



PROGRAMME FUNDED BY THE EU

STATE AGENCY FOR INVESTMENT
AND NATIONAL PROJECTS OF UKRAINE



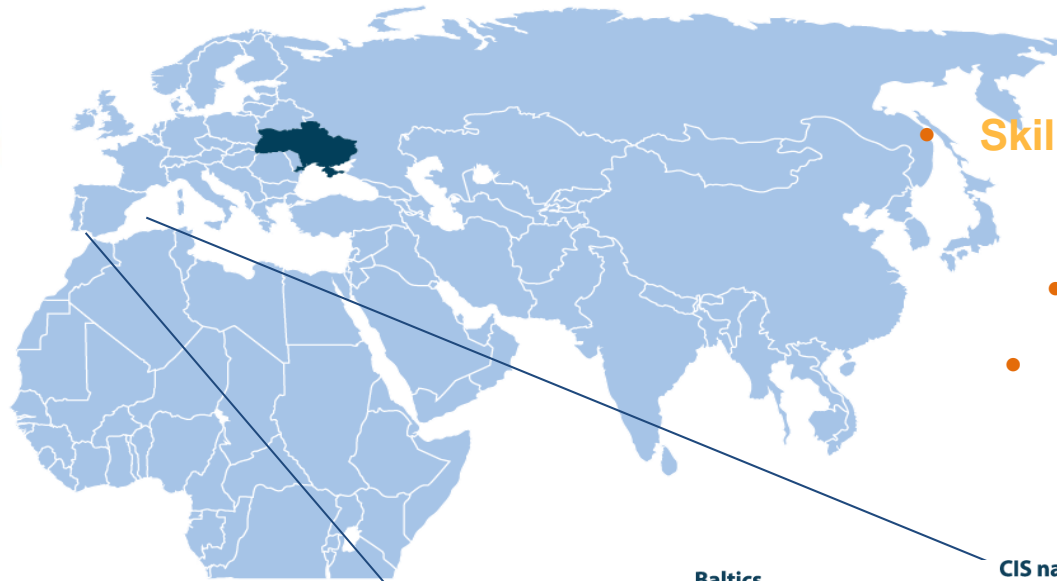
UKRAINE

Investment Destination

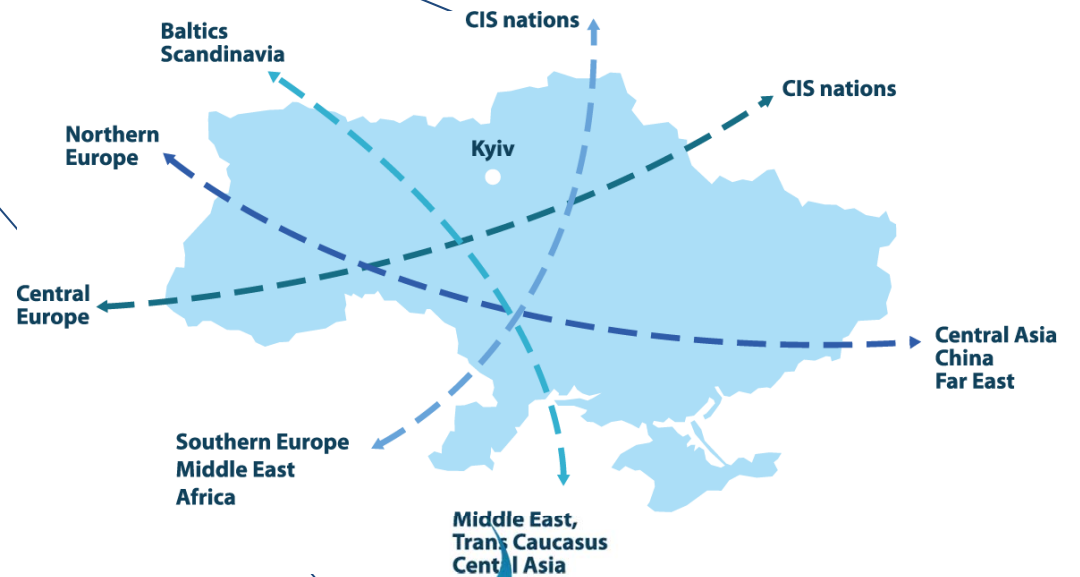


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What is Ukraine?



