2 vocational educational institutions in the district:

- Pidvolochysk vocational lyceum, with specializations: tailor, carpenter-builder, parquet stecker, computer operator, radiomechanic, cook, waiter-bartender, car mechanic. 127 specialists finished the lyceum in 2014.

- Skalat vocational school No.23, with specializations: clerical employees, CMM-operators, cook-confectioner, electric welder, car-driver, tractor-driver, agricultural machinery mechanic, cook-waiter, bartender. 116 specialists finished the school in 2014.

## 1.8. SOCIAL AND CULTURAL SPHERE

### Medical institutions

Institutions	Number	Location
Central district hospital	1	Pidvolochysk
Skalat communal district hospital	1	Skalat
Center of primary medical and sanitary care	1	Pidvolochysk
Ambulatories for General Practice Family Medicine	12	villages of district
First aid stations	9	villages of district
Rural medicinal ambulatories	8	villages of district
Pharmacies and pharmaceutical stations	15	Skalat, Pidvolochysk, villages of district
Dental offices	5	Skalat, Pidvolochysk, Kachanivka, Toky

### Cultural institutions

Institutions	Number	Location
Clubs	59	settlements of district
including: district cultural house	1	Pidvolochysk
city cultural house	1	Skalat
rural cultural houses	22	villages of district
rural clubs	35	villages of district
libraries	44	settlements of district
including: district library	1	Pidvolochysk
city library	1	Skalat
district children's	1	Pidvolochysk
city children's library	1	Skalat
rural libraries	40	villages of district
schools of aesthetic education	5	Koshlyaky, Nove Selo, Pidvolochysk, Skalat
local history museum	1	Pidvolochysk
<b>total:</b>	<b>109</b>	

## Physical training and sports

Institutions	Number	Location
stadiums for 1,500 seats	2	Pidvolochysk, Skalat
flat sports facilities:	114	settlements of district
including, playgrounds with fitness equipment	23	settlements of district
tennis courts	1	Pidvolochysk
football fields	26	villages of district
sports ground with artificial surface	1	Pidvolochysk
other sports grounds	64	settlements of district
gyms (162 m <sup>2</sup> )	25	settlements of district
shooting range	1	Pidvolochysk

### CYSS's (2):

- students engaged, total – 508 (113 girls);
- training groups, total – 33 (Pidvolochysk CYSS – 18, Skalat CYSS – 15);
- coaches – 18 (11 staff);
- CYSS subsidiaries (branches) – Kolodiivka, Horodnytsya, Bohdanivka.

### Tourism

Skalat is widely known since 1564, and in 1600 it was considered as a town and gained Magdeburg rights. Skalat fortress is one of the most expressive fortresses of such a type in Podillya, built in 1630-1634. Until now the attention is attracted by four high towers with battlements under the red tiles. Fragments of wall and dry moat, the underground galleries still preserved.

An important historical monument is a castle in Toky village, which has partially preserved since XVI century. The castle is located in the middle of the reservoir.

A church in Skoryky village was built in XVII century with the support of Ukrainian Hetman Bohdan Khmelnytsky. An iconostasis donated by the Hetman and preserved till nowadays is one of the most original compositions in Ukraine.

Holly Mount in Polupanivka village is one of the most popular places of pilgrimage far outside the district; it is a place of Virgin Mary appearance. With the efforts of RCC and UAOC KP church communities, a symbolic Stations of the Cross was created on the mount.

OUN and UPA Museum, founded in 1992, also functions in Pidvolochysk. To famous ancient settlements since XIV century belong Nove Selo, Staromishchyna, Klebanivka, Hnylytsi, and Medyn.

Tourist's attention attracts Les Kurbas Regional Memorial Estate-Museum in Staryy Skalat.

There is a Monastery of Studite statute in Kolodiivka village. Large amounts of pilgrims from the whole Ukraine comes there for prayer.

