

Building a Bridge between Lviv and California:

Strengthening Ties, Connecting Markets, Creating Opportunities.





- On January 18, 2024, by Resolution SCR 96 of the California State Senate, approved by the California State Assembly on April 25, 2024, a decision was adopted to invite Lviv Oblast to establish a sister-region relationship with the State of California in order to foster cooperation in the areas of economy, science, education, and culture.
- The initiation of these new partnership relations was made possible through the joint efforts of the team of the Embassy of Ukraine in the USA, GCU in San Francisco, NGO "Synergy for Ukraine's Recovery," NGO "Hromada," the Ukrainian community in the USA, in particular Dr. Gregory Shapirshtein and California State Senator Bill Dodd, as well as the team of the Lviv Regional Military Administration.
- In response to California's initiative, the Lviv Regional Council, by Decision No. 580 dated June 28, 2024, approved the establishment of sister-region relations between the regions.







Establishment of Lviv California Chamber of Commerce

- The decisions of the California State Senate and the Lviv Regional Council
 attracted significant attention from the business community and the public
 in the Lviv region. In response, active community members established
 the Non-Governmental Organization "Lviv-California Chamber of
 Commerce."
- The Chamber's purpose is to unite professionals, entrepreneurs, private businesses, academia, institutions, and organizations to promote economic, scientific, and business cooperation between Lviv Oblast and the State of California, facilitate expertise exchange, educational initiatives, and develop international private-law business relations and contracts.
- The Chamber's activities include fostering cooperation in business, science, and education by developing partnerships, joint projects, knowledge exchange, events, and educational programs, as well as supporting student, academic, and professional exchanges.
- Additionally, the Chamber aims to promote international business contacts, modern technologies, energy, extraction, and environmental projects, ensuring alignment with global business standards and sustainable development.





Purpose and Mission LCCC

- A Platform for Decades: A Tool for interaction between businesses in California and Lviv Region. A "Window" for cooperation requests.
- A Bridge Between Markets: Searching for Partners, Investors, and Client.
- Joint Projects and Startups: Facilitation of establishment of Joint Ventures and R&D Centers.
- Educational Synergy: Program exchanges, University collaboration.
- Technological Partnership: Joint development and Innovation.
- Global Expansion: Facilitation of market entry, business and real estate acquisitions.
- **Promotion of regional cooperation:** Understanding the business environment, cultural exchange, enhancing partnership possibilities for trade, investment, cooperation, reconstruction.
- **Strategic development:** Exchange of Visions and Incorporation of Best Business Practices. Improvement of the Business Environment and Access to One of the Largest Markets.



Priority Industries and Areas of Cooperation

- Innovative Technologies, IT & Al
- Scientific Research & Technological Development (R&D)
- Education and Science
- Sustainable Agriculture & AgriTech
- Food Industry & Processing Technologies
- Hospitality, Restaurant, Catering (HoReCa) & Tourism

- Rare-earth metals & mining
- Manufacturing
- Rebuilding Ukraine
- Real Estate Development & Urban Planning
- Logistics
- Alternative energy
- Sustainable technologies & business practices



Opportunities for cooperation



Joint ventures and the establishment of production and R&D facilities in the United States and/or Ukraine, sharing technology, funds, markets.



Investment in and acquisition of production facilities in Western Ukraine for the manufacturing of goods for local and EU markets.



Export to Ukraine: Distribution and dealership of U.S. products in the Ukrainian and EU markets.



Import to the United States: Distribution and dealership of Ukrainian products in the U.S. market.



Investment in the RE in Lviv region or California.





License (use) of technologies and innovative solutions (food processing, construction, medicine, etc).



Joint activities under Ukraine's reconstruction programs (Rebuild Ukraine), infrastructure or sustainable energy projects.



Business consulting and establishment in the United States, including company registration and market entry support, market research, search for the sales and business representatives.



Founders of Lviv California Chamber of Commerce



NATALIA ANOKHINA - Co-Founder and Head of LCCC

An attorney with over 15 years of experience in legal consulting, business development, and strategic partnerships, including supporting transactions, investment projects, market entry of foreign businesses into Ukraine, and the expansion of Ukrainian companies abroad, as well as advising companies on development strategies, particularly in the technology sector. Co-founder of a company that imports heavy crushing equipment for construction waste into Ukraine.





ROMAN FEDYSHYN - Ukrainian entrepreneur. Owner of Shuvar, the largest wholesale agricultural market in Lviv Oblast and Western Ukraine, as well as the Shuvar Shopping Center.

