

2026

**Mykolaiv Region in
frontline conditions:
current situation, business
environment support and
investment opportunities**

Contents

ABBREVIATIONS AND ACRONYMS	2
KEY FINDINGS	4
SECTION 1. TERRITORIAL AND DEMOGRAPHIC PROFILE OF MYKOLAIV REGION: THE IMPACT OF THE WAR, SOCIAL TRENDS AND THE BUSINESS CONTEXT	5
SECTION 2. BUSINESS ENVIRONMENT AND ECONOMIC STRUCTURE OF MYKOLAIV REGION	8
SECTION 3. BUSINESS SUPPORT PROGRAMMES IN FRONTLINE REGIONS WITH A FOCUS ON MYKOLAIV REGION: CURRENT STATUS AND RECOMMENDATIONS FOR IMPROVEMENT	13
3.1. REVIEW OF RELEVANT BUSINESS SUPPORT PROGRAMMES IN MYKOLAIV REGION	13
3.2. EVALUATION OF PROGRAMME EFFECTIVENESS AND IDENTIFICATION OF BUSINESS NEEDS BASED ON A SURVEY OF THE BUSINESS COMMUNITY IN MYKOLAIV REGION	17
SECTION 4. INTERNATIONAL PRACTICES OF BUSINESS SUPPORT IN REGIONS CLOSE TO HOSTILITIES	20
SECTION 5. INVESTMENT POTENTIAL OF THE MYKOLAIV REGION	22
5.1. OVERVIEW OF THE REGION'S STRATEGIC INITIATIVES AND PRIORITY AREAS FOR INVESTMENT	22
5.2. BUSINESS SECTOR: EXAMPLES OF INVESTMENT PROJECTS	28
5.3. CURRENT PRIVATISATION OBJECTS AS A TOOL FOR ATTRACTING INVESTMENT TO THE MYKOLAIV REGION	31
ANNEXES: INVESTMENT PROJECT TEASERS WITH A FOCUS ON MYKOLAIV REGION	33

Abbreviations and acronyms

AIC	Agro-Industrial Complex
BP	Banking Product
CHP	Combined Heat and Power Plant
EU	European Union
FS	Feasibility Study
IDP	Internally Displaced Persons
IE	Individual Entrepreneur
IOM	International Organisation for Migration
IP	Industrial Park
JSC	Joint Stock Company
KSE	Kyiv School of Economics
LLC	Limited Liability Company
MSME	Micro, Small, and Medium-sized Enterprises
PE	Private Enterprise
PJSC	Private Joint Stock Company
PPP	Public-Private Partnership
PrJSC	Private Joint Stock Company
RDNA	Rapid Damage and Needs Assessment
RMA	Regional Military Administration
SME	Small, and Medium-sized Enterprises
SPP	Solar Power Plant
TC	Territorial Community
UN	the United Nations
WPP	Wind Power Plants

Disclaimer

The analytical review of Mykolaiv Region, with a focus on investment capacity during the period of the full-scale invasion of Ukraine by the Russian Federation, prepared by KSE Institute, highlights the current socio-economic situation of Mykolaiv Region, the impact of military actions on the region, and its capacity to carry out investment activities.

The purpose of the presented analysis is to provide a practical understanding for: representatives of state and local authorities - regarding possible areas for improving business support programmes in frontline territories; potential investors and banking institutions - regarding promising areas and forms of investment; and initiators of investment projects - regarding available opportunities for promoting their own initiatives.

The information presented in this review is obtained from sources that KSE Institute considers reliable and has been processed with due attention to accuracy. At the same time, KSE Institute does not guarantee the completeness or timeliness of all data provided. The opinions and assessments expressed in this publication reflect the position of KSE Institute at the time of publication.

When using, quoting, or distributing the materials of this review, reference to KSE Institute as the source is mandatory. Readers are encouraged to independently assess the presented materials and to form their own conclusions before making any managerial, investment, or financial decisions. KSE Institute, its management, employees, and related parties bear no liability for any actions, decisions, direct or indirect losses, or damages that may arise as a result of the use of the information set out in this review.

KEY FINDINGS

■ Over recent years, Mykolaiv Region **has undergone a structural transformation**: from a key southern region with strong export potential to a strategically important frontline region combining security challenges with the need to preserve economic activity and to adapt production and logistics chains.

■ The temporary occupation of part of the region's territory, as well as the proximity of other areas to the zone of active hostilities, led to the **destruction of economic and logistics links**, which in turn resulted in a **decline in economic activity and a deterioration of the business climate**.

■ At the same time, as of the end of 2025, **a partial recovery of economic activity is observed**, primarily driven by small and medium-sized enterprises, which demonstrate greater flexibility and a higher capacity to adapt to the conditions of a wartime economy. Large businesses remain in a difficult situation due to limited access to stable logistics routes, a shortage of qualified personnel, and high war-related risks, which constrain recovery and active investment activity.

■ Existing business support programmes in frontline regions are largely oriented towards **small and medium-sized enterprises**, primarily with the support of international donors, enabling entrepreneurs to cover **immediate operational needs**. **Large businesses require comprehensive support programmes** that would combine accessible financial instruments, preferential operating conditions, acceptable mechanisms for war-risk insurance, as well as measures aimed at restoring sales markets, returning labour resources, and rehabilitating logistics infrastructure.

■ The efforts of local authorities are primarily **focused on countering ongoing enemy attacks, restoring damaged infrastructure, and maintaining the basic socio-economic functioning of the region**. At the same time, a strategic vision for development up to 2028 is being formed in the region; however, the implementation of the declared objectives directly depends on the stabilisation of the security situation and the mobilisation of significant financial resources, including international assistance and private investment.

■ The available information, including data on the region's investment opportunities and the number of available investment projects, reflects only part of the region's actual investment potential.

■ To enhance the region's investment attractiveness, it is recommended that local authorities **actively inform businesses about available investment opportunities and ways to promote projects to potential investors, in particular through the publication of projects on the [Investment Portal](#) and participation in investment recovery conferences**.

SECTION 1. TERRITORIAL AND DEMOGRAPHIC PROFILE OF MYKOLAIV REGION: THE IMPACT OF THE WAR, SOCIAL TRENDS AND THE BUSINESS CONTEXT

Mykolaiv Region is located in the south of Ukraine and borders four regions (to the west – Odesa Region, to the north – Kirovohrad Region, to the east and north-east – Dnipropetrovsk Region, and to the south-east – Kherson Region). To the south, it is washed by the waters of the Black Sea. Following the implementation of the decentralisation reform, **the administrative structure of Mykolaiv Region** was updated: at present, the region is divided into **four enlarged districts**, within which **52 territorial communities** have been formed.

Prior to the full-scale invasion, Mykolaiv Region was **one of the key southern regions with high economic, logistics and human potential**, shaped by its **unique geographical location** and **diversified economic base**. The region had a balanced economic structure, with the development of the **industrial sector** (shipbuilding, mechanical engineering and metallurgy), **agricultural production, tourism, the services market**, light industry and trade. A significant role was played by the **transport and logistics complex** due to the presence of **large seaports**. Dynamic development was ensured by **the region's substantial area (24,598 km²)** and a population of more than **1 mln people**, which formed a labour pool, a local consumer market and stable domestic demand. Following the decentralisation reform, the key cities – Mykolaiv, Pervomaisk, Voznesensk, Ochakiv, Yuzhnoukrainsk and Bashtanka – became **centres of business activity**, balancing the distribution of human capital and economic activity among territorial communities¹.

The full-scale war has had a profound impact on Mykolaiv Region, which has become an extremely important frontline southern hub. As one of the key logistics hubs, the region has suffered significant destruction and changes in its economic, political and social life. For a considerable period, the Region was the scene of intensive hostilities; a substantial part of its south-eastern territory was temporarily occupied in 2022, while the remaining territory was subjected to constant shelling and extensive destruction.

As of December 2025, **the list of territorial communities** of Mykolaiv Region in which hostilities **are being conducted or were conducted, or which are under temporary occupation**, includes settlements in **16 communities**. Among them, the villages of Pokrovske, Pokrovka and Vasylivka, which are part of the Ochakiv City Territorial Community, remain temporarily occupied².

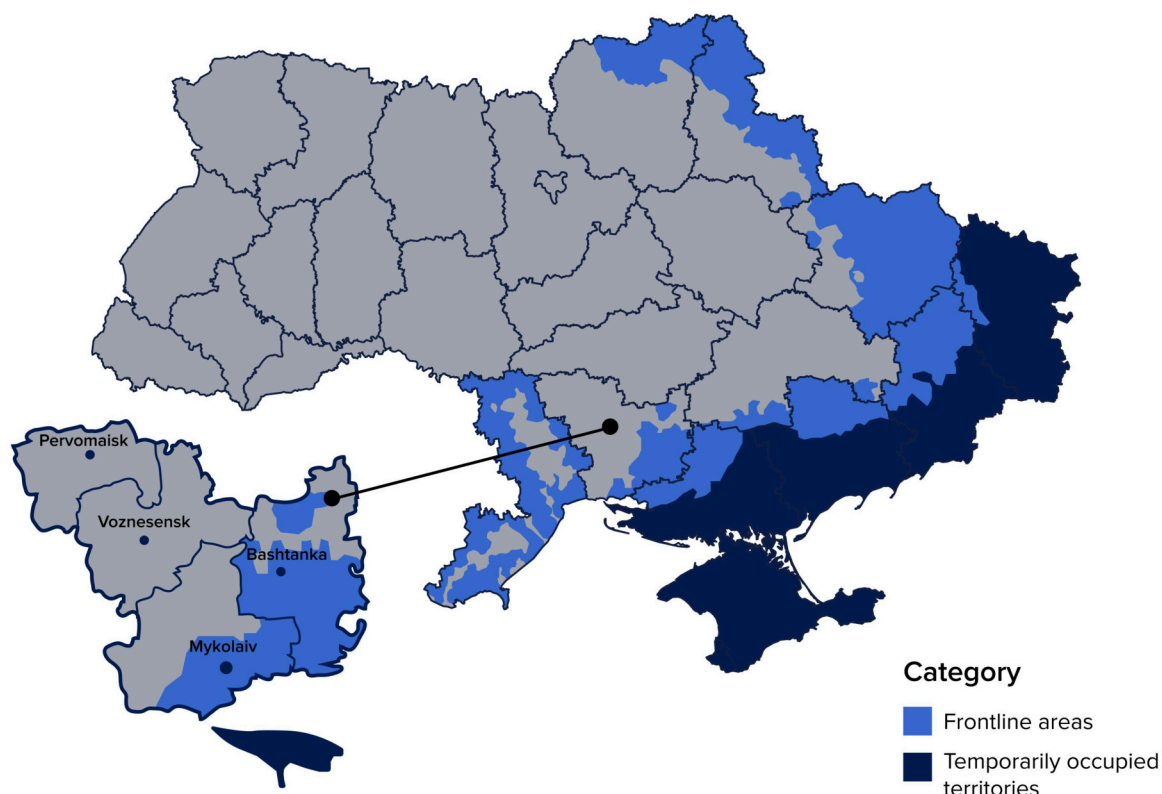
The total volume of damage in Mykolaiv Region as of December 2024, according to RDNA 4, is estimated at approximately \$6.3 billion. The structure of losses indicates the systemic nature of destruction, affecting both critical infrastructure and key sectors of the economy. The largest shares of damage were accounted for by **transport infrastructure** (approximately 27%), **housing infrastructure** (25%), **trade and industry** (nearly 16%), **education and science** (11%), and **the agricultural sector** (approximately 8%). In addition to direct losses, the agricultural sector faces further constraints due to landmine contamination: **around 2,390 km² are considered potentially hazardous, accounting for 9.7% of the region's total area**. This prevents the full use of land and creates long-term risks for the region's economic activity under conditions of continued frontline status³.

¹ Mykolaiv Region decentralisation reform: decentralisation, 2025

² On approval of the List of territories in which hostilities are (were) conducted or which are temporarily occupied by the Russian Federation. Verkhovna Rada of Ukraine, 2025

³ RDNA4. World Bank Group, 2025

MYKOLAIV REGION ON THE MAP OF UKRAINE: THE IMPACT OF WAR



Source: KSE Institute analysis

The proximity of the region to the frontline and its maritime borders with occupied territories have resulted in **high risks for doing business**, significant destruction, and deep structural imbalances in the economy of Mykolaiv Region. **The blockade of seaports** has effectively halted a substantial part of foreign economic activity: enterprises have lost traditional export and import routes, which has led to increased logistics costs, breaches of contracts, and a significant decline in revenues.

