



## Ukraine: Market Profile

### Major Economic Indicators

	2015	2016	2017**
Population (000)	42,591	42,501 <sup>#</sup>	42,412
GDP (US\$ bn)	90.939	93.263	95.934
Real growth (%)	-9.8	2.3	2.0
GDP per capita (US\$)	2,135	2,194 <sup>#</sup>	2,262
Inflation – CPI index	48.7%	13.9%	11.5%
Unemployment rate	9.1%	8.8% <sup>#</sup>	9.0%
Exports (US\$ bn)	37.859	36.364	N.A.
YoY growth (%)	-30.1	-3.9	N.A.
Imports (US\$ bn)	36.317	39.151	N.A.
YoY growth (%)	-33.2	7.8	N.A.
Average exchange rate (Hryvnya per US\$)	21.812	25.587	26.650 <sup>##</sup>

Note: # estimate, ## Jan- Jul 2017, \*\* forecast  
Source: IMF, WTO, National bank of Ukraine

- Ukraine sits at the crossroads of Eastern Europe and Russia. Aside from a heavy reliance on commodities such as coal and steel and industries like transport equipment manufacturing, Ukraine’s resources and economic strengths include rich agricultural land, a strong scientific establishment and significant mineral reserves.
- Ukraine became the World Trade Organization’s (WTO) 152nd member in 2008, and since then, foreign companies have been dealing with fewer barriers in the Ukrainian market. WTO membership has brought Ukraine unprecedented benefits, especially from the unrestricted access of steel and textiles to the EU. This is particularly important because in recent years the EU has surpassed Russia to become Ukraine’s foremost trading partner.
- Specific liberalisation commitments have been made following Ukraine’s WTO accession in 11 “core” service sectors. These cover business services, communication services, construction and related engineering services, distribution, education and environmental services, financial services (insurance and banking), health and social services, tourism and travel, recreational, cultural and sporting services, and transport services. Other areas include beauty, hairdressing, and spa and massage services.
- Despite the 2014 Ukrainian revolution and the subsequent Russian annexation of Crimea, the Association Agreement with the EU, including a Deep and Comprehensive Free Trade Area, aims to deepen political and economic relations between the EU and Ukraine, and to pave the path to gradually integrate the country with the EU’s Internal Market.



- To attract foreign investment, the Ukrainian government has put in place investment incentives including preferential tax treatments for enterprises engaged in baby food production, implementation of energy-efficient technologies, hotel services, light industry, aircraft/ship-building industry, agriculture, forestry and fishery, biofuel manufacturing and publishing and food processing. More information can be found at the [State Agency for Investments and National Projects of Ukraine \(Invest Ukraine\)](#).
- The inflows of foreign direct investment (FDI) to Ukraine amounted to US\$3.1 billion in 2015. As of the end of 2015, China’s total stock of FDI to Ukraine topped US\$68 million, up from US\$7 million in 2006. Investment from Hong Kong, though, is far from significant.

### Hong Kong’s Trade with Ukraine

(US\$ million)	2015		2016		Jan-Jun 2017	
	Value	Growth	Value	Growth	Value	Growth
Total Exports	116.184	-30.1	147.099	+26.6	79.039	+33.6
Domestic exports	0.787	-76.8	0.213	-72.9	0.139	-10.6
Re-exports	115.397	-29.1	146.886	+27.3	78.900	+33.7
Imports	18.947	-38.8	15.797	-16.6	13.095	+104.9
Total Trade	135.130	-31.4	162.896	+20.5	92.134	+40.5

Source: Hong Kong Trade Statistics, Census & Statistics Department

### More Information

More information on the Belt and Road countries’ economic and investment environment, tax and other subjects that are important in considering investment and doing business are available in [The Belt and Road Initiative: Country Business Guides](#).

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