Multiple-term member of the Lviv City Council. Recipient of the Order of Merit, 3rd Class (2019), a state award of Ukraine granted for outstanding achievements in economic, scientific, social, cultural, military, public, and other spheres of societal activity. Head of the Handball Federation of Ukraine in Lviv Region, Sponsor and President of the handball club Halychanka.



TARAS KYTSMEY is an entrepreneur, scholar, economist, co-founder, and Board Member of SoftServe (biggest Ukrainian IT company), a Merited Economist of Ukraine. He is the President of the "IT Ukraine" Association, co-founder of U-WIN business club, Board Member of the European Business Association, senator of the Ukrainian Catholic University, and Chair of the Supervisory Board of Ivan Franko National University of Lviv.

Taras holds an honorary doctorate from Lviv Polytechnic National University.

Taras holds a PhD in Physics and Mathematics, graduated from General Electric Business School, and completed the Owner/President Management (OPM) program at Harvard Business School.

In 2018, he was awarded the "Order of the Lion" by the Lviv City Council for his contribution to the IT industry in Ukraine and Lviv, implementation of advanced technologies, and promoting Lviv's image internationally.





Lviv California **CCC** Chamber of Commerce

MARKIYAN MALSKYY – Doctor of Juridical Science, attorney, managing partner at Arzinger Law Firm, recognized expert in international arbitration, scholar, and public figure. Honorary Consul of Austria in Lviv. In 2019, he served as Head of the Lviv Regional State Administration. Markian worked as partner in leading European law firms and as a professor at the University. He is recommended arbitrator by several international commercial arbitration institutions. Markian is the Board member of the Ukrainian Arbitration Association, Chair of the Lviv Branch of the Ukrainian Bar Association, twice was elected as Head of the Coordination Council of the Western Ukrainian Office of the European Business Association and is a member of the Ukrainian Bar Association and the International Bar Association (IBA).





ROSTYSLAV TISTYK – Member of the Parliament of Ukraine (Verkhovna Rada, Elected in 9th convocation).

Rostyslav serves on the Parliamentary Committee on Budget and chairs the Subcommittee on European Integration.

He is also a member of the Permanent Delegation to the Parliamentary Assembly of the Council of Europe (PACE). Rostyslav is also an initiator of the Interparliamentary Friendship Group with the Vatican and Co-Chair of the Group with the Czech Republic.

He holds degrees in International Economic Relations and Law, and is a graduate of the Diplomatic Academy and Aspen Institute programs.

Rostyslav founded the Support Center for the 125th Separate Brigade of the Armed Forces of Ukraine and the "125" Charitable Foundation.



Official Partnership between LCCC and Lviv Regional Administration



Lviv California LCCC Chamber of Commerce

- On May 26, 2025, the Lviv-California Chamber of Commerce initiated an official strategic partnership with Lviv Region by signing a Memorandum of Cooperation. (Link to the official document)
- This Memorandum consolidates the efforts of the parties aimed at enhancing economic, scientific, and business cooperation, undertaking strategic initiatives, advisory actions, partnerships, synergies, and reconstruction. It also shall serve as a practical implementation of the provisions of California State Senate Resolution SCR 96 of January 18, 2024, and Lviv Regional Council Decision No. 580 of June 28, 2024, which launched the sister-region relationship between the regions.
- Lviv-California Chamber of Commerce will act as a partner of the Lviv Regional Administration in implementing cooperation initiatives. Within this partnership, LCCC will coordinate efforts to establish contacts with municipalities, chambers of commerce, investment funds, and academic and research institutions in California. It also will organize events, business forums, presentations of Lviv region potential, bilateral meetings, and delegation visits to foster practical interaction between the parties.





About Lviv Region





Numbers and facts



Lviv is the largest city in Western Ukraine



Lviv got EBRD
Sustainability Awards 2020



About 2,5 million population of Lviv region



Ranked in the Financial Times fDi Intelligence Global Top 10 "Smart Locations of the Future" for cost-effectiveness



Lviv got a Youth Capital of Europe 2025



Lviv International Airport put into service in 2012, is the biggest airport in Western Ukraine according to passenger flow and destination network



Geographic location



Lviv region is located on the crossroads of multiple trade routes providing access to multimillion consumer Markets