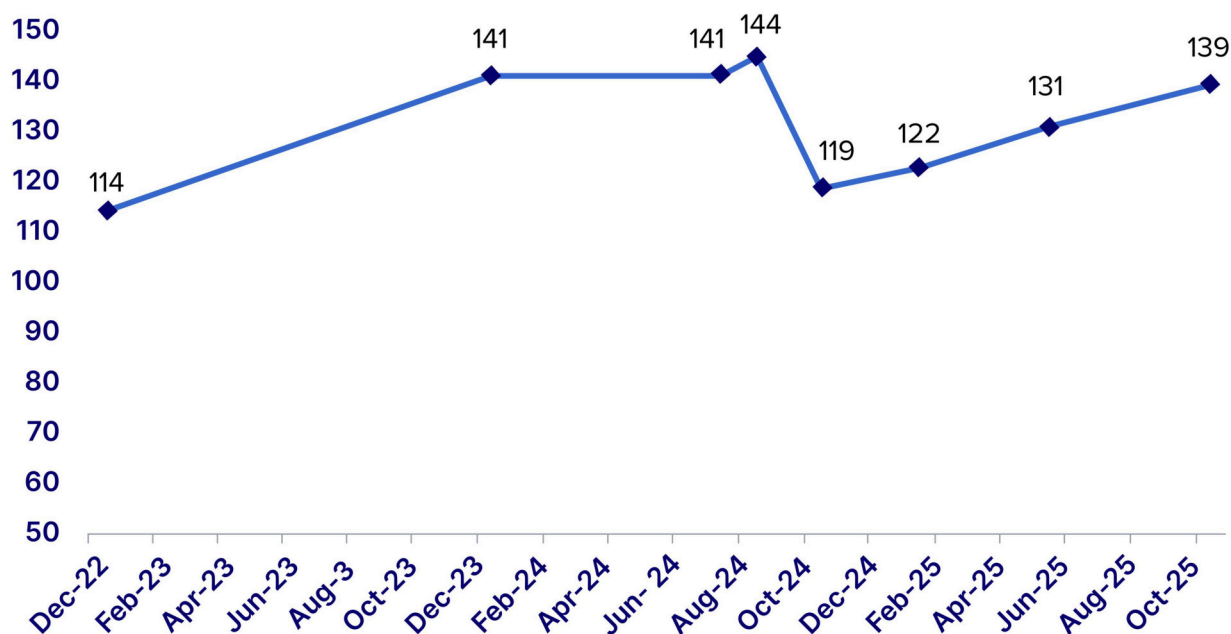
The **shipbuilding and mechanical engineering sectors**, which historically formed the backbone of the region's industrial potential, were partially or fully destroyed. Some enterprises ceased operations, while others relocated to safer regions or reoriented production towards defence needs.

The **agricultural sector**, which is key for Mykolaiv Region, also suffered significant losses. Large-scale landmine contamination limited access to agricultural land, substantially increased operational risks, and rendered part of the assets unavailable for full agricultural use. In addition, a significant impact on the sector was caused by the destruction of the Kakhovka Hydroelectric Power Plant dam in June 2023, primarily due to the disruption of the water balance in southern Ukraine. The region faced an increased shortage of water resources, deterioration of irrigation conditions, environmental risks for the basins of the Southern Buh River and the estuaries, as well as indirect losses for agricultural production and related sectors.

An important factor affecting business has been the dynamics of **human capital**. Since the start of hostilities, Mykolaiv Region has experienced a significant outflow of population to safer regions, resulting in **labour shortages in the business sector**. At the same time, a large number of enterprises, social institutions and service companies temporarily suspended operations, which **reduced domestic demand and limited employment opportunities**. With the stabilisation of the security situation, a gradual return of the **population has been observed**, along with an increase in the number of **internally displaced persons (IDPs)**, in particular from Kherson Region, which partially **balanced the demographic situation**.

According to estimates by the Mykolaiv Regional Military Administration, in 2022–2024 the population size fluctuated at **around 1.1 mln people**.⁴

ESTIMATED IDP POPULATION IN MYKOLAIV REGION, THOUSAND PERSONS⁵



Source: International Organisation for Migration (IOM) data

At the same time, despite the partial balancing of the demographic situation due to internally displaced persons, **the shortage of blue-collar occupations remains one of the key challenges for the recovery of business activity**. A persistent labour shortage is observed in sectors that require the physical presence of workers.

Employers are gradually filling vacant positions with **women and persons with disabilities**, for whom adapted workplaces are being created. In addition, **combat veterans are being more actively engaged**, as the state provides retraining for employment in the civilian sector.

In summary, Mykolaiv Region, which prior to 2022 was characterised by a **diversified economy** and **strategic logistics importance**, has undergone a **profound transformation** as a result of the full-scale invasion. **Hostilities, infrastructure destruction, port blockades and the partial occupation of territories** disrupted established production and trade links, causing **systemic imbalances** in industry and the agricultural sector. **Population outflows** significantly exacerbated **labour shortages**, while the gradual return of residents and the increase in the number of internally displaced persons only partially compensated for losses in human capital. Under current conditions, the region's ability **to restore business activity, adapt infrastructure and attract a qualified workforce will determine the trajectory of its economic resilience and the pace of post-war recovery**.

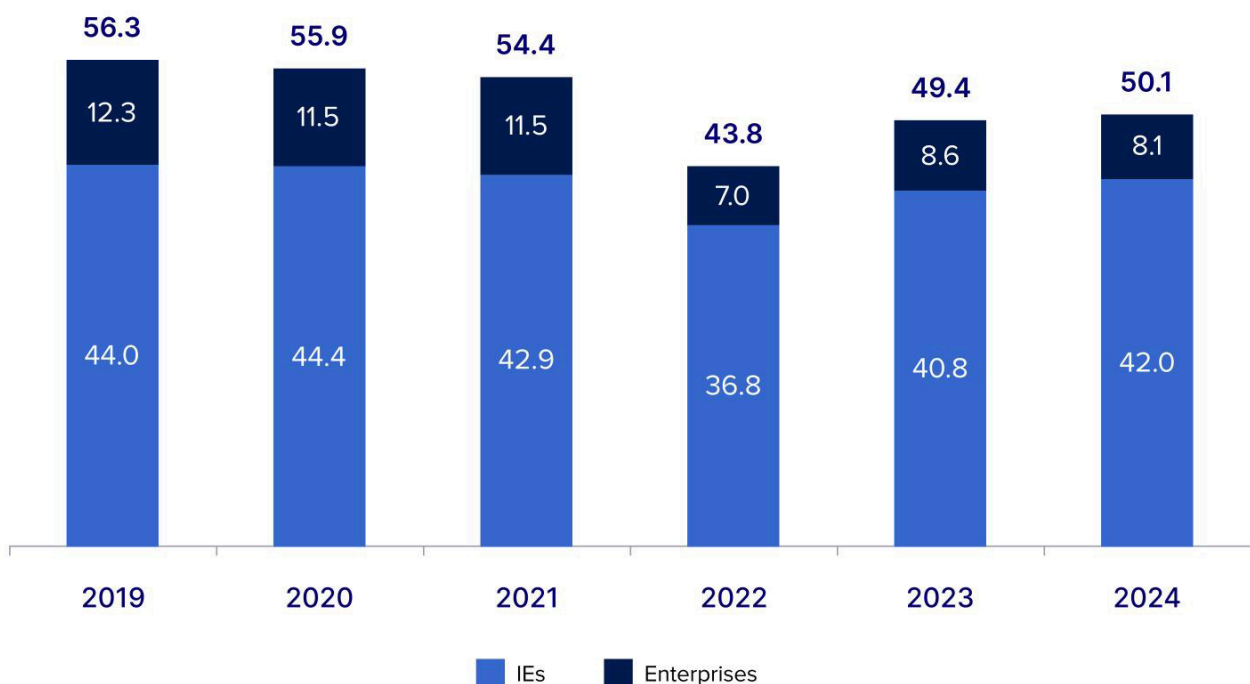
⁴ Estimate of the population of Mykolaiv Region: interview with Vitalii Kim, 2025

⁵ Regional profiles in 2022–2025. General population survey: IOM UN Migration

SECTION 2. BUSINESS ENVIRONMENT AND ECONOMIC STRUCTURE OF MYKOLAIV REGION

Today, the **business sector of Mykolaiv Region** is showing a noticeable structural transformation compared with 2021. As of the beginning of 2024, the total number of active economic entities decreased from 54,388 to 50,141 **(-7.8%)**, reflecting the **impact of wartime conditions, business relocation and closures**. This has had a direct effect on the labour market: **employment fell by 23.3%** in 2024 compared with 2021 (to 148.3 thousand people). There has been a significant **redistribution of labour resources** and a **partial contraction of business activity**, especially in sectors that are highly sensitive to security risks.⁶

DYNAMICS OF ACTIVE BUSINESS ENTITIES IN 2019–2024, THOUSAND UNITS



Source: Main Department of Statistics in Mykolaiv Region

Overall, according to the **Main Department of Statistics in Mykolaiv Region**, as of **1 October 2025**, **53,080 legal entities** and **43,418 individual entrepreneurs⁷** were registered in the region.

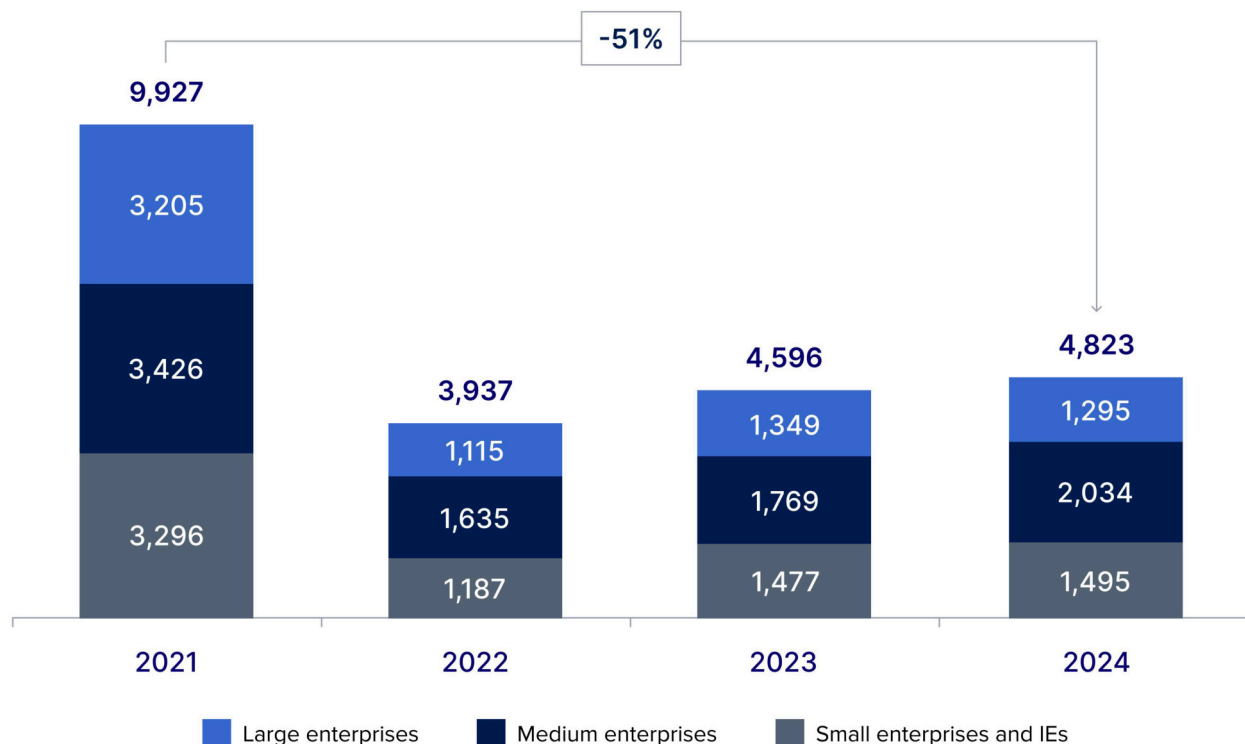
The value of goods and services sold fell from \$9,927 mln in 2021 to \$4,823 mln in 2024 **(-51%)**, as a result of **production constraints, logistical barriers** and **the loss of critical**

⁶ Performance indicators of large, medium-sized, small and micro-enterprises in 2016–2024: Main Department of Statistics in Mykolaiv Region

⁷ Number of registered legal entities and number of registered individual entrepreneurs: : Main Department of Statistics in Mykolaiv Region

infrastructure⁸. The main decline occurred in 2022, after which a partial recovery began, most visibly in the segment of small enterprises and individual entrepreneurs. In 2023–2024, large enterprises also increased their output, but the pace remained slower than that of small businesses.

VALUE OF GOODS AND SERVICES SOLD, \$ MLN



Source: KSE Institute analysis based on data from the Main Department of Statistics in Mykolaiv Region

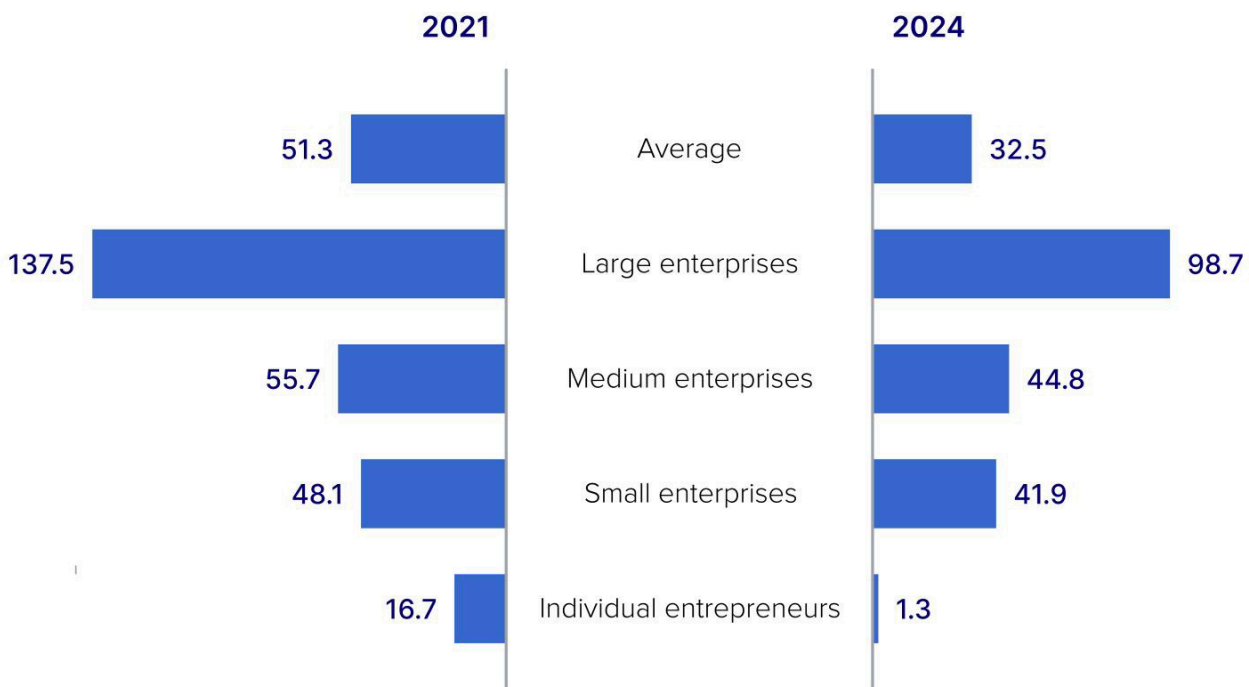
Value added per employed person **decreased** from \$51.3 thousand per person in 2021 to \$32.5 thousand per person in 2024 (**-36.6%**), although the drop in this indicator was less sharp than the decline in total sales. This suggests relatively **higher resilience in certain segments that retained the capacity to generate value added** despite the overall reduction in economic activity. Taken together, these trends reflect the significant structural impact experienced by the region's economy during the full-scale war.