## 1.9. HISTORIES OF SUCCESS

Name and nature of the project	Initiator of the project
Putting into operation of Fortuna bar-restaurant for 160 seats	private entrepreneur
Putting into operation of Aylend shop with trading area of 150 m <sup>2</sup>	private entrepreneur
Laying of orchards on the territory of 221.44 ha.	private associations
Putting into operation of a shop for the production of cereals and soy oil on Skala Dar LLC.	private enterprise
Implementation of 2 phases of EU/UNDP “Community Based Approach to Local Development Project” (repairs of windows, doors, roof in 7 schools and a kindergarten, rural medicinal ambulatory in Hnylytsi, water supply system in Kamyanky, mill in Koshlyaky).	public organizations



## SECTION II. PROPOSALS FOR INVESTORS

### 2.1. PRIORITY BRANCHES FOR INVESTMENT

#### Competitive advantages:

- **Favorable geopolitical location of the district** (the center of Western Ukraine, a gateway to the south, north, center and east of Ukraine, distance to the neighboring regional centers – 110-170 km, to the capital – Kyiv city – 500 km, to the border with Poland, Slovakia, Hungary and Romania – from 220 to 350 km, rail and road transport corridors pass through the district);

- **Significant natural-resource potential** (73.6 thousand hectares of highly productive arable land, significant deposits of mineral waters, and nonmetallic minerals);

- **Unique tourist and recreational potential:** Skalat fortress is one of the most expressive fortresses of such a type in Podillya, built in 1630-1634. Until now the attention is attracted by four high towers with battlements under the red tiles. Fragments of wall and dry moat, the underground galleries still preserved. The reconstruction of the fortress is currently made.

#### Priority sectors for investment are:

1. **Food industry** (dairy and cannery for processing fruits and vegetables).

2. **Tourist industry** (development of tourism infrastructure).


### 2.2. STRATEGIC INVESTMENT PROJECTS

No.	Name of project proposals	Initiator	Approximate cost (mln. UAH).	Payback period	Brief description
1.	Milk factory	Village Council	-	-	For processing of raw materials from agricultural enterprises and the population of the district (15 thousand tons per year)
2.	Canning plant	Entrepreneur	-	-	For processing of fruits and vegetables grown by enterprises and the population of the district (about 10 thousand tons per year)

## 2.3. FREE LAND PLOTS AND REAL ESTATE OBJECTS

Municipal facilities that can be offered under the public-private partnership program

Name of the project or object for public-private partnership program	Proposed form of public-private partnership program	Sphere of the implementation of public-private partnership program	Scope of attracted non-state investment for the project or object according to economic justification	Form and scope of proposed state support
Reconstruction of the sewage treatment plants in Pidvolochysk	Under the terms of the municipal enterprise		15 mln. UAN	

Area	Location	Short description
<i>Real estate objects</i>		
6,600 m <sup>2</sup>	D.Halytskoho Str., Pidvolochysk,.	<p>Pidvolochysk plastic products factory. The purpose of the object – production of plastic products. The area of production premises – 3,860 m<sup>2</sup>. There are all engineering networks. Rent and joint venture are proposed. Price is negotiable. Ownership - private, land ownership – state.</p> 
<i>Land plots</i>		
6 ha	Lysenko Str., Pidvolochysk	<p>A fertile soil layer was withdrawn, reinforced concrete structures were established for construction of a workshop by previous land user – Veda plant. Land plot for industrial use. Distance to the motorway – 0.05 km., to the nearest railway station – 2 km., to Ternopil city – 38 km.</p>

## **SECTOR III. CONTACT INFORMATION**

### **PIDVOLOCHYSK DISTRICT STATE ADMINISTRATION**

80 D.Halytskoho Str., Pidvolochysk, Ternopil region, 47800

Tel.: +38 (03543) 02-12-78; 2-24-92; Fax: +38 (03543) 02-12-56,

e-mail: pidvol\_rda@ukr.net

web-site: <http://www.oda.te.gov.ua/pidvolochyska>

### **DEPARTMENT OF ECONOMIC DEVELOPMENT OF PIDVOLOCHYSK DISTRICT STATE ADMINISTRATION**

80 D.Halytskoho Str., Pidvolochysk, Ternopil region, 47800

Tel.: +38 (03543) 02-12-78; 2-24-92; Fax: +38 (03543) 02-12-56

e-mail: ekon\_pidv@ukr.net