

Introduction

Ukraine is a country located in Eastern Europe bordering the Black Sea and the Sea of Azov. Neighboring countries include Belarus, Hungary, Moldova, Poland, Romania, Russia, and Slovakia. Most of Ukraine consists of fertile plains and plateaus, the Carpathian Mountains in the west, and the Crimean Peninsula in the extreme south.

The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Ukraine has a mixed economic system in which there is a limited private freedom, combined with centralized economic planning and government regulation.



Location: Eastern Europe

Capital City: Kyiv (+2 GMT)

Chief of State: President Volodymyr Zelenskyy

Head of Govt.: Prime Minister Denys Shmyhal

Currency: Ukraine Hryvna (UAH)

Major Languages: <p>Ukrainian (official) 67.5%, Russian (regional language) 29.6%, other (includes small Crimean Tatar-, Moldovan/Romanian-, and Hungarian-speaking minorities) 2.9% (2001 est.); note - in February 2018, the Constitutional Court ruled that 2012 language legislation entitling a language spoken by at least 10% of an oblast's population to be given the status of "regional language" - allowing for its use in courts, schools, and other government institutions - was unconstitutional, thus making the law invalid; Ukrainian remains the country's only official nationwide language</p>

Primary Religions: <p>Orthodox (includes the Orthodox Church of Ukraine (OCU), Ukrainian Autocephalous Orthodox Church (UAOC), and the Ukrainian Orthodox - Moscow Patriarchate (UOC-MP)), Ukrainian Greek Catholic, Roman Catholic, Protestant, Muslim, Jewish (2013 est.)</p>

Calling Code: 380

Voltage: 220

Key Websites

Main Government Page: kmu.gov.ua

Investment Promotion Agency: ukraineinvest.gov.ua

Key Economic Facts

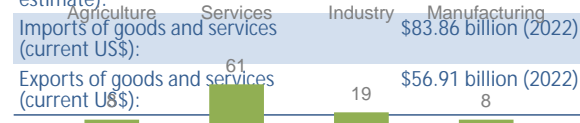
| | |
|---|-----------------------------|
| Income Level (by per capita GNI): | Lower Middle Income |
| Level of Development: | In Transition |
| GDP, PPP (current international \$): | \$448.56 billion (2022) |
| GDP growth (annual %): | -29.10% (2022) |
| GDP per capita, PPP (current international \$): | \$12,671.24 (2022) |
| External debt stocks, total (DOD, current US\$): | \$135,643,332,360.70 (2021) |
| Manufacturing, value added (% of GDP): | 7.58% (2022) |
| Current account balance (BoP, current US\$): | \$8.01 billion (2022) |
| Inflation, consumer prices (annual %): | 20.18% (2022) |
| Labor force, total: | 20,285,701 (2021) |
| Unemployment, total (% of total labor force, ILO estimate): | 9.83% (2021) |
| Imports of goods and services (current US\$): | \$83.86 billion (2022) |
| Exports of goods and services (current US\$): | \$56.91 billion (2022) |

**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

| Index | Rank |
|---|-----------|
| Corruption Perceptions Index | 121 / 178 |
| EY Globalization Index | 47 / 60 |
| Global Competitiveness Index | 85 / 141 |
| Global Enabling Trade Index | 95 / 136 |
| Global Services Location Index | 41 / 60 |
| International Logistics Performance Index (LPI) | 66 / 160 |
| Inward FDI Potential Index | 44 / 139 |
| KOF Index of Globalization | 45 / 185 |
| Networked Readiness Index (NRI) | 64 / 139 |
| Open Budget Index | 21 / 114 |

GDP Composition %



Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Strategic position in Europe
- Association and Free Trade Agreement with the European Union (2016), enabling a reorientation of foreign trade
- Significant potential in agriculture, with 55% of arable land (wheat, maize, barley, rapeseed, sunflower, beet, soybeans), and in metallurgy (iron)
- Skilled and low-cost labor force
- Low private debt levels
- International financial and political support, although conditional on reforms

Weaknesses

- Conflict with Russia and Russian-speaking populations in the Donbas region, affecting territorial integrity and preventing EU entry
- Business environment marred by corruption (notably in the justice system), oligarchy and monopolies, weak property rights, a lack of competition, and inefficient public services
- Low economic diversification, sensitivity to weather and commodity prices
- Declining demographics, regional inequalities featuring poverty, and the informal sector
- Credit constrained by doubtful loans and high real interest rates
- Managed float of the hryvnia, continued restrictions on capital movements

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