Lviv – Kyiv — 542 km → 336 miles

Lviv – Odesa (seaport) — 804 km → 500 miles

Lviv - Warsaw — 381 km → 236 miles

Lviv - Krakow (Poland) — 325 km → 202 miles

Lviv - Berlin — 925 km → 574 miles

Lviv – Budapest — 574 km → 356 miles

Lviv – Bucharest — 607 km → 377 miles

Lviv - Vilnius — 769 km → 478 miles

Lviv - Bratislava — 775 km → 481 miles

Lviv - Vienna — 824 km → 512 miles

Lviv – Prague — 843 km → 523 miles

Lviv - Athens — 1851 km → 1,150 miles

Lviv - Istanbul — 1504 km → 934 miles



Main advantages of the region

Geography



- geographical location, logistics
- free trade agreement with the EU
- availability of raw materials & land

Infrastructure



- developed infrastructure
- main trade routes & international airport
- availability of real estate

Human Resources



- available labour resources
- competitive salaries
- competitive tax rates

Business Approach

- easy business incorporation & administration
- non-occupied internal market niches
- possibility to operate on the tolling system



Government Support



- pro investment approach of local authorities
- readiness to support business



Spheres and industries of cooperation



Retail and Wholesale



Pharmaceuticals and Healthcare



Food Processing



Manufacturing



Real Estate



HoReCa



Energy



IT and BPO



Infrastructure



Import. Export. Logistics



Agriculture



R&D, technology



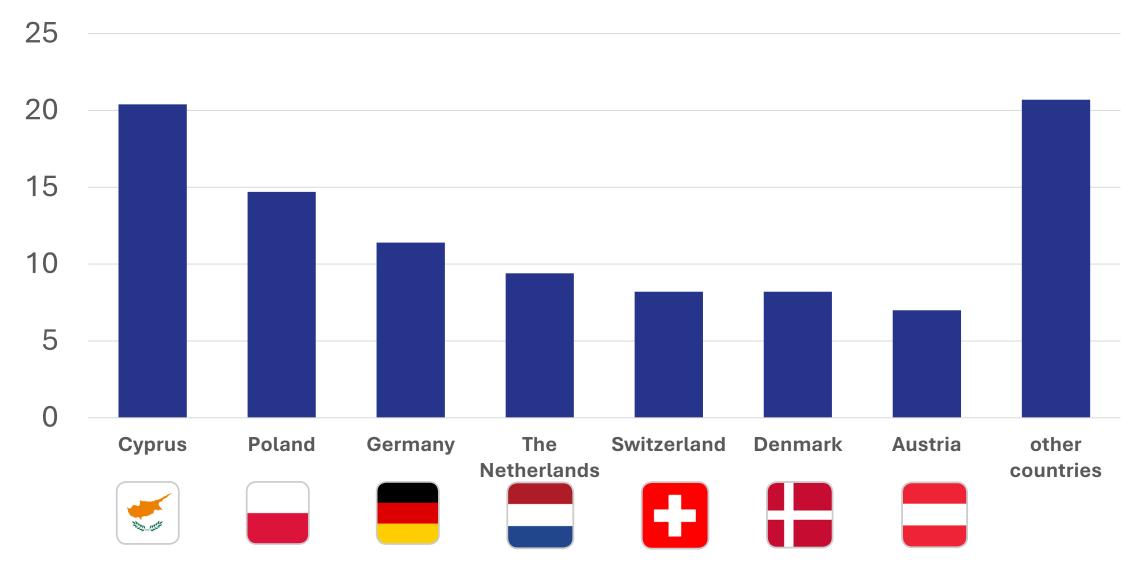
Export	Import
Countries:	Countries:
Poland – 24.6%	Poland – 22.4%
Germany – 13.3%	China – 18.2%
Czech Republic – 8.4%	Germany – 9.1%
Lithuania 5.1%	Turkey – 6.5%
Denmark 4.5%	USA - 4.4%
Others – 44.1%	Others – 39.4%

Product Category	USD million
Electrical machines	100.2
Furniture	93.8
Animal or vegetable fats/oils	90.2
Wood and wood products	56.0
Alcoholic and non-alcoholic beverages & vinegar	26.6
Cereals	26.3

Product Category	USD million
Mineral fuels, oil, and products	305.3
Electrical machines	181.1
Ground transport (excl. rail)	148.9
Nuclear reactors, boilers, machinery	79.5
Plastics, polymer materials	69.0
Edible fruits and nuts	62.4



