



Opportunities and Challenges of Investment Activity

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AGROFUSION Group of Companies



Hothouse complexes

Capacity - 135 mln. pcs. of seedlings.



Agriculture

18 900 ha of arable land.

The area under tomatoes - 5 037 ha.



Processing complexes

Total capacity of 500 000 tons of tomatoes per season

Inagro™ tomato paste



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Work places	1 708
Avarage wage, UAH.	5 644
Payroll fund, mln., UAH.	115 681
Taxes transferred, mln., UAH.	116 368
including: per 1 worker, UAH.	68 131
per 1 ha. of arable land, UAH.	6 176
from agriculture activities, UAH.	2 400



Agrarian Potential of the Region

Positive factors

- ✓ Agricultural resources.
- ✓ Spare labour resources.
- ✓ Availability of irrigation systems (Inhulets irrigation system).
- ✓ Private structures, which can initiate the attracting of the investments.

Negative factors

- ✓ Shadow economy.
- ✓ Population aging.
- ✓ Inflated expectations of rural population regarding the possible opening of a land market.
- ✓ Poor quality of life.

Opportunities

- ✓ New work places.
- ✓ Increasing of export.
- ✓ Diversification of production.
- ✓ Increasing of tax revenues.
- ✓ Business involvement to social programs.

Challenges

- ✓ Corruption.
- ✓ Absence of reforms.
- ✓ Common sense inconsistency of permitting procedures in matters of construction and equipment import.



What should the local authorities do?

- ✓ Downgrade shadow economy in matters of establishing equal conditions for tax payments both for legal entity and natural person.
- ✓ Introduce the additional tax for the owner of land, if the irrigated land is used as a dryland.
- ✓ Refer the land under processing complexes to the land of another agricultural purpose.
- ✓ Cancel the fee for accession to the electrical and gas networks.
- ✓ Reduce the percentage of share participation in the development of engineering infrastructure of the settlement, or provide an opportunity of its deferred payment.



What can provide the investments?

- ✓ Modern technologies of production and processing of agricultural products.
- ✓ Transparency of doing business.
- ✓ Application of the international standards of management, environmental security, labor protection and production quality.
- ✓ New work places and reduction of unemployment.
- ✓ Additional tax revenues.