

A woman stands on a sandy beach, holding a large Ukrainian flag that billows in the wind. The flag is the central focus, with its blue and yellow colors contrasting against the blue sky and white clouds. The woman is seen from the back, wearing a dark jacket and shorts. The background shows a calm sea and a clear sky with scattered clouds. The overall mood is one of hope and resilience.

# KYIV RYSING

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# EXECUTIVE SUMMARY (1/4)



## PAST

Ukraine is a country with a thousand-year-old history, rich cultural heritage, and traditions. The Slavic word ‘Ukraine’ is mentioned for the first time in the Ipativ chronicles of 1187.

**The ancient history** (V BC — IX) is connected with the emergence of the historical Slavs and Trypillia culture on the Ukrainian terrain.

**The Medieval history of Ukraine is associated with Kyivan Rus’ (IX — XIII)** and Kyiv as the capital of a large and prosperous state, spreading from the Carpathian Mountains to the Volha River and from the Black Sea to the Baltic Sea. This was the golden period of Ukrainian history. Back then, the first silver hryvnias were cast, coins with the Prince’s trident were embossed, magnificent temples were built on the banks of the Dnipro river, and manuscripts were written behind the walls of Kyiv monasteries describing ‘where the Rus’ land came from.

**In the XV<sup>th</sup> — XVIII<sup>th</sup> centuries, Ukrainian territories had an official name Viys’ko Zaporiz’ke.** Its organisation was based on the principles of brotherhood, equality, and democracy, as well as on the warrior’s code of conduct that called for courage, loyalty, struggle against the enemies of Faith, protection of the land, and asceticism. This period is widely embedded in the Ukrainian traditional songs, artworks, and literature that constitute an inherent part of Ukrainian identity. This state had existed for over a century. Far back then, Moscow decided to transform Ukraine into an ‘imperial periphery’ and destroy even the idea of the existence of such a country.

**On 24 August 1991, the Verkhovna Rada of Ukraine adopted a historical document of exceptional importance for the destiny of the Ukrainian people — the Act of Proclamation of Independence of Ukraine.** It stated: ‘Proceeding from the mortal danger that loomed over Ukraine in connection with the coup d’état in the USSR on 19 August 1991, continuing the thousand-year tradition of state-building in Ukraine, **proceeding from the right to self-determination provided for by the UN Charter and other international legal documents,** implementing the Declaration on the state sovereignty of Ukraine, the Verkhovna Rada of the Ukrainian Soviet Socialist Republic solemnly proclaims the independence of Ukraine...’

However, this was a turning point in the history of Ukraine. **Russia had never appeared to recognise Ukrainian sovereignty,** demonstrating direct interference with the domestic affairs of Ukraine, bringing pro-Russian politicians into the Ukrainian Parliament, fabricating the results of presidential elections, and holding fake referendums on the occupied territories. These actions might be referred to as a **hybrid war against Ukraine.**

The Revolution of Dignity of 2013-2014 and the following historical events vividly show the **continuous devotion of the people of Ukraine to core values, such as human dignity, democracy, freedom, the rule of law, and human rights, that form the basis of the European Union.** Despite political instability and economic uncertainty in the country, Ukraine’s people have always been choosing the path of democracy and freedom.

# EXECUTIVE SUMMARY (2/4)

## MILITARY

With the beginning of the full-scale Russian invasion of Ukraine on 24 February 2022, Russia deployed troops into Ukrainian regions located along the border with Belarus, Russia, and temporarily occupied Crimea. The military offensive was accompanied by intense shelling of Ukrainian cities, airfields, and weapons depots throughout the country. The strong resistance of the Ukrainian armed forces pushed Russia to withdraw its troops from the north of Ukraine and relocate them to the eastern and southern regions in April 2022.