In 2024, **wholesale and retail trade** remained the leading component of Mykolaiv region's economy, generating \$1,855 mln in sales, which accounted for **38.4% of the total**. The sector sustained stable domestic demand and provided a key contribution to the region's economic momentum. **Industry** generated \$1,468 mln, or **30.4% of the total**, maintaining its central role in value added creation. The leading subsectors remained manufacturing and food production. Agriculture, forestry and fishing generated \$834 mln, or 17.3% of total sales. **The agrifood sector is characterised by** diversification, a significant role of small and medium producers, and the preservation of **an export orientation**. **Transport and warehousing** generated \$224 mln (4.6%), reflecting the region's adaptation to altered logistics routes, including the **strengthening the role of road and rail transport**. **Construction** generated \$186 mln (**3.9%**), driven by the **activation of recovery and reconstruction projects**.⁹

⁸ Performance indicators of large, medium-sized, small and micro-enterprises in 2016–2024: Main Department of Statistics in Mykolaiv Region

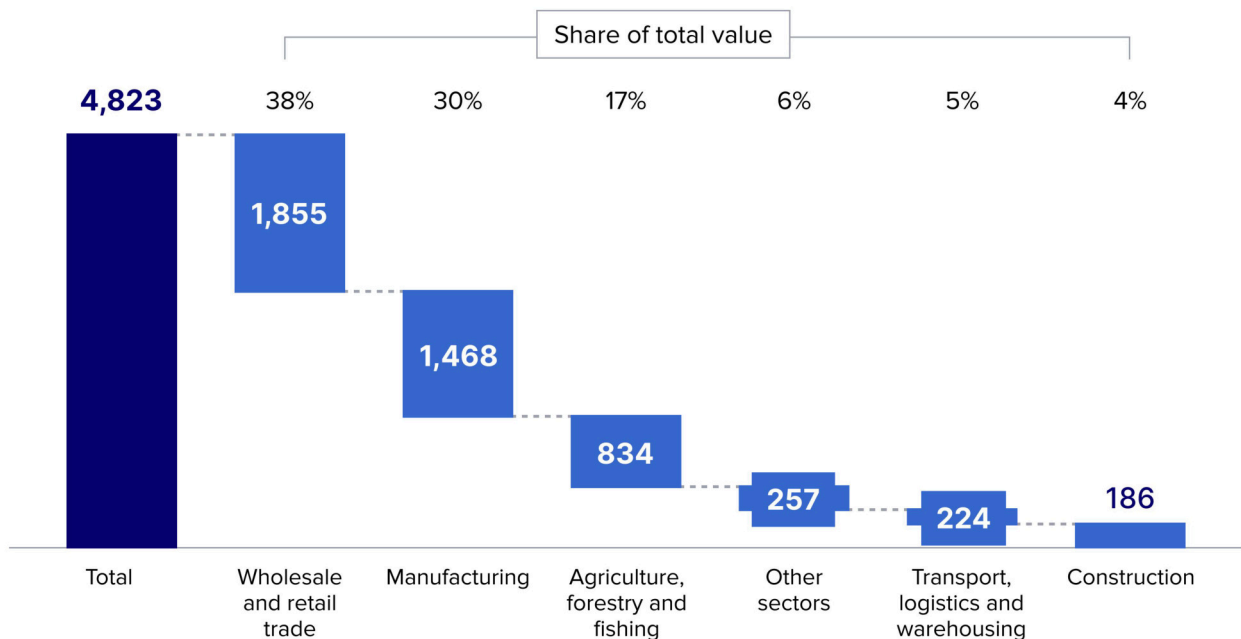
⁹ Sales of enterprises (goods and services) by type of economic activity, broken down into large, medium-sized, small and micro-enterprises, in 2024: Main Department of Statistics in Mykolaiv region

VALUE ADDED IN 2021 AND 2024, \$ THOUSAND PER PERSON



Source: KSE Institute calculations based on data from the Main Department of Statistics in Mykolaiv Region

SALES OF ENTERPRISES (GOODS AND SERVICES) BY TYPE OF ECONOMIC ACTIVITY IN 2024, \$ MLN



Source: KSE Institute analysis based on data from the Main Department of Statistics in Mykolaiv Region

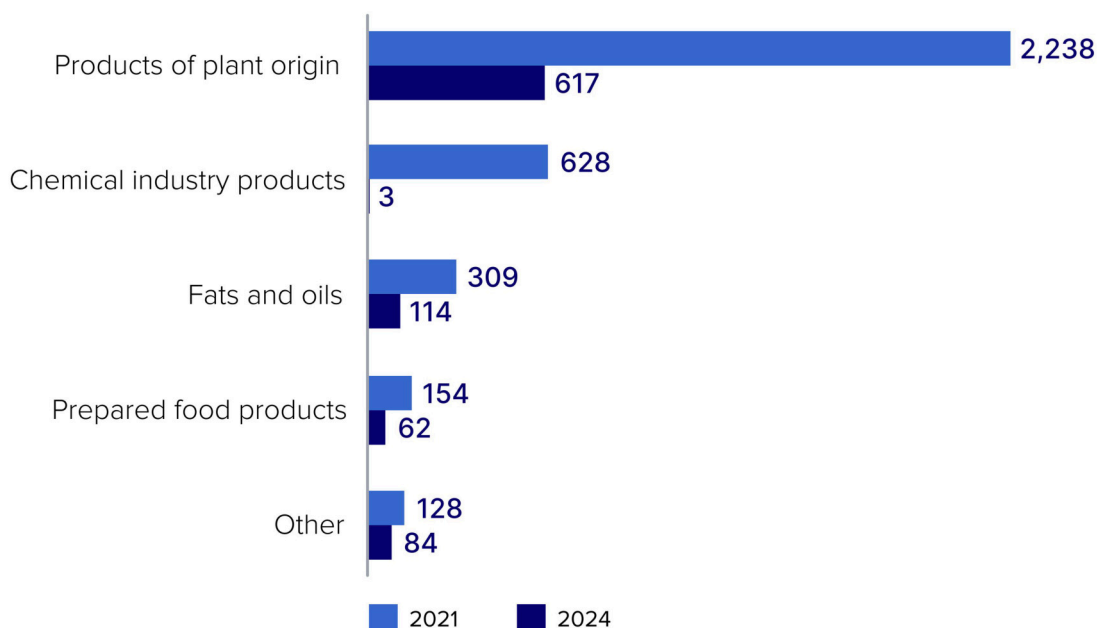
The segment of **small enterprises and individual entrepreneurs** generated approximately \$1,495 mln in sales, or **nearly 31%**. In a number of sectors, their **role** was **dominant**. The share of small enterprises and individual entrepreneurs was about 58% in the agrifood sector, 56% in transport and warehousing, 55% in administrative and support services, and almost 50% in construction. In industry, their share was significantly lower – about 11%, reflecting the capital-intensive nature of production.

The structure of Mykolaiv region’s economy in 2024 combines a high concentration in **three key sectors** with a **substantial role for small business** in certain activities. **This distribution ensures** both the scale of leading industries and **the flexibility of the economic system**, which are important factors for the region’s further recovery and resilience.

Historically, the Mykolaiv Region was **export-oriented** due to its developed infrastructure. However, the **full-scale invasion – which led to the closure of the seaports of Mykolaiv, Olvia, and the port point Ochakiv** (which, prior to 2022, handled the main cargo flows of agrifood, metallurgical and machine-building products) – destroyed key export routes, directly affecting business activity in the region.

In 2024, exports from Mykolaiv Region amounted to **\$880 mln¹⁰**, which is **\$2,577 mln (or 75%) less** than in 2021¹¹. Export contraction occurred across all key markets and major commodity groups: supplies to Europe fell by \$759 mln (-63%), to Asia by \$1,422 mln (-83%), and to Africa by \$376 mln (-73%).

EXPORT STRUCTURE BY MAIN PRODUCT CATEGORIES IN 2021 AND 2024, \$ MLN



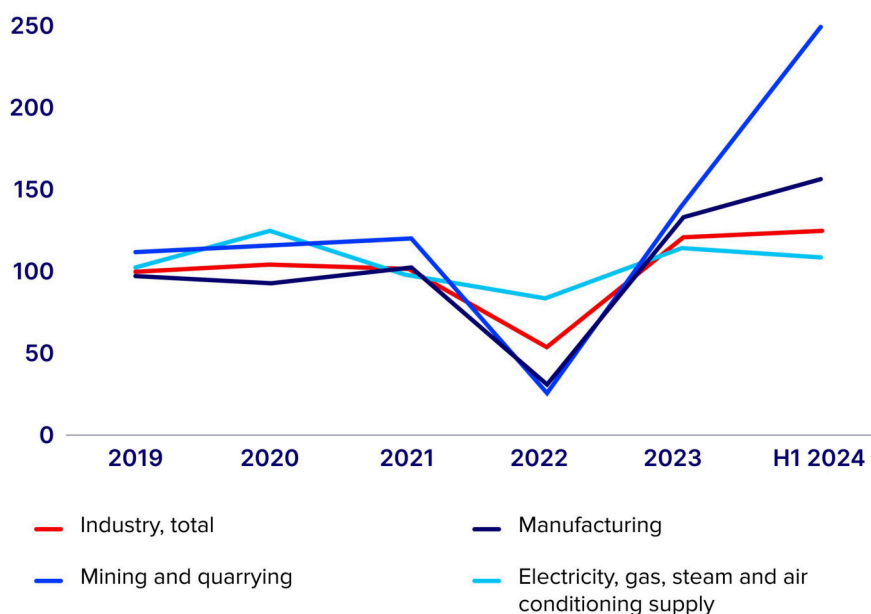
Source: KSE Institute analysis based on data from the Main Department of Statistics in Mykolaiv Region

Against the backdrop of a gradual stabilisation of foreign trade dynamics, a key indicator of the **region’s economic resilience** is the **performance of the industrial sector**, which shows not only adaptation to new logistics conditions but also signs of accelerated recovery.

¹⁰ External trade in goods of Mykolaiv Region in 2024: express release of the Main Department of Statistics in Mykolaiv Region, 2025

¹¹ Commodity structure of the region’s external trade in 2021: Main Department of Statistics in Mykolaiv Region

INDUSTRIAL PRODUCTION INDICES BY TYPE OF ACTIVITY IN MYKOLAIV REGION FOR 2019–2024, % COMPARED WITH THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR¹²



Source: data from the Mykolaiv Region Development Strategy

In 2022, Mykolaiv region's **industry** experienced **the most significant decline** due to hostilities, the occupation of parts of the territory, and the destruction of critical infrastructure. All branches – **extractive industries, manufacturing, and energy** – recorded a fall in indices to their minimum levels. As early as **2023**, the industrial sector **began to show a gradual recovery**, and in **2024** the **growth rate accelerated** markedly. Extractive industries and manufacturing are developing most dynamically, indicating **the recovery of production and demand**, as well as partial stabilisation of logistics chains.

¹² Mykolaiv Region Development Strategy for the period up to and including 2027: Mykolaiv Region Military Administration (RMA), 2025

SECTION 3. BUSINESS SUPPORT PROGRAMMES IN FRONTLINE REGIONS WITH A FOCUS ON MYKOLAIV REGION: CURRENT STATUS AND RECOMMENDATIONS FOR IMPROVEMENT

Since the start of the full-scale invasion, the Ukrainian government has been implementing various support programmes in the frontline territories. While these programmes initially focused mainly on supporting the population living in these regions, including IDP, they were later expanded to include support instruments for businesses that continue to operate in frontline areas.

This chapter provides a list of key relevant support programmes for business, which operate in frontline territories, including the Mykolaiv Region. The list covers programmes implemented at the national and regional levels, as well as initiatives supported by international donors.

In addition, the key needs of businesses were summarised based on interviews conducted by the KSE Institute team, and a set of recommendations was developed to improve business support policies in frontline regions overall.