- Strategic location
- Skilled and competitive labor force
- Rich natural resources
- Developed infrastructure
- Liberal trade regime



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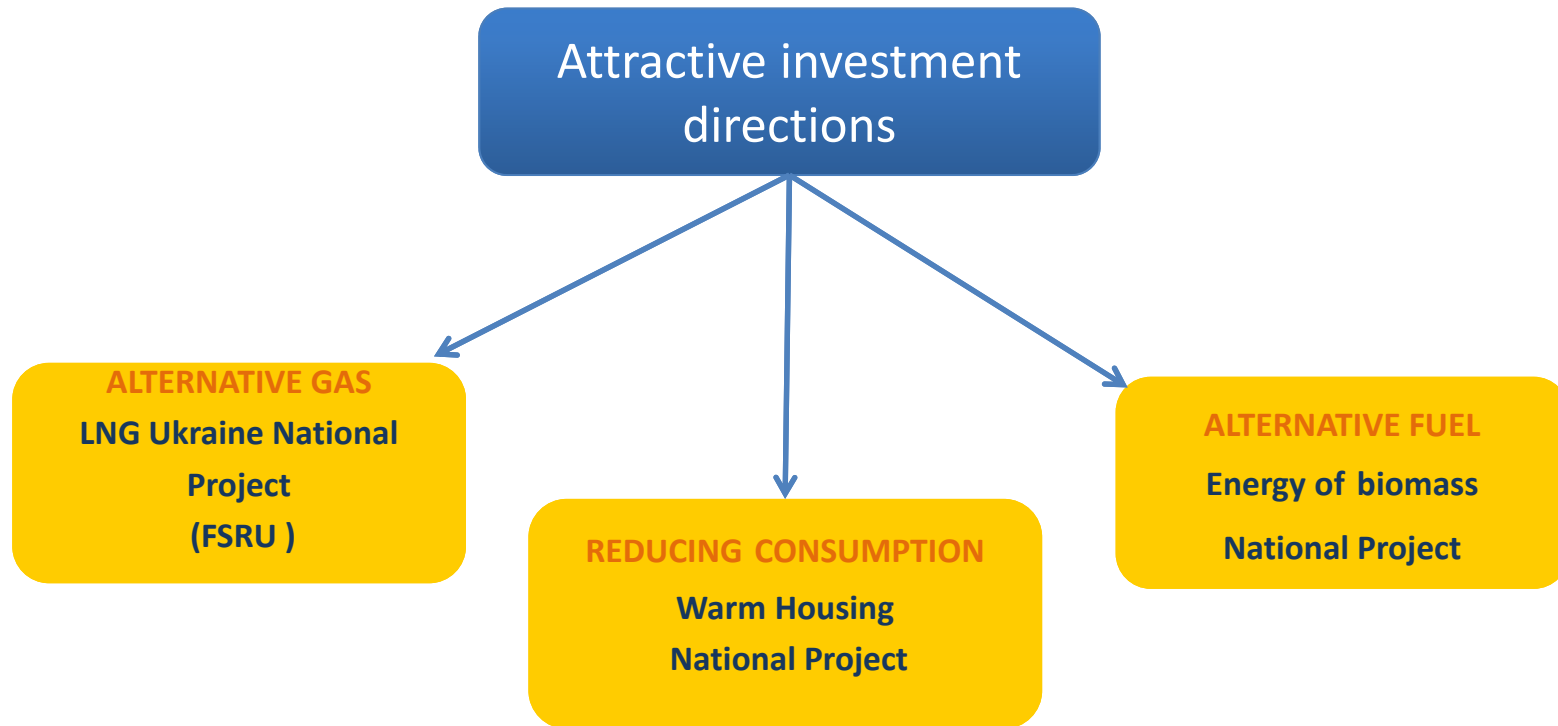




National Projects in Energy Sector - priority areas

- **Ukraine is the largest energy consumer in Europe**

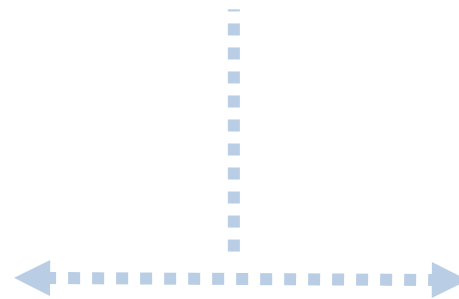
(Specific energy consumption of Ukraine (\$ 1 of GDP) above the: UK - 4.8 times, Turkey- 3.8 times, Poland - in 3.0 times, Belarus - 1.8 times, Russia - 1.3 times)



State Agency for Investment and National Projects of Ukraine as a tool

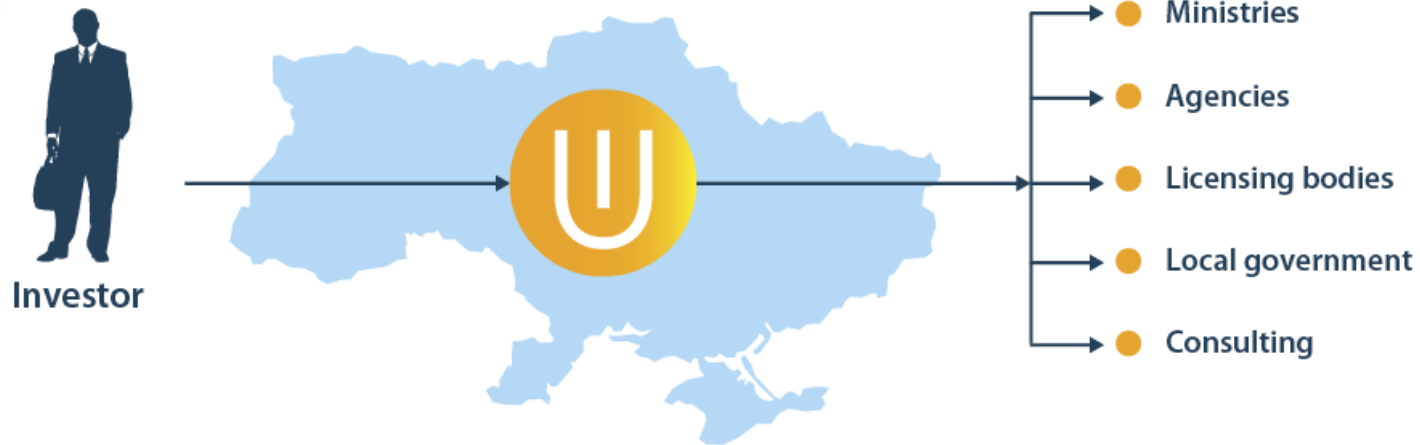


State Agency for Investment and National Projects of Ukraine





"One-Stop Shop": how it works



- ✓ Information services
- ✓ Setting up assistance and Government Relations
- ✓ Pre-investment support
- ✓ Aftercare

Expected time to market– 6-9 months

Alternative gas LNG Ukraine (FSRU) National Project



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**FSRU vessel, capacity
- 5 bcm / year**



- Underground gas storage capacity of 32 bcm;



- Carrying capacity across Europe of 142 bcm/year;



- Access to European markets (18 countries);