Considering more than tenfold dominance of the Russian defence budget over the Ukrainian one, as well as significant superiority in the number of Russian armed forces over Ukrainian ones, Ukraine counts on the military aid and support of its partners and allies to win the war. **Continuous strengthening of ties with Western partners helps Ukraine in obtaining modern offensive weapons and taking the initiative in certain areas of the front.**

## SOCIETY

The healthcare system of Ukraine, which has been undergoing transformation into a patient-centric, affordable, and anti-corrupted healthcare model since 2017, **continues to function on a full scale, despite the war-caused challenges.** Uneven patient loads in the hospitals due to high levels of Internally Displaced People, as well as shortages in medicines caused by the supply chain disruptions, are among the major problems of the Ukrainian healthcare system during the Russian invasion of Ukraine. Moreover, **127 medical facilities in Ukraine were totally destroyed by the invasion, while more than 460 remained occupied.**

Since the Russian invasion of Ukraine, the Ukrainian educational system has faced enormous challenges. As a result of Russian air attacks and shelling, 284 educational buildings in Ukraine were completely destroyed, and 2,461 were damaged. **The total losses of the destroyed education buildings are estimated to exceed 2 Bn USD.** Nevertheless, the 2020/2021 academic year in Ukraine was completed, and the External Independent Evaluation was changed into multi-subject testing, and admissions campaigns were held online.

The Ukrainian language, traditions, and culture were suppressed for a long time, as the country was occupied first by the Russian Empire and then by the Soviet Union. For instance, the Ukrainian language was banned 134 times for almost 400 years. Now, in 2022, Ukrainian cultural and architectural heritage is being destroyed across the country by Russian troops. **Millions of Ukrainians fight for their core values, such as freedom, justice, and security, by defending the country, supporting the army, and volunteering. During the first 4 months** from the beginning of the full-scale Russian invasion in February 2022, **Ukrainians donated more than 600 Mn USD to support the Ukrainian army.**

Since the beginning of the war, almost 5 million Ukrainians have lost their jobs. Thus, every third working place in Ukraine was lost. As of the beginning of March 2022, the number of vacancies decreased by more than 14 times compared to the pre-war period. Nowadays, the number of Ukrainians returning to work is gradually increasing, especially in the de-occupied territories and in those regions where active hostilities did not take place. However, in temporarily occupied territories and combat zones, business activity did not restore to the pre-war level, as proper working conditions could not be provided. In addition, **the employment crisis in Ukraine, caused by the Russian invasion, might put pressure on the labour markets and social security systems in the neighbouring countries that are hosting Ukrainian refugees.**

Approximately one-third of Ukrainians were forced to leave their homes, seeking a safer place, due to the full-scale Russian invasion of Ukraine in February 2022. **About 7 million citizens moved to another location inside the country, becoming Internally Displaced People, while nearly 4.0 million Ukrainians moved abroad and applied for temporary protection.** Poland, Germany, and the Czech Republic had the biggest inflow of Ukrainian refugees, offering temporary protection and support. **In 2022, Ukraine became the second-ranked country in the world in the number of external refugees.**

# EXECUTIVE SUMMARY (3/4)

## ECONOMY

The **Russian annexation of Crimea** in 2014 and the **war against Ukraine in the Donbas region** deprived **20%** of the Ukrainian economy with up to **150 Bn USD** damage. Such acts of aggression caused a serious crisis across all sectors of the Ukrainian economy and resulted in **high inflation, unemployment, and budget deficit**. To stabilise the national economy, the Ukrainian government conducted several reforms to improve the business environment, redirecting trade flows from Russia and CIS countries toward the EU and other regions. Conducted reforms also allowed Ukraine to increase in **Doing business ranking** in 6 years by 48 positions to **64<sup>th</sup> in 2021**.

**The agricultural sector** is one of the most important industries for Ukraine, with a **10%** contribution share to the **GDP in 2021**. By June 2022, the war caused at least **28.3 Bn USD direct and indirect losses**. As Ukraine is one of the leading agricultural suppliers worldwide, about **400 million people** might not be able to get grain crops as a result of the ongoing war. Due to the war, the **annual food inflation reached 15%** or higher in **36 countries as of May 2022**.

**Mining & Manufacturing** industry historically was one of the most important for the Ukrainian economy, with large export volumes. In 2020, Ukraine was the **6<sup>th</sup> largest extractor of iron ore**, the **5<sup>th</sup> largest extractor of titanium**, and the **9<sup>th</sup> largest extractor of uranium**. As of June 2022, the Russian invasion of Ukraine caused at least **11.9 Bn USD of material losses**. **Metallurgical enterprises** of Ukraine were **severely affected** by the war, and **one-third of pre-war capacities were destroyed or stopped operations** — **Illich Iron & Steel Works, as well as Azovstal in Mariupol**. The global manufacturing supply chain is at risk, as Ukraine leads exports in some specific products. Ukraine's share of the Neon gas trade amounted to approximately **70% of the global volume**, thus putting the whole global **semiconductor industry** under huge **supply chain risk**.