3.1. Review of relevant business support programmes in Mykolaiv Region

National level (the list includes only programmes and conditions for their implementation in frontline territories, including the Mykolaiv Region)

Programme name	Instrument	Conditions	Sectors
«Affordable credits 5-7-9%»	Preferential lending	<ul style="list-style-type: none"> For the first five years, for businesses operating in areas of military risk – 1%, followed by 5% thereafter; Limits: UAH 60 mln (total), UAH 90 mln (agribusiness/processing), UAH 150 mln (areas of military risk). 	Processing, manufacturing, agriculture, MSMEs, services

Programme name	Instrument	Conditions	Sectors
<u>Industrial parks: Co-financing</u>	Compensation for infrastructure construction	<ul style="list-style-type: none"> ■ 50% of the cost (80% for de-occupied territories); ■ Up to UAH 150 mln; ■ Requirements: ≥5,000 m² of industrial premises over 3 years + ≥2 participants. 	Production, processing, logistics
<u>“eRobota”: Vlasna Sprava</u>	Grants for starting/developing a small business	<ul style="list-style-type: none"> ■ UAH 250,000 – default; ■ UAH 500,000 – frontline territories; ■ UAH 1,000,000 – specific NACE. 	Small-scale production, services, education, household services, and social services
<u>“eRobota”: Processing industry</u>	Capital grants for production	<ul style="list-style-type: none"> ■ 50/50 (default), 80/20 – frontline/de-occupied areas; ■ UAH 8 mln – standard; ■ UAH 16 mln – if damaged equipment is being repaired; ■ ≥5 jobs. 	Food processing, furniture, printing, building materials, light industry
<u>“eRobota”: Gardens</u>	Capital agriculture grants	<ul style="list-style-type: none"> ■ Up to UAH 400,000 per hectare; ■ Up to 80% of the cost of building a modular greenhouse – frontline territories; ■ Up to 50% – for all others. 	Horticulture, berry growing, greenhouse farming
<u>Compensation for the employment of IDP</u>	Wage compensation	<ul style="list-style-type: none"> ■ UAH 8,000 for each officially employed displaced person; ■ For a period of six months. 	All
<u>Subsidies for farmers in frontline territories</u>	Subsidy	UAH 1,000 for each owned hectare.	AIC
<u>Losses compensation for businesses in frontline regions</u>	Compensation for damaged, destroyed property	Up to UAH 10 mln, but not more than the amount of actually confirmed losses.	All

Programme name	Instrument	Conditions	Sectors
<u>Relocation programme</u>	Support with relocation to safer regions	<ul style="list-style-type: none"> ■ Selection of a location for the company's facilities; ■ Assistance with transportation to the new location; ■ Assistance in resettling employees and finding new staff; ■ Support in restoring logistics, purchasing raw materials, and finding sales markets. 	All

Regional and local level

According to information from the Mykolaiv Regional Military Administration, measures under the **Small and Medium-Sized Enterprise Development Programme** for 2021–2025 are being implemented in the region. Between 2021 and 2025, **financial support totaling UAH 18.1 mln was provided to 105 business entities**. Currently, **work is underway to develop and approve a new Small and Medium-Sized Enterprise Development Programme for Mykolaiv Region for 2026–2028**.

Under the current Programme, small and medium-sized enterprises in Mykolaiv Region may apply for the following types of financial support on a competitive basis:

- 1 **Partial compensation** of interest rates on bank loans provided for the implementation of projects by small and medium-sized enterprises, amounting to **100%** of the National Bank of Ukraine's key policy rate in effect on the date interest is accrued, but not exceeding **UAH 200,000** per budget year;
- 2 **Compensation for the cost of purchased fixed assets** by small and medium-sized enterprises (excluding vehicles for personal use) to expand and increase the volume of goods production (service provision or works), limited to no more than **30%** of their cost and no more than **UAH 200,000** per budget year;
- 3 **Compensation of loan principal used to restore fixed assets of small and medium-sized enterprises** destroyed as a result of the military aggression of the Russian Federation, limited to no more than **30%** of the loan amount and no more than **UAH 200,000** per budget year;
- 4 **Compensation of costs incurred for the relocation of production facilities** by small and medium-sized enterprises that **have returned from relocation sites**, registered their place of business in Mykolaiv Region, and are operating in the region, limited to no more than **50%** of such costs and no more than **UAH 200,000** per budget year.

Programmes by international donors (the list includes only programmes and conditions for their implementation in frontline territories, including the Mykolaiv Region)

Programme name, donor	Instrument	Conditions	Sectors	Deadline
Support to households engaged in farming activities and smallholder farmers: Mercy Corps	Grant	<ul style="list-style-type: none"> ■ Up to \$3,000; ■ For households and MSMEs. 	Agriculture	31.10.2026
Individual financial assistance to support micro-business initiatives: Mercy Corps	Grant	<ul style="list-style-type: none"> ■ \$2,600; ■ For MSMEs, internally displaced persons, and locals. 	All	26.02.2026
Support to small farming businesses: Mercy Corps	Grant	<ul style="list-style-type: none"> ■ Up to \$75,000; ■ For businesses capable of investing at least 50% of the requested amount. 	Agriculture	31.10.2026
Support to medium farming businesses: Mercy Corps	Grant	<ul style="list-style-type: none"> ■ Up to \$150,000; ■ For property restoration; ■ For enterprises capable of investing at least 50% of the requested amount. 	Agriculture	31.10.2026
Individual financial assistance to support micro-business initiatives: BLOOM programme	Grant	<ul style="list-style-type: none"> ■ Up to \$5,000; ■ For business ideas; ■ Targeting vulnerable groups. 	All	31.03.2026
Grant for winter pea producers: United Nations World Food Programme (WFP)	Grant	<ul style="list-style-type: none"> ■ Up to UAH 2,000 per hectare of winter peas sown; ■ For agricultural producers cultivating up to 500 ha of land; ■ Applicable to land in Bashtanskyi and Mykolaivskyi districts of Mykolaiv Region. 	Agriculture	18.01.2026
Financial assistance for small and medium-sized businesses: BLOOM programme	Grant	<ul style="list-style-type: none"> ■ Up to \$30,000; ■ For the purchase of production equipment and resources to expand the business. 	Agriculture	31.03.2026

3.2. Evaluation of programme effectiveness and identification of business needs based on a survey of the business community in Mykolaiv Region

To assess the effectiveness of existing government and international donor programmes, identify gaps and potential improvements, and better understand business activity in frontline areas, the KSE Institute team conducted interviews in October–November 2025 with businesses of various sizes and ownership types operating in Mykolaiv Region, as well as with the Mykolaiv Development Agency.

The table below summarises the findings and the KSE Institute team’s recommendations for improving certain aspects of business support in frontline regions.

THE CURRENT STATE OF THE BUSINESS ENVIRONMENT

- Most of the surveyed businesses **continue to operate**. Some are even actively expanding and planning to launch new production facilities, despite the challenging security situation;
- **Businesses demonstrate a strong willingness to remain in the region**. This is supported by the labour availability (the situation is better than in many other regions, partly due to internally displaced persons helping to offset local population outflow), preserved infrastructure, and an existing local customer base;
- At the same time, most businesses **are operating at reduced capacity** due to partial loss of markets;
- Businesses **are actively adapting to challenges**, including unstable energy supply, by installing their own energy sources. However, for energy-intensive industries, this approach is not a fully viable or sustainable alternative;
- Businesses actively **participate in government and local business support programmes**, as well as those offered **by international donors**, which help address urgent needs and mitigate risks;
- **Relocating businesses to safer regions remains a challenging issue**, as such moves often result in the loss of local markets, potentially threatening the enterprise’s continued existence;
- **The closure of seaports and terminals in the Mykolaiv Region negatively impacts logistics and transport companies, as well as the entire supply chain**. This leads to higher production costs and reduced competitiveness for local producers compared to those in other regions.

MAIN PROBLEMS AND BARRIERS

Human resources:

- A significant outflow of men and young people aged 18–30 has resulted in shortages of fitters, drivers, electricians, technologists, accountants and engineers;
- High mobilisation levels, with limited options for reserving staff from mobilisation (usually capped at 50%).

Energy:

- Electricity supply is characterised by frequent outages, uniform and high tariffs for both small and large businesses, and a lack of tariff differentiation compared to enterprises operating in safer regions. Under these conditions, the need to install alternative energy sources is increasing.

Administrative barriers:

- Limited transparency and complex procedures for participation in government business support programmes, including a lack of feedback after application submission, unclear requirements for preparing business plans, and rejections without sufficient explanation.

Fundraising:

- Lack of project-based financing, as newly established enterprises are unable to attract debt financing due to the absence of a credit history that meets banks' financial stability requirements;
- Banking programmes are not adapted to business operating conditions, with banks often refusing to provide loans due to loss-making financial statements or unstable performance—factors typical for regions close to the frontline.

Logistics and infrastructure:

- Challenges related to the safety of logistics, and non-operational ports;
- Destruction of production facilities and technical infrastructure.

RECOMMENDATIONS FOR CENTRAL GOVERNMENT, LOCAL AUTHORITIES, AND DONORS

- 1 Practical implementation of war risk insurance mechanisms¹³.** Develop affordable insurance products for small and medium-sized enterprises, with partial subsidisation of premiums in frontline areas.
- 2 Increase funding for the restoration of production infrastructure.** Introduce dedicated programmes for the restoration of production facilities and equipment, and expedite the process of damage assessment and allocation of compensation.
- 3 Strengthen open communication with businesses.** Regularly inform entrepreneurs about available support programmes, participation conditions, and policy changes. Ensure a two-way dialogue to take business needs into account when designing support instruments. Develop and implement more

¹³ Resolution of the Cabinet of Ministers of Ukraine dated 28.11.2025 No. 1541: Government Portal, 2025

practical training on preparing applications for participation in support programmes.

- 4 Increase the transparency of government grant allocation mechanisms.** Introduce clear, publicly accessible rules for conducting competitions, and ensure a transparent process for submitting and evaluating applications.
- 5 Standardise the criteria for participant selection.** Develop standardised evaluation criteria for applications utilised by all participants, regardless of business size or region of operation. This will promote a sense of fairness and equal opportunity.
- 6 Create a single source of up-to-date business support programmes, including those targeting frontline areas.** Using the Diia.Business or Ministry of Economy e-services as a base, develop a user-friendly interface with filters by region, economic sector, and business needs, consolidating government, regional, and international donor programmes and ensuring their regular updates.
- 7 Refine and implement a comprehensive support programme for frontline regions, including businesses operating in these areas.**¹⁴ Existing targeted support measures are insufficient, as effective business operations are only possible in an economically active and restored region. Therefore, the programme should include systemic measures aimed at:
 - Encouraging the return of the population and restoring human capital;
 - Stimulating the launch and development of businesses in frontline communities;
 - Creating more favourable conditions for doing business compared to safer regions (tax incentives, grant packages, simplified administrative procedures, access to financing).

Such a comprehensive approach will not only support individual enterprises but also contribute to the restoration of sustainable economic life in frontline areas.

¹⁴ [Comprehensive program to support frontline regions: CMU, 2025](#)

SECTION 4. INTERNATIONAL PRACTICES OF BUSINESS SUPPORT IN REGIONS CLOSE TO HOSTILITIES

The Government of Ukraine continuously develops and implements various business support programmes in frontline regions. KSE Institute has analysed **international practices of business support** in cases where businesses operated, **at different periods, in areas close to hostilities**. The results of the analysis indicate that **Ukraine** is attempting to implement **all possible forms of business support** and already has, in its experience, significantly **more advanced programmes**.

The situation in Ukraine's frontline regions is unique: unlike most of the cases reviewed, support for these territories is provided during the active phase of the war and under conditions of continuous air attacks on businesses and on critical and social infrastructure facilities.

Examples of international practices that illustrate how similar challenges were addressed in other countries and that provide additional context for Ukrainian initiatives include the following:

- **Croatia.** After the War of Independence of 1991–1995, the Government of Croatia introduced special programmes to support the most affected regions, in particular through the establishment of so-called “areas of special state concern”. These zones were aimed at facilitating the return of refugees, the reintegration of veterans, and the stimulation of economic development. For businesses, tax incentives, grants, subsidies, state guarantees and concessional lending were provided, as well as budget financing for infrastructure reconstruction. With the support of the World Bank, the Community and SME Economic Resilience Programme was implemented, which envisaged job creation and the provision of microloans and grants to small businesses in war-affected communities¹⁵.
- **Georgia.** Following the 2008 war, a donor conference was held, as a result of which Georgia received \$4.5 billion in international assistance for infrastructure reconstruction and business support¹⁶. One of the key state initiatives was the “Cheap Credit” programme, under which the state subsidised loans for small and medium-sized enterprises, including exporters, farmers and tourism projects. Interest rates were reduced to 12% per annum (from 16%), and the loan maturity was extended to up to 10 years¹⁷. The programme enabled hundreds of entrepreneurs to gain access to financing and create new jobs, including in rural areas. In parallel, with the support of the United Nations and the European Union, the state ensured the reconstruction of housing for more than 30,000 internally displaced persons.
- **Lebanon.** Following the 2006 war, the Government of Lebanon estimated direct economic losses at \$2.8 billion, with lost GDP amounting to a further \$2.2 billion¹⁸. Immediately after the ceasefire, a state compensation mechanism for the population was established: families received \$40,000 for destroyed housing and the restoration of family businesses¹⁹. As of May 2007, the state had paid \$181 mln in compensation and also allocated funds for infrastructure reconstruction and support for displaced

¹⁵ Croatia Support Project: World Bank, 2002

¹⁶ Assistance to Georgia from the international community, 2008. Radio Liberty

¹⁷ “Shekel Loan” Programme, 2008

¹⁸ Losses of Lebanon as a result of the war, 2007

¹⁹ Creation of a compensation mechanism for displaced persons in Lebanon, 2006

persons (\$42 mln)²⁰. International assistance, including \$7.6 billion pledged at the Paris III Conference, was partially directed towards SME lending through state guarantees, in particular through the expansion of the Kafalat programme. In addition, the government temporarily abolished customs duties and taxes on the import of construction materials for affected regions.