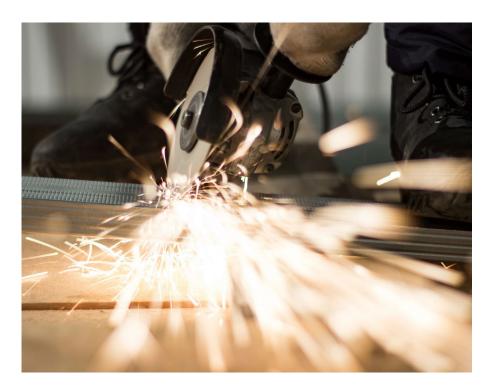
Investments by countries





Production relocation from the EU

- In the years leading up to the war, there was a clear trend of foreign companies relocating their production facilities to Lviv region near the EU border.
- A significant number of large and medium-sized investors from Poland, Romania, Belgium, Germany, France, Turkey, the Netherlands, the UK, and other countries began operations in the Lviv region.
- **Key factors** driving this trend: competitive labor costs, geographic proximity to EU markets, large local market, and the availability of land and industrial parks and special production zones with preferential tax treatment.
- In addition, tolling regime allow raw materials to be imported duty- and VATfree for processing and re-export, enabling companies to reduce production costs by locating facilities in Ukraine while staying just 50–70 km from the EU border.
- With its dense network of industrial parks and strong logistics potential, the Lviv region remains a top destination for production-oriented investment. This relocation trend was particularly strong before the full-scale invasion and is expected to accelerate further once the war ends.
- Starting production before Ukraine joins the EU offers a rare opportunity to reduce costs and gain early access to the future EU manufacturing zone.







Lviv region potential:

- Industrial parks
- Business centers
- Hotels and Hostels
- Logistic Warehouses
- Shopping and entertainment centers





Agriculture

Agricultural complex of Lviv region consists of wide range of agro segments such as:



grain production



sugar beet planting



processing of fruits and vegetables



meat industry



milk industry



poultry industry

Still, such does not use its full capacity without sufficient technology.



PRODUCTION OF KEY AGRICULTURAL PRODUCTS IN 2024

Crop Production

- Grains
- •Corn
- Soybeans
- Sunflower
- Sugar beets
- Potatoes
- Vegetables

Livestock Production

- Meat
- •Milk
- Eggs





Lviv is also called Ukrainian "Silicon Valley" for large number of IT companies, IT professionals and R&D facilities.

- 55 000+ professionals work in IT in Lviv;
- 600+ IT companies are located in Lviv
- 30% of all Ukrainian IT market
- 4 000+ IT graduates annually;
- Education: Advanced, niche-focused IT programs at technology universities in Lviv
- Significant number is high quality outsourcing, but a significant development is made in product companies and military tech



^{*}The vast majority of customers in the IT sector are foreign companies



Business processes outsourcing

Lviv's outsourcing market has demonstrated steady growth since early 2000-s, confirming the maturity and reliability of local service providers.

An increasing number of international clients are choosing Lviv as a trusted outsourcing destination

Key advantages include:

- A large pool of highly educated professionals fluent in English, German, Polish, Spanish and other languages;
- Standardized operational models that enable seamless outsourcing integration;
- Possibility to operate in different time-zones with different geographical markets;
- Flexible labor and civil law agreements constructions;

Representative clients include companies such as Nestle, Veon, Austrian Airlines, Turkish Airlines, PwC, and others.

Additionally, many call centers operate on a BPO basis in the Lviv region.





Lviv California **Chamber of Commerce**



Energy

SOLAR ENERGY



85 solar power plants with a total capacity of 354, 575 MW

SOLAR POWER PLANTS IN WESTERN UKRAINE:

- Ozerna (9,9 MW). Commissioned in March 2017;
- Sambir-1 (3,1 MW) 2012;
- Sambir-2 (5 MW) 2017;
- Bogorodchany (2,8 MW) 2013;
- Gelios Energy (4 MW) 2013;
- Yavoriv (72 MW) 2018 and 2019;
- Soniachne pole (2MW) 2018;
- Ternovytsya (104MW) 2018;
- Boryslav (8,5 MW) 2019;
- Hlyniany (3.5 MW) 2019;
- Hlyniany-2 (17,95 MW) 2019;
- Radekhiv (8,45 MW) 2019.

WIND ENERGY



3 wind power plants with a total capacity of approximately 94 MW

ACTIVE:

- Orlivka wind farm (60 MW) (by Eco-Optima and MND) (2024)
- Staryi Sambir-1 (13,2 MW);
- Staryi Sambir- 2 (20,7 MW);

Additionally, a large-scale wind power plant is planned to be built between Horodok and Yavoriv (Lviv region), which will become the largest in Western Ukraine — with up to 28 turbines and a total capacity of 100 MW.

Construction is scheduled to begin at the end of 2026.

The investment is estimated at up to USD180 million.

This project represents a significant investment in green energy, which will greatly enhance the region's renewable energy potential.





Pharmaceuticals