**Energy sector** of Ukraine, before Russia's war against Ukraine, was undergoing a **comprehensive transformation** aimed at decreasing dependency on Russian gas and electricity in favour of the EU. The war has caused more than **2 Bn USD damage** to the Ukrainian energy system and **460 Mn USD damage** to the Ukrainian power grid. **The loss of the Zaporizhzhia Nuclear Power Plant** and several Thermal power plants severely **undermined the energy capabilities of Ukraine**. The global economy also suffered the consequences of Russia's war against Ukraine, as the oil and gas prices **reached record heights**, driving **inflation and stagnation** of all industries.

Before the full-scale war, the **transport & logistics sector** of Ukraine was undergoing a transformation under the **Drive Ukraine 2030** plan with a total budget of **60 Bn USD by 2030**. As of June 2022, the total economic war-caused loss was estimated to be at least **44 Bn USD**, with the largest share attributed to the road infrastructure — **30 Bn USD**. Due to the blockade of Ukrainian ports by Russia, Ukraine relied on its **railroad and truck export** to the EU, even though it is more expensive and has less transport capacity compared to maritime.

**Ukrainian IT sector** showed a solid **CAGR of 28.8%** during **2017-2021** and was one of the major centres for the IT industry in Central and Eastern Europe, with large export volumes to the USA and Western Europe. Russia's war against Ukraine disrupted the IT sector, but **not to such an extent** compared to other industries. Ukrainian IT companies opened their offices outside Ukraine to **secure their project pipelines**. The **global IT companies** expect a revenue decline of about **6 Bn USD** in 2022.

## ECOLOGY

**The Russian invasion of Ukraine has caused an environmental disaster** across the large territory of the country, and the harm from it will continue to unfold for many years to come. The missile attacks of Russian forces on critical infrastructure and hazardous sites significantly exacerbated the pollution of air, land, and water in the country and put it under threat to the biodiversity of the whole European region. Moreover, the nuclear terrorism of the Russian occupiers at the Zaporizhzhia Nuclear Power Plant **now poses a severe risk to the nuclear safety of the global world**. Recovery of the environment of Ukraine requires huge resources to at least return to its pre-war state and ensure its sustainable development for the future.



# EXECUTIVE SUMMARY (4/4)

## NEW AGE UKRAINE

**Discussions on the post-war recovery of Ukraine started in March 2022**, during the first most difficult weeks of the Russian invasion. A month later, the government of Ukraine initiated the development of the respective recovery plan, as well as the mechanisms for its implementation. International partners demonstrated their desire and readiness to provide Ukraine with the needed resources and expertise to facilitate the process of rebuilding the country. Numerous discussions and a vast analytical work of the Ukrainian and international experts **resulted in the development of the National Recovery Plan of Ukraine for 2022-2032**, presented at the Ukraine Recovery Conference in Lugano on 4-5 July 2022.

**The National Recovery Plan is aimed at developing New Age Ukraine**, a strong and independent country with an equal and inclusive society, a sustainable and resilient economy, as well as a clean and safe environment. Institutional effectiveness and EU integration are the key strategic imperatives of the recovery concept.

The Plan implies the implementation of various projects in the economic, social, and environmental spheres of the country as a part of **15 National Programmes, with the total amount of required funding of 750 Bn USD**. This will ensure the sustainable economic growth of Ukraine at 7% annually, reduce CO<sub>2</sub> emissions by 65%, and earn a spot in the Top-25 countries of the Economic Complexity Index and the Human Capital Index by 2032.

However, in order to reach these ambitious targets, the Ukrainian government has to create a favourable investment climate through mitigating **internal risks** for investors, performing important **institutional reforms**, developing **investment incentives**, and **promoting Ukraine** worldwide as a “magnet” for investments.

Ukraine of the future has a high potential to build a strong democratic country with a fast-growing economy and high quality of living. It will become an attractive investment destination and a reliable economic partner for businesses from the EU and other countries across the globe.

**New Age Ukraine** will become a strong and independent country that successfully realises its potential and provides various business and investment opportunities for its international partners and prospects.





Let us speak  
**LOUDLY AND STRONGLY,**  
so that people around the world  
hear our Voices.



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