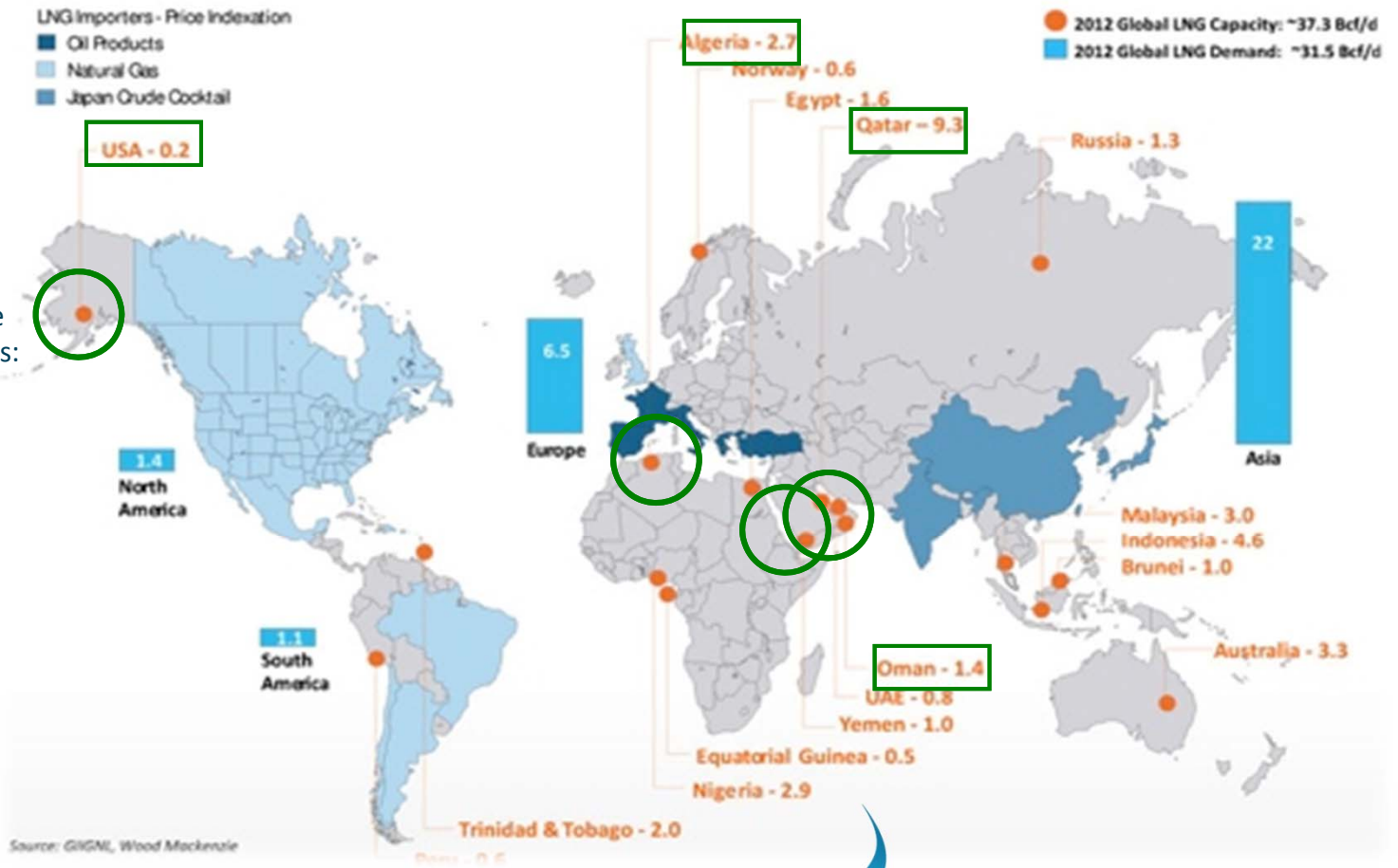
-- Country gas network coverage ~ 90%



Alternative gas LNG Ukraine (FSRU) National Project



2012 Global LNG Supply & Demand



Ukraine is considering the following options:

- ✓Algeria
- ✓Oman
- ✓Qatar
- ✓USA

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Reducing consumption **Warm Housing National Project**



COMPONENT 1:

insulation and modernization of heat distribution networks and boiler houses

following the example of Germany, Poland.



COMPONENT 2:

rubbish recycling complex, syngas of household rubbish, and modernization of heat distribution networks

following the example of the USA, South Korea.



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Goals of the National project

/3.5 bln m³ per year of gas saving in Housing Economy and its 100% import substitution (**\$ 1.4 bln**);

/investment potential and **reform** in Housing Economy;

/reduction of heat losses to 65% in housing and communal services - (**\$ 2.89 billion**).



Alternative fuel **Energy of biomass** National Project



Project description

Creating a vertically integrated set of power and heat in renewables, in order to replace gas consumption by 80 million m³ per year.

Components

- ✓ Creating a **nursery energy willow** (400 ha)
- ✓ Establishment of **plantations** for the cultivation of energy willow (50 ha)
- ✓ **Building 7 pelletizing plant** (approximately 150 thousand tons / year)
- ✓ Upgrade CHP 3 (6 MW each), building 4 HPP (12 MW each) over 2 years

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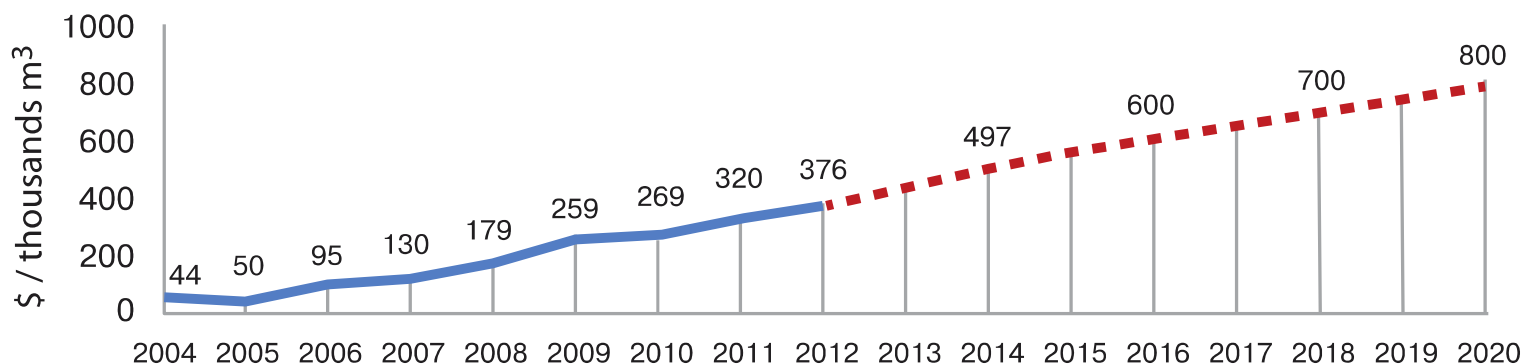
Alternative fuel **Energy of the biomass** National Project



Reasons for the project

- Energy Strategy of Ukraine till 2030.
- 250 CHPs in Ukraine, which do not meet current environmental requirements and standards.
- The main fuel for CHP - natural gas (80%).

Dynamics of prices of natural gas forecast up to 2020
(according to ESCO «Environmental Systems» for 2011)



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Thank you

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