- **Bosnia and Herzegovina.** In 1996–1999, with the support of international donors, the Priority Reconstruction and Recovery Programme was implemented, involving approximately \$5.1 billion in external financing²¹. In the first post-war year, funds were directed towards the reconstruction of critical infrastructure and employment programmes, while basic economic reforms were carried out in parallel. With the support of the World Bank and the European Bank for Reconstruction and Development, 16 emergency projects were financed, including the “Emergency Microenterprise Assistance Project” (\$18 mln), which provided microloans and grants to small businesses, displaced persons and veterans. The state also introduced temporary tax incentives and retraining programmes to stimulate entrepreneurial activity.
- **Ethiopia.** To address the consequences of conflicts and crisis, the Government of Ethiopia turned to its large diaspora with an unconventional initiative for direct fundraising. In 2018, the government announced the establishment of the Ethiopian Diaspora Trust Fund (EDTF), calling on every ethnic Ethiopian abroad to donate \$1 per day towards the development of the homeland²². This government campaign quickly gained support: shortly after its launch, more than \$1 mln was accumulated in the Fund’s dedicated account for reconstruction and the implementation of social projects.
- **Colombia.** After the end of the conflict, the Government of Colombia introduced a programme for the entrepreneurial reintegration of former insurgents. With the support of USAID (United States Agency for International Development) and the United Nations, participants were provided with business skills training and approximately \$2,300 in start-up assistance²³. This enabled thousands of demobilised individuals, including more than 2,000 women, to establish their own small businesses.

²⁰ [Losses of Lebanon and the cost of reconstruction in Lebanon: Reuters, 2007](#)

²¹ [Priority Reconstruction Programme, 1997](#)

²² [Ethiopian Diaspora Trust Fund, 2018](#)

²³ [Colombian “Entrepreneurship Package”, 2020](#)

SECTION 5. INVESTMENT POTENTIAL OF THE MYKOLAIV REGION

Based on the analysis of information from various sources, including official government resources, the KSE Institute team identified **61 of the most promising investment opportunities in the Mykolaiv Region** with a total budget of **over \$748 mln** (excluding projects related to the development of the South Ukraine Nuclear Power Plant), of which:

- **12 initiatives by local communities** for cooperation with private businesses worth over **\$166 mln**;
- **43 public sector programmes/projects** worth **\$531 mln**;
- **6 private business projects** worth **\$51 mln**.

In addition, **38 privatisation objects** were presented, of which **37 were small privatisation objects** and **1 was a large privatisation object** – the Mykolaiv Alumina Refinery.

5.1. Overview of the region's strategic initiatives and priority areas for investment

In 2021, the Mykolaiv Regional State Administration **presented the Investment Passport of the Mykolaiv Region**. The document provides **an analytical overview of the region's socio-economic potential and competitive advantages** and outlines **key investment priorities**²⁴. The main areas include renewable energy and power generation; warehouse and production logistics (industrial parks); and the agro-industrial complex and processing.

The Investment Passport of the region **needs to be updated** in line with current challenges, particularly those related to the military situation and changes in the economic environment. At the same time, most of the region's **local communities have updated their own investment passports**. Of the **52 local communities** in the region, **the investment passports of 47 communities are publicly available, 40** of which have already been updated²⁵. In total, the KSE Institute team **has identified 299 investment opportunities** proposed by communities, particularly in the areas of agricultural land use, renewable energy, industrial park development, waste management, social construction, and other areas. At the same time, **the vast majority** of these opportunities are at **the idea stage** and are not yet attractive enough for potential investors.

In this regard, the KSE Institute team conducted an additional analysis and selected **the most developed projects that are attractive to investors** and have the potential to generate positive cash flow.

The most promising areas and projects of local communities for potential investment are presented in the table below.

²⁴ [Investment passport of Mykolaiv Region: Investment opportunities in Mykolaiv Region](#)

²⁵ [Investment passports of communities in the region: Mykolaiv RMA](#)

Territorial community	Project name	Description	Investment amount, \$ mln*
<u>Mykolaiv City</u>	Installation of cogeneration plants based on municipal property owned by Mykolaivoblteplo-energo	Project to enhance the city's energy security by installing cogeneration plants to provide heat and electricity to critical infrastructure facilities.	≈ 58.0
	New construction of a 12 MW wind farm	Construction of a wind farm to produce renewable electricity with minimal environmental impact. The project aims to diversify the energy balance and reduce CO ₂ emissions.	≈ 21.7
	New construction of a 9.9 MW solar power plant	Implementation of a solar power plant to increase the community's energy independence, reduce the use of fossil fuels and reduce greenhouse gas emissions.	≈ 10.7
<u>Kazanka</u>	Construction of a uranium mining complex based on the Safonivskiy uranium ore deposit using underground drill-hole leaching technology	Creation of an industrial complex for uranium mining ²⁶ . Uranium is classified as a critical material in the EU, the project has been designated by the state as a priority in the subsoil use sector, and financing is possible under EU support programmes for Ukraine.	35.0
<u>Ochakiv</u>	Construction of power generation facilities (SES)	Construction of three networked solar power plants with infrastructure for transmitting electricity to other consumers; installed capacity 18.4 MW.	≈ 12.9
	Creation of a rehabilitation centre for veterans	Construction of a medical and social rehabilitation centre for war veterans and people with disabilities with the possibility of learning new professions; designed for up to 200 people for rehabilitation and vocational training.	≈ 5.1
	Distributed electricity generation	Installation of four cogeneration plants with a total capacity of 4 MW with the sale of surplus electricity; support for critical infrastructure.	≈ 5.9

²⁶ Three uranium deposits have been identified in Mykolaiv Region – Safonivske and Mykhailivske (Kazankivska TG) and Sadove (Arbuzinska TG) – which could serve as a basis for industrial uranium mining using underground well leaching technology. The BGV Group is the initiator of uranium projects in Ukraine, implementing a uranium mining development strategy through the company Nuclear Energy Systems of Ukraine LLC.

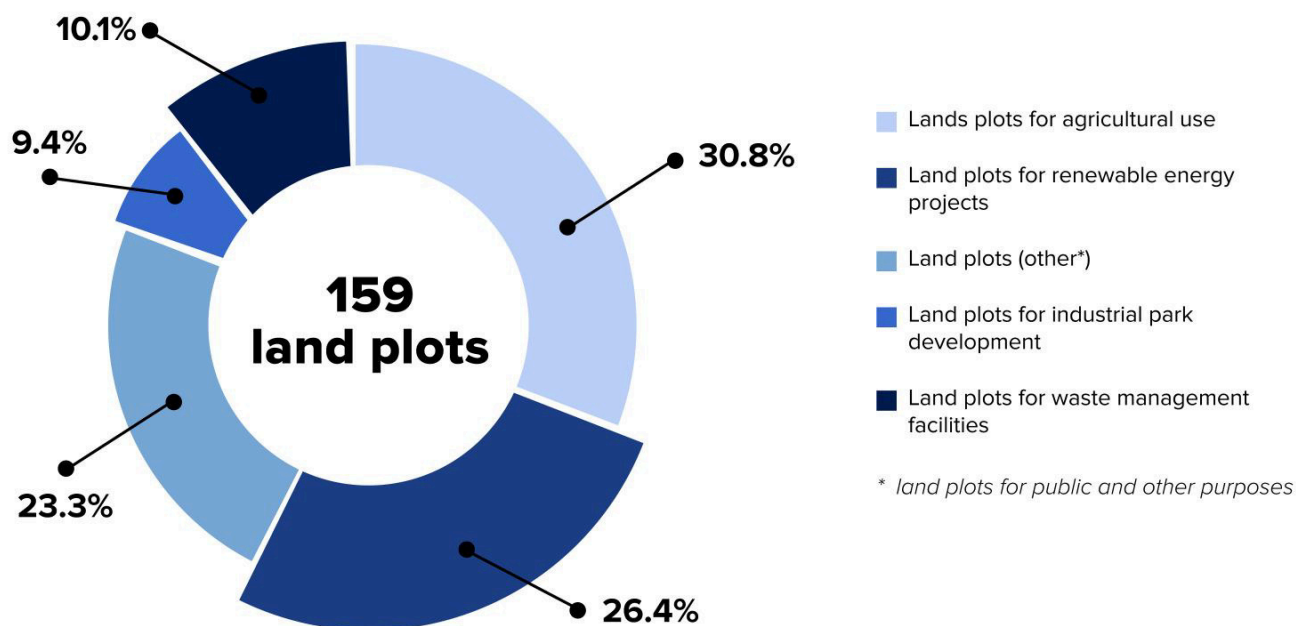
Territorial community	Project name	Description	Investment amount, \$ mln*
	PPP project for the reconstruction of wastewater treatment facilities with subsequent transformation into an eco-energy park	Comprehensive PPP project for the reconstruction of the wastewater treatment system with the integration of renewable energy sources and circular solutions: energy willow (raw material for biofuel), solar power plants, greenhouse complex, waste management. The project combines environmental modernisation, energy generation and job creation.	≈ 4.7
	PPP project for the construction of a waste processing plant	Creation of a waste processing plant for mechanical and biological processing with secondary raw material selection and composting. The project aims to reduce the volume of solid waste disposal, modernise infrastructure in an environmentally friendly manner and increase resource efficiency.	≈ 1.2
<u>Shevchenkivska</u>	Waste processing plant in the village of Promin	The project involves the creation of a waste processing plant using modern environmental technologies. The main goal is to reduce the volume of waste disposal, increase environmental safety, reuse secondary raw materials, and improve the sanitary conditions of the community. The implementation will contribute to the creation of new jobs, growth in local income, and infrastructure development.	≈ 7.1
	Logistics hub	Creation of a modern logistics hub with infrastructure for servicing freight transport (parking lots, technical and service areas, road safety), focused on international transport flows.	≈ 2.4
	Land plot for the installation of solar panels	Implementation of a project to develop renewable energy by installing a solar power plant on municipal land; electricity can be used both for local needs and for sale to the grid.	≈ 1.2 per 1 ha

* converted at the official NBU exchange rate as of 16 December 2025

It should be noted that communities mostly offer investment ideas **focused on the use of vacant land plots** and the development of production and industrial infrastructure.

Below is the structure of investment opportunities for local communities by land use.

DISTRIBUTION OF INVESTMENT OPPORTUNITIES OF TERRITORIAL COMMUNITIES IN THE MYKOLAIV REGION BY TYPE OF LAND USE, %



Source: KSE Institute analysis based on data from investment passports of communities in Mykolaiv Region.

There are also opportunities for the development of mineral deposits. In particular, **the Vradiyivska territorial community** has a **14.2-hectare loam deposit** that can be used as a raw material base for **the production of bricks, ceramic tiles and roof tiles**. A **limestone and clay deposit with a total area of 66.6 hectares** has also been identified, intended for **the extraction of raw materials for the production of lime, cement, ceramic tiles and other building materials**²⁷.

There are also **territorial communities in which active hostilities are ongoing**, which significantly limits investment activity. In particular, **the Kutsurubskaya territorial community** is temporarily **not offering vacant land plots for investment for safety reasons** due to the risk of **contamination of the land with explosive objects**.

In addition, in 2025, in accordance with the Law of Ukraine "On the Principles of State Regional Policy", the Mykolaiv Regional Military Administration **updated the Development Strategy of the Mykolaiv Region until 2027 inclusive**²⁸. Also, in 2024, **the Mykolaiv City Territorial Community updated its own Development Strategy until 2027**, which accumulates more than half of the region's capital investments and plays a **key role in shaping the investment attractiveness and activity of the region**²⁹.

²⁷ [Investment passport of the Vradiyiv territorial community](#)

²⁸ [Development strategy of Mykolaiv Region until 2027 inclusive](#)

²⁹ [Development Strategy of the Mykolaiv City Territorial Community until 2027](#)

Among other things, these strategic documents define the key directions of economic development for the region and the city of Mykolaiv, respectively. The main ones include:

MYKOLAIV REGION

- Creating a favourable investment climate and attracting investment (raising the region's profile and investment attractiveness, forming a portfolio of investment proposals, promoting the region);
- Launching industrial parks;
- Increasing production in the processing industry;
- Development of a climate-oriented agro-industrial complex;
- Increasing the share of renewable energy;
- Restoring the growth momentum of industrial and agricultural production indices;
- Expansion of the SME segment through support for start-ups and entrepreneurial infrastructure.

MYKOLAIV

- Creation of conditions for attracting investment and locating dual-use production facilities - from 0 to 5 partnerships;
- Expansion of business activity - growth in the number of businesses operating in the city of Mykolaiv from 53,200 to 57,500;
- Implementation of measures to restore industry and expand the international presence of local companies - increase in exports from \$1.4 billion to \$3.2 billion;
- Improvement of the business climate - growth in the assessment of opportunities for entrepreneurial activity from 28% to 33%;
- Attracting technology companies, developing innovation and forming new production clusters - creation of the Mykolaiv Industrial Park.

At the same time, the KSE Institute team analysed **the unified project portfolio of public investments for 2026**, approved in August 2025³⁰, which includes **eight projects planned for implementation in the Mykolaiv Region** and focused on two critical areas: energy and water infrastructure.

³⁰ [Single Project Pipeline of Public Investments](#)

A selection of projects from the Unified Project Portfolio of Public Investments for 2026 concerning the Mykolaiv Region

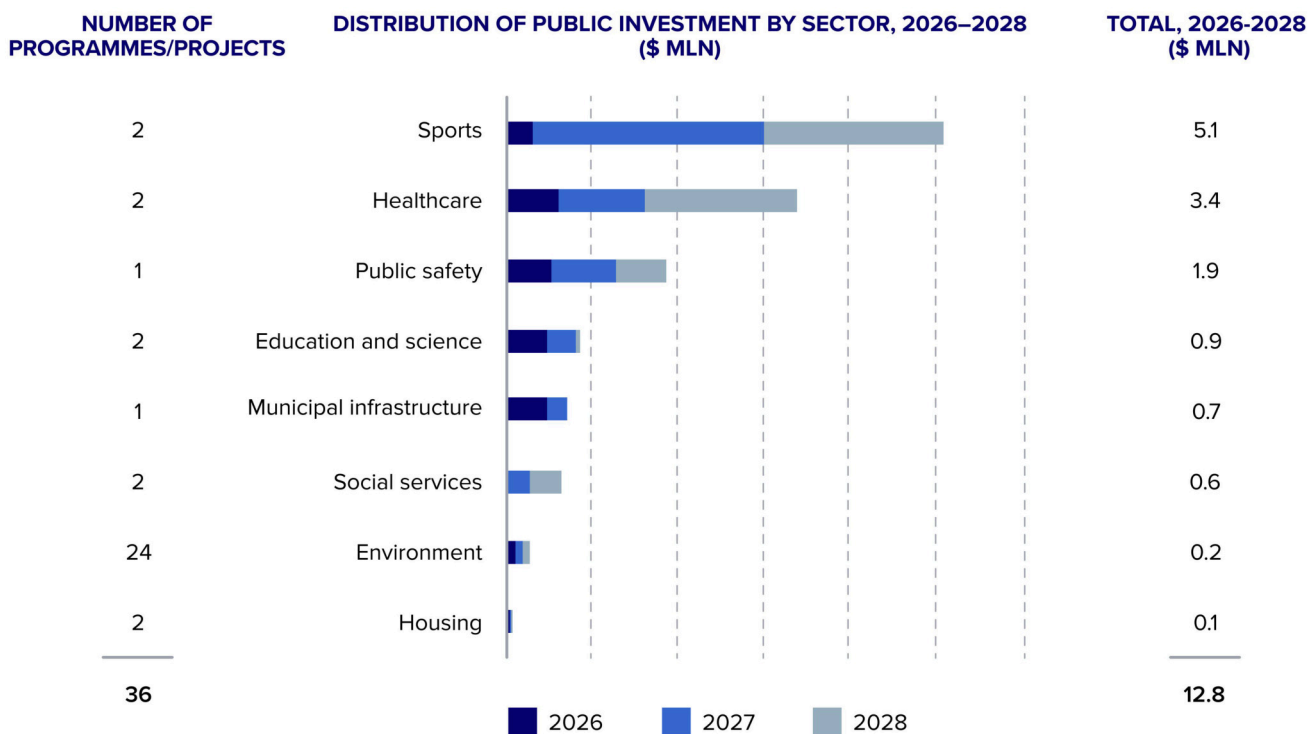
Project name	Project initiator	Investment area	Investment value, \$ mln	Status
Nuclear power plant safety and reliability programme for Mykolaiv, Rivne and Khmelnytskyi regions	JSC "National Nuclear Energy Generating Company "Energoatom"	Modernisation of nuclear power plants	1,775.5	Preliminary feasibility study
Water intake South Bug → Mykolaiv (Section I)	Infrastructure Restoration and Development Service in Dnipropetrovsk Region	Water infrastructure	68.8	Full feasibility study
Water intake South Bug → Mykolaiv (Section III)	Infrastructure Restoration and Development Service in Dnipropetrovsk Region	Water infrastructure	45.0	Full feasibility study
Water intake South Bug → Mykolaiv (Section II)	Infrastructure Restoration and Development Service in Dnipropetrovsk Region	Water infrastructure	35.6	Preliminary feasibility study
Water supply and sanitation in Mykolaiv	Ministry of Community and Territorial Development of Ukraine	Network modernisation	30.8	Full feasibility study
Total			1,955.7	

* converted at the official exchange rate of the National Bank of Ukraine as of 16 December 2025

At the same time, in November 2025, the Mykolaiv Regional Military Administration approved the Unified Project Portfolio of Public Investments of the Mykolaiv Region³¹, the structure of which is presented below.

³¹ Consolidated list of public investment projects and public investment programmes in Mykolaiv Region

DISTRIBUTION OF PUBLIC INVESTMENTS BY SECTOR IN 2026-2028, \$ MLN*



Source: KSE Institute analysis based on public data

* converted at the official NBU exchange rate as of 16 December 2025

Despite extensive destruction and its status as a frontline region, **the Mykolaiv Region demonstrates a consistent logic in forming a multi-level investment profile.** The region combines **three complementary segments:** business initiatives, public-private partnerships (including privatisation) and a portfolio of public investments. Together, they form **a comprehensive investment proposition for the region,** covering various types of capital, investment stages and sources of financing.

5.2. Business sector: examples of investment projects

To complement **the region's investment profile,** below are **some real investment projects** planned for implementation in the Mykolaiv Region. The selection is based on **the Investment Portal³²,** created by **the KSE Institute** in cooperation with **the Ministry of Economy, Environment and Agriculture of Ukraine** with the support **of the UK Government.** The portal currently lists **over 300 investment projects** across a wide geographical area and is a key tool for presenting initiatives to international investors and financial institutions.

In addition, some of these projects were **included in the Investment Catalogue** prepared by the KSE Institute in cooperation with the Ministry of Economy, Environment and Agriculture of Ukraine and **presented at the Ukraine Recovery Conference** in July 2025 in Rome (Italy)³³.

The KSE Institute encourages project initiators from the private and public sectors of the economy who have properly developed investment projects and are seeking strategic partners or external financing to submit their projects to the Investment Portal. Projects that meet the

³² Investment portal: KSE Institute, 2025

³³ Investment Catalogue of Ukraine 2025: KSE Institute, 2025

established criteria will be presented to interested parties, including potential investors, international financial organisations, Ukrainian banks and investment funds. The initiators of selected projects may be invited to participate in leading international investment conferences to present their projects to a wide range of international stakeholders. The main criteria for investment projects to be posted on the Investment Portal are as follows:

- 1 Economic feasibility and commercial attractiveness. The project must be economically sound, contain calculations of key financial indicators and have a clearly defined commercial component capable of attracting potential investors.
- 2 Project readiness stage. Projects at various stages of preparation are accepted for consideration – from concept to detailed documentation. At the same time, priority will be given to the most developed and ready-to-implement projects for presentation to interested parties.
- 3 Project budget. The minimum investment amount is \$1 mln.

A selection of projects from the Investportal with a focus on the Mykolaiv Region with corresponding investment teasers (via active links)

Project name	Project initiator	Brief description of the investment area	Investment value, \$ mln	Status
Technological Complex for Fuel Assembly Manufacture	ENERGOATOM JSC [SOE]	Creation of a production line for the manufacture of fuel assemblies using Westinghouse technology	190.0	Feasibility study / preliminary feasibility study
WPP Mariivka construction - 57.6MW	Naftogaz Bioenergy	Construction of a wind farm in Mariivka	80.4	Feasibility study / preliminary feasibility study
Mykolayiv CHP Reconstruction	PrJSC Mykolaiv CHP (Naftogaz Group)	Modernisation of the CHP plant, replacement of obsolete equipment, new generating capacity (80 MW cogeneration)	68.5	Feasibility study / preliminary feasibility study
Renovation of tomato processing production	ORGANIC SYSTEMS, AGROFUSION GROUP OF COMPANIES	Renovation and modernisation of existing tomato processing plant	30.0	Ready for implementation
Non-woven materials production	Nikotex LLC	Renovation and modernisation of a non-woven materials production facility, export-oriented	13.1	In the process of implementation

Project name	Project initiator	Brief description of the investment area	Investment value, \$ mln	Status
Cogeneration plant using agropellets	South Ukrainian Biofuel Company PE	Production of electricity and heat based on cogeneration from agropellets	3.5	Concept
Construction of a solar power plant	V-CENTER LLC	SES for own needs with a capacity of 4 MW with the possibility of expansion to 10 MW	2.7	Feasibility study / preliminary feasibility study
Lightweight electric trucks production	Megoelectric UA LLC	Creation of a production line for lightweight electric trucks (up to 1 tonne of cargo)	1.5	Ready for implementation
Разом			389.7	

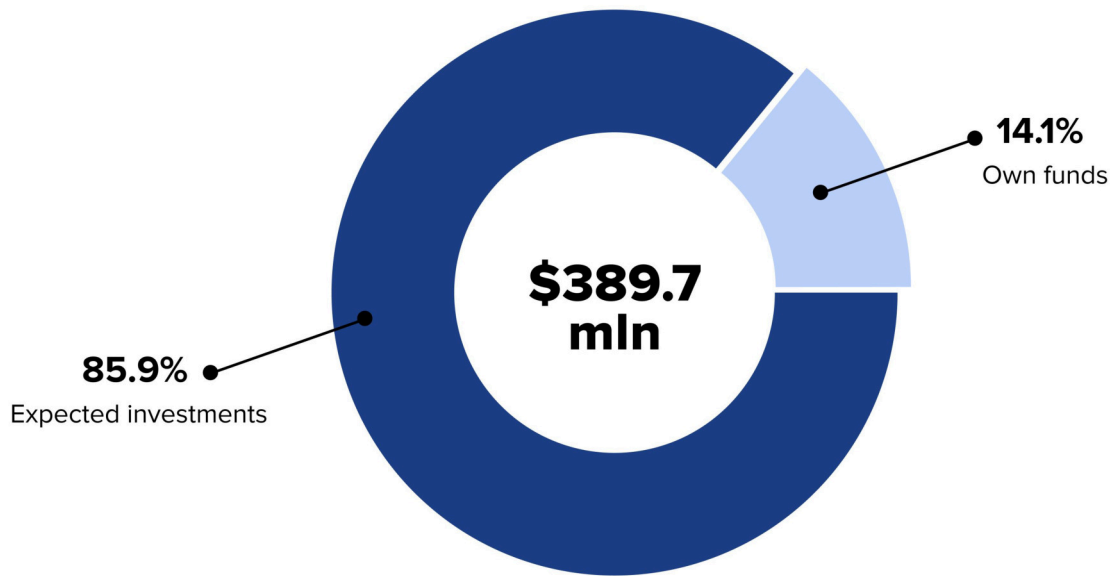
The business sector of the Mykolaiv Region, represented on the Investportal, demonstrates a **diversified structure of projects** covering energy, agro-processing and industrial production. **The total budget** of submitted private and public projects is **\$389.7 mln**, which **reflects** only **part of the region's real investment potential**.

Most projects are in **the early stages of preparation** (concept, preliminary feasibility study, feasibility study) and require both time and financial resources to **reach readiness for financing**. **The low willingness of initiators to co-finance projects** indicates the limited nature of their resources and, as a result, **reduces the interest of potential investors**.

Along with project initiatives, **industrial parks** are an important element of the region's investment infrastructure, creating the basic conditions for the establishment of new production facilities and **accelerating the implementation of business projects**. As of 01.10.2025, according to data from the Ministry of Economy, Environment and Agriculture of Ukraine, **two industrial parks** have been **registered** in **the Mykolaiv Region**, forming the basis for the development of production and processing: Techno Park Voznesensk and SUNART.³⁴

³⁴ [Industrial parks of Ukraine: Ministry of Economy, 2025](#)

RATIO OF OWN AND POTENTIAL INVESTMENTS IN PROJECTS, %



Source: KSE Institute analysis

5.3. Current privatisation objects as a tool for attracting investment to the Mykolaiv Region

The region's privatisation opportunities are mainly represented in the small privatisation segment, which covers state assets with a book value of up to UAH 250 mln. Currently, 37 small privatisation objects are listed in the Mykolaiv Region³⁵. Key categories include:

- administrative buildings and premises that can be converted into offices, service centres, and coworking spaces;
- non-residential real estate, including separate buildings, warehouses, and utility blocks;
- single property complexes of former enterprises (production, repair, service functions);
- unfinished construction projects, potentially suitable for reconstruction or new development;
- movable property suitable for logistics, service or agricultural operations;
- social infrastructure facilities that can be used for private institutions (educational, cultural, service).

In the large-scale privatisation segment, which covers assets with a book value of over UAH 250 mln, the Mykolaiv Alumina Refinery³⁶ is represented, which has the potential to become the flagship of industrial investment in the region. Below are the basic details of the privatisation object.

³⁵ [List of small privatisation objects in Mykolaiv Region: SPFU, 2025](#)

³⁶ [Investment portal: KSE Institute, 2025](#)

Privatisation object - Mykolaiv Alumina Refinery



MYKOLAIV
REGION

INDUSTRIAL MANUFACTURING, CHEMICAL INDUSTRY

MYKOLAIV ALUMINA REFINERY

Large privatisation

■ **Brief Description:** The enterprise is the largest non-ferrous metallurgy plant in Ukraine and one of the largest in Europe (and 24th largest in the world). It refines bauxite to obtain alumina.

■ **Products/Services:**

- Alumina (Al_2O_3) (feedstock for primary aluminium).
- Aluminium hydroxide (hydrate); gallium (by-product).
- Seaport services and bulk-handling.

■ **Technological Parameters Of The Project:**

The plant features facilities that utilize Bayer process of alumina production (1.7 Mtpa). Includes seaport (5 Mtpa).

■ **Project Strengths:**

- Scale alumina output + captive deep-water port that leads to lower logistics cost.
- Critical link in the aluminum value chain for transport/defense end-markets.

■ **Target Market:** International mining and metallurgy holdings.

■ **Main financial indicators, \$ mln**

	2021	2024
Revenue	399	0
Equity	20	-13

■ **Privatization information:**

Share for sale: 100%
Starting price: ~\$24 million
When: 2026 Q1-Q2

Annexes: investment project teasers with a focus on Mykolaiv Region

ENERGOATOM JSC [SOE]	34
NAFTOGAZ BIOENERGY (NAFTOGAZ GROUP) [SOE]	35
MYKOLAIV CHP PrJSC (NAFTOGAZ GROUP) [SOE]	36
FE ORGANIC SYSTEMS, AGROFUSION GROUP OF COMPANIES	37
NIKOTEX LLC	38
SOUTH UKRAINIAN BIOFUEL COMPANY PE	39
V-CENTER LLC	40
MEGOELECTRIC UA LLC	41



ENERGY, NUCLEAR ENERGY

ENERGOATOM JSC [SOE]

Technological Complex for Fuel Assembly Manufacture

- **Brief Description:** Nuclear fuel production in Ukraine using Westinghouse technology involves establishing a production line for the manufacture of finished fuel assembly (FA) components.
- **Products/Services:** The project will establish local production of nuclear fuel assemblies in Ukraine using Westinghouse technology.
- **Technological Parameters Of The Project:** The technological complex will have a production capacity of 570 fuel assemblies per year.
- **Project Strengths:** Existing domestic nuclear power plants, with the potential to expand fuel production for future nuclear power units.
- **Target Market:** Licensed and proven technology, an established customer base, and the ability to diversify nuclear fuel supplies for Ukraine’s VVER-1000 reactors.

■ **Projects highlights¹, \$ mln**



Financing structure: **CAPEX 100%**
 Type of financing: **65 %debt and 35 %equity, or another appropriate mix. Funding is expected to come from a combination of Energoatom’s capital, U.S. strategic assistance, and international financial institutions**

Project Status: The feasibility study has been developed and approved by company order. The Environmental Impact Assessment (EIA) procedure has been completed.

■ **Expected Financial Indicators**

NPV (60 years)	EBITDA (3 rd year)	Project launch period - 3 years
\$82.2 mln	\$49.6 mln	
Revenue (3 rd year)	IRR	Payback period - 4.3 years
\$521.9 mln	19.9%	DPP - 8.5 years

BUSINESS MODEL

- The business model provides for the assembly of nuclear fuel assemblies using Westinghouse technology to supply Ukrainian nuclear power plants. A significant share of revenue is expected to come from cost savings on fuel assembly purchases, given their traditionally high market price.

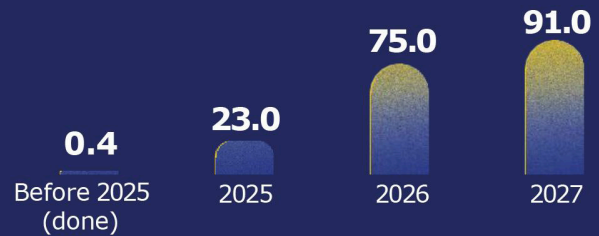
KEY PARTNERS

- Westinghouse.

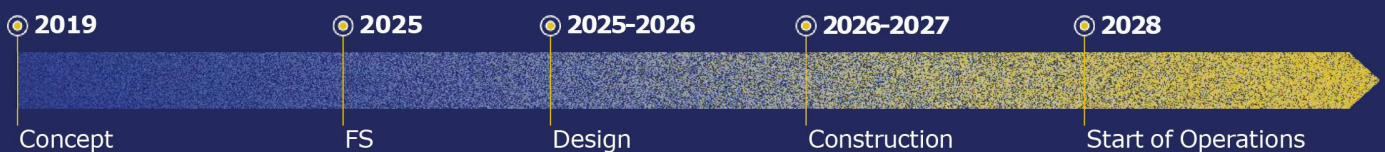
According to the Energoatom Fuel Fabrication Facility Scoping Report, Westinghouse proposes to implement the project within approximately four years.

By Order No. 382 of the Ministry of Energy of Ukraine dated 1 November 2023, NNEGC “Energoatom” was officially designated as the operator of the nuclear installation for the production of fuel assemblies (FAs) for nuclear power reactors.

INVESTMENTS IN THE PROJECT, \$ MLN



KEY POINTS OF PROJECT IMPLEMENTATION



¹ The project information and financial indicators are provided by company-initiator of the project.



ENERGY, RES (WIND)

NAFTOGAZ BIOENERGY (NAFTOGAZ GROUP) [SOE]

WPP Mariivka construction - 57.6 MW

- Brief Description:** The project to build a 57.6 MW wind power plant in Mariivka (Mykolaiv region) is implemented to develop Ukraine's decentralised generation system and in accordance with Ukraine's decarbonization goals.
- Products/Services:** The projected WPP will sell electricity generated by a RES.
- Technological Parameters Of The Project:** Wind generation technologies (green energy) will be used.
- Project Strengths:**
 - Project supports the green transition;
 - It is a commercially viable project;
 - This project meets Ukraine's strategic energy goals, including the formation of a decentralized generation system.
- Target Market:** Energy market sales to the businesses and companies supplying households.

Projects highlights¹, \$ mln*



Financing structure: **CAPEX 99%**
OPEX 1%

Type of financing: **debt, project finance, grants etc**

Project Status: Feasibility, wind measurement campaign is completed (P-90), the development of the feasibility study will be finalized in Q3 2025.

Expected Financial Indicators²

NPV (22 years)	EBITDA (2028)	WPP launch
\$41.1 mln	\$20.4 mln	Q2 2027
Revenue (2028)	IRR	Payback period
\$23.6 mln	30.1%	6.4 years
		DPP
		9.6 years

* CAPEX VAT excl.

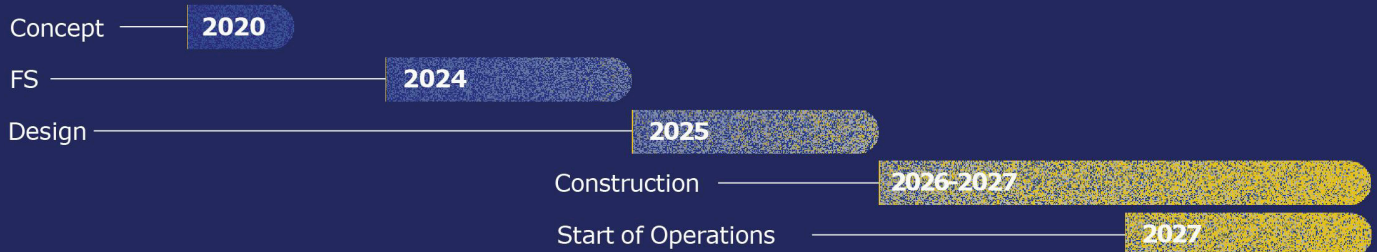
BUSINESS MODEL

- WPP will sell electricity on the open DAM and IDM market.
- Given the shortage of generating capacity in Ukraine, especially in winter, when wind farms are at their highest output, Berezivka Wind Power Plant will provide steady revenues.

KEY PARTNERS

- Vestas, Nordex Group, ENERCON, GE Vernova, etc.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



¹ The project information and financial indicators are provided by company-initiator of the project.

² Assumption for calculation: tenor – 8 years, LTV ~ 100%; interest rate = 7%.



ENERGY, POWER GENERATION

MYKOLAYIV CHP PrJSC (NAFTOGAZ GROUP) [SOE]

Mykolaiv CHP Reconstruction

- Brief Description:** The project aims to modernize the Mykolaiv CHP plant and includes replacing outdated equipment and integrating new generation capacities, including cogeneration (80 MW).
- Products/Services:** Cost-effective energy production entering electricity markets (balancing and peaking).
- Technological Parameters Of The Project:** The installation of 8 units of new gas piston units, which will ensure the flexibility of electricity and heat generation.
- Project Strengths:** The target market includes Ukraine’s DAM and IDM, electricity balancing and ancillary services markets, as well as local heat consumers in Mykolaiv.
- Target Market:** Key benefits include increased electricity output, access to balancing and ancillary services markets, improved energy efficiency and reduced heat generation costs through energy diversification and storage.

Projects highlights¹, \$ mln*



Financing structure: **CAPEX 100%** Type of financing: **engaging donor equipment / debt financing**

Project Status: Project Initiation stage, the development of a feasibility study financing by a grant from Swedfund.

Expected Financial Indicators

NPV	Project launch period	Payback period
\$4.9 mln	2027	6 years
IRR	DPP	
14.1%	14 years	

* CAPEX VAT excl.

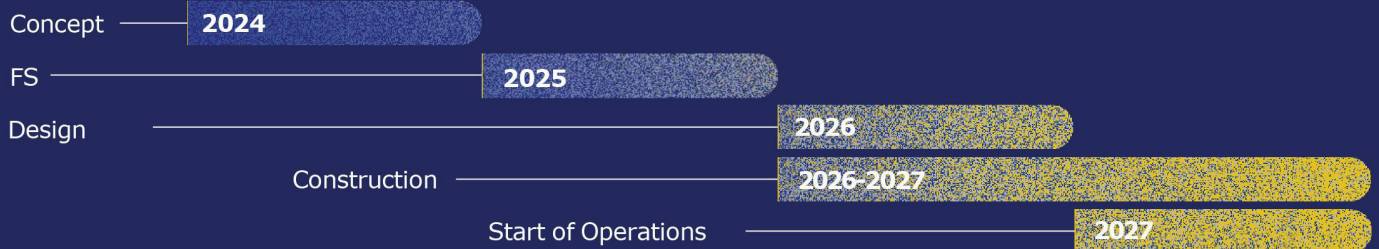
BUSINESS MODEL

- The project operates on a combined revenue model based on the sale of electricity and heat, complemented by participation in Ukraine’s balancing and ancillary services markets.
- Operational efficiency and diversification further enhance financial sustainability.

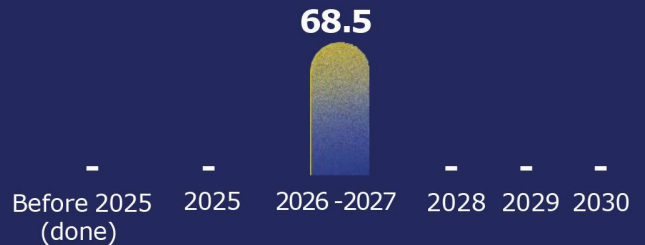
KEY PARTNERS

- Wartsila, Bergen, Jenbacher – potential partners. Swedfund – current partner for the development of a feasibility study.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



¹ The project information and financial indicators are provided by company-initiator of the project.



FE ORGANIC SYSTEMS, AGROFUSION GROUP OF COMPANIES

Renovation of tomato processing production

- Brief Description:** Recovery of tomato processing industry in the South of Ukraine by renovation of existing tomato processing factory in Mykolaiv region and increase its production capacity.
- Products/Services:** Increase by 40% of tomato's processing volumes per one factory (350 thousand tonnes vs 250 thousand tonnes) and tomato paste production (49 thousand tonnes vs 35 thousand tonnes) per year.
- Technological Parameters Of The Project:** Procurement of energy-saving production and water treatment equipment for the factory and decrease gas and water consumption by 30%. Expansion of tomatoes growing and logistic program and decline the cost by 20%.
- Project Strengths:** Own tomato growing, total agricultural and logistic control. Premium quality and wide range of tomato paste. Creation of 42 jobs.
- Target Market:** Multinational and regional companies that produce ketchups, juices, and other tomato paste-based products for retail trade.

Projects highlights¹, \$ mln



Financing structure:
CAPEX 80%
OPEX 20%

Type of financing:
project finance

Project Status: Project stage ready for implementation. Land under the factory is owned, land for growing tomatoes is leased. What was done at the construction stage - design and environmental assessment is done.

Expected Financial Indicators

NPV (10 years)	EBITDA (3 rd year)	Project launch period
\$25.6 mln	\$6.0 mln	1.5 years
Revenue (3 rd year)	IRR	DPP
\$17.0mln	23%	5.9 years

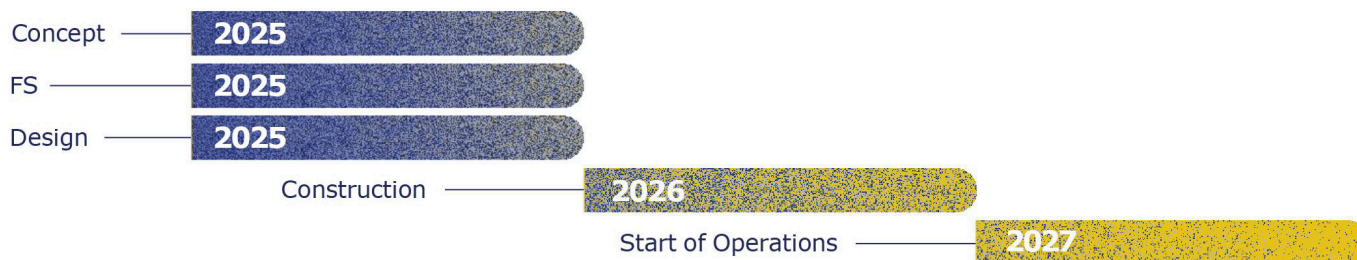
BUSINESS MODEL

- Agrofusion Group is a vertically integrated tomato growing and processing group, ranked the 12th largest tomato processor in the world, 3rd in Europe.
- It is sustainable supplier of tomato paste in 2B2 packaging for food industry.

KEY PARTNERS

More than 150 clients in 53 countries. State-of-the-art production equipment from Italian, German, Danish and other suppliers. Long-term partnership with suppliers all over the world. Advanced technologies in growing and processing. Financing from international financial institutions and funds.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



¹The project information and financial indicators are provided by company-initiator of the project.



MYKOLAIV REGION

NIKOTEX LLC

Non-woven materials production

- Brief Description:** The project aims to revive an experienced company through the adoption of modern Italian equipment and energy-efficient technologies, with a focus on exports to European clients.
- Products/Services:** Production of 58 tonnes of regenerated (felt) and 168 tonnes of non-woven synthetic fibre.
- Technological Parameters Of The Project:** Innovative technologies and automated textile waste recycling based on circular economy principles will ensure high product quality and efficiency through energy savings, process optimisation, and quality control standards.
- Project Strengths:** A solid experience in manufacturing, a high level of production process automation, compliance with ISO 9001:2015, availability of highly qualified personnel and a testing laboratory.
- Target Market:** Foreign buyers of regenerated felt (60% furniture/mattresses, 30% laminated felt). Ukrainian wholesalers account for 20% of production. Main uses: 90% furniture and mattresses, 10% footwear and clothing.

Projects highlights¹, \$ mln



Financing structure: **CAPEX 80%**
OPEX 20%

Type of financing: **debt financing / equity financing / project financing**

Project Status: Stands at the readiness for implementation stage.

Expected Financial Indicators

NPV	EBITDA (5 th year)	Project launch period
\$25.1 mln	\$1.4 mln	1 year
Revenue (5 th year)	IRR	DPP
\$6.8 mln	7%	10 years

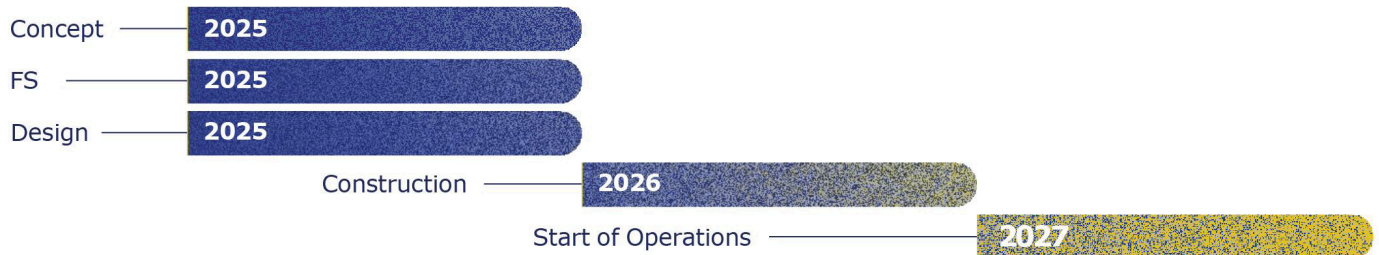
BUSINESS MODEL

- Restore modern and innovative production of non-woven materials for Ukrainian and international companies operating in the road construction, automotive, furniture, and textile industries.
- This will be achieved through the reconstruction of production, administrative, and warehouse facilities, the purchase of new technological lines, and the installation of energy infrastructure to ensure energy independence and efficiency of the production complex for processing textile waste and manufacturing finished products.

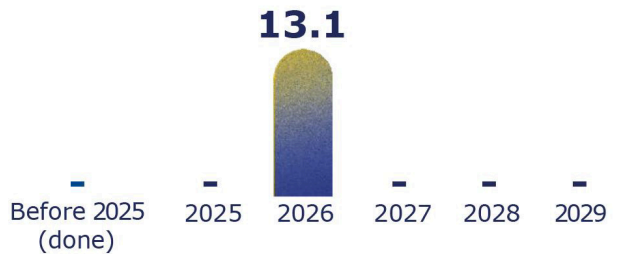
KEY PARTNERS

Companies with which there are agreements on supplies: Mercor Trading, Thomas Desch.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



¹The project information and financial indicators are provided by company-initiator of the project.



MYKOLAIV
REGION

ENERGY, BIOFUEL, COGENERATION

SOUTH UKRAINIAN BIOFUEL COMPANY PE

Cogeneration plant using agropellets

- **Brief Description:** The agropellet producer intends to produce electricity and heat energy based on a cogeneration plant using agropellets.
- **Products/Services:** Generation of electricity and heat through combustion of biofuel.
- **Technological Parameters Of The Project:** The planned annual design output capacity is: 3,600 MW of electricity and 12 Gcal of thermal energy.
- **Project Strengths:** Vertical integration with a biofuel producer, convenient logistics, support for the green course.
- **Target Market:** National electricity market, local heat consumer.

Projects highlights¹, \$ mln



Financing structure:
CAPEX – 100%
OPEX – 0%

Type of financing:
project finance

Project Status: Concept stage.

Expected Financial Indicators

NPV	Revenue	Project launch period
\$1.3 mln	on request	2 years
EBITDA (annually)	IRR	DPP
\$0.7 mln	15.9%	8.9 years

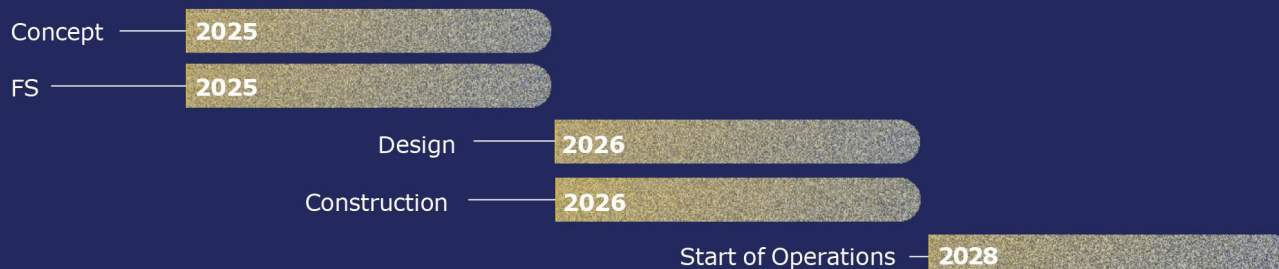
BUSINESS MODEL

The agropellet producer's business model is based on using in-house agropellets to fuel a cogeneration (CHP) plant that simultaneously produces electricity and heat. Revenue is generated through the sale of electricity to the grid or local users, supply of heat to nearby facilities, and potential income from carbon credits or renewable energy incentives.

KEY PARTNERS

Agricultural suppliers for biomass feedstock, technology providers for cogeneration equipment, energy distributors, maintenance service companies, and local government agencies supporting renewable energy projects.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



INCENTIVES

The facilities of South Ukrainian Biofuel Company PE are located on the territory of the "Voznesensk Techno Park" Industrial Park (formed in October 2025). Government offers 10 years of income tax exemption, VAT and import duty exemption for new equipment.

¹ - The project information and financial indicators are provided by company-initiator of the project.



ENERGY, RES (SOLAR)

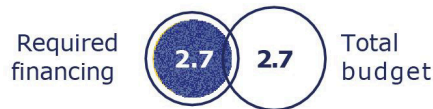
V-CENTER LLC

VOZNESENSK,
MYKOLAIV REGION

Construction of a solar power plant

- **Brief Description:** Construction of a solar power plant for own needs with a total capacity of 4 MW with the possibility of scaling up to 10 MW.
- **Products/Services:** Production of electricity for the company's own needs using a solar power plant.
- **Technological Parameters Of The Project:** Solar power plant with an installed capacity of 4 MW (projected annual electricity generation - 4,262 MWh).
- **Project Strengths:** SPP will ensure continuous operation of production, relieve the energy system of Ukraine, short payback period, additional jobs, and a reduction in CO2 emissions.
- **Target Market:** Internal market.

Projects highlights¹, \$ mln



Financing structure:
CAPEX 100%
OPEX 0%

Type of financing:
project financing

Project Status: Completion of Pre-Feasibility Study phase.

Expected Financial Indicators

NPV	Revenue	Project launch period
\$5.8 mln	n/a	2 years
EBITDA (3rd year)	IRR	DPP
\$16.3 mln	18.9%	4.5 years

BUSINESS MODEL

On-site generation and consumption of electricity to meet the internal energy needs of the manufacturing facility.

INCENTIVES

V.Center LLC's production facilities are located within the "Voznesensk Techno Park" Industrial Park, established in October 2024. The project benefits from state-supported incentives, including:

- 10-year exemption from corporate income tax;
- Exemption from VAT and import duties on new equipment.

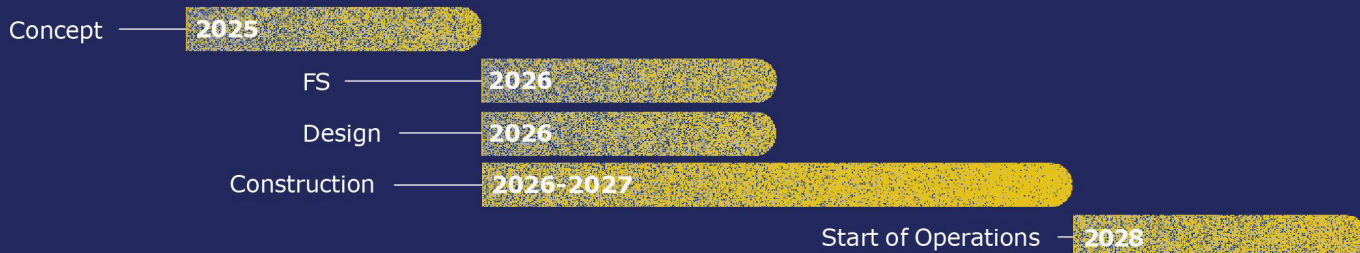
INVESTMENTS IN THE PROJECT, \$ MLN



KEY PARTNERS

V-Center LLC is a leading Ukrainian tannery operating since 2014, with over 40 years of industry experience. The company employs 250 staff and produces 70 million dm² of high-quality vegetable- and chrome-tanned leather annually, supplying Grisport, Diadora, and Ukrainian military footwear manufacturers in compliance with strict EU standards.

KEY POINTS OF PROJECT IMPLEMENTATION



¹ - The project information and financial indicators are provided by company-initiator of the project.



MYKOLAIV
REGION

MEGOELECTRIC UA LLC

Lightweight electric trucks production

- **Brief Description:** Manufacturing light electric trucks from scratch. Each vehicle weighs 450 kg and can transport up to 1 tonne of cargo for up to 400 km.
- **Products/Services:** Light Electric Trucks and Light Commercial Vehicle.
- **Technological Parameters Of The Project:**
 - Our main innovation is a new platform architecture that we developed from scratch. It allows for extreme energy efficiency.
 - The cost of running with cargo is €1 per 100 km. Any type of truck body can be installed. Battery capacity is tailored to match your required daily range.
- **Project Strengths:** This project will support the development of electric-powered transport in Ukraine, aligning with the country's goals in cooperation with the EU and a course for sustainable development.
- **Target Market:** The company is oriented towards the Ukrainian and East European markets.

■ Projects highlights¹, \$ mln



Financing structure:

CAPEX 60% / OPEX 40%

Type of financing:

project financing

Project Status: The conceptualisation phase of the project has been completed

■ Expected Financial Indicators

NPV	EBITDA (3 rd year)	Project launch period
\$1.1 mln	\$0.9 mln	1 year
Revenue (3 rd year)	IRR	DPP
\$1.9 mln	16%	2 years

BUSINESS MODEL

- The project focuses on manufacturing lightweight electric trucks.
- These trucks could be customised to any type of machine body and are designed for a daily range matching the required battery capacity.
- The base price is circa €8,000 for a truck.

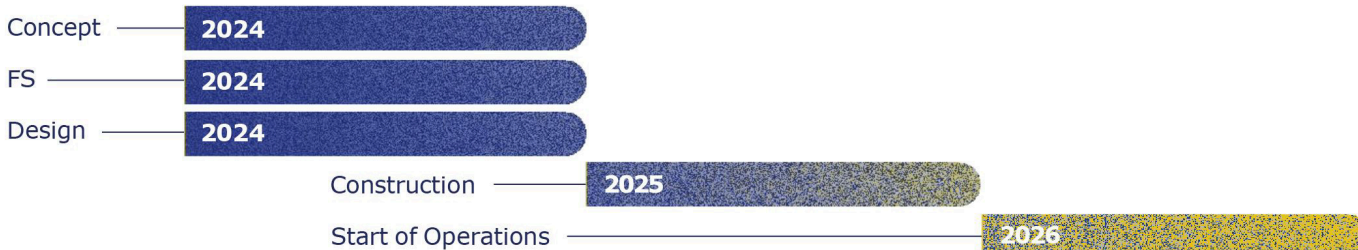
KEY PARTNERS

Manufacturers of glass, plastic, and car tires and rims in Ukraine.

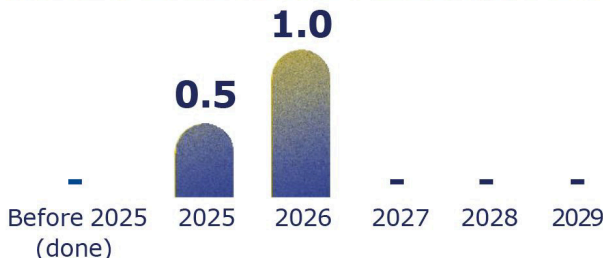
INCENTIVES

The project is eligible for governmental incentives supporting green technologies and electric transportation in Ukraine and Europe.

KEY POINTS OF PROJECT IMPLEMENTATION



INVESTMENTS IN THE PROJECT, \$ MLN



¹The project information and financial indicators are provided by company-initiator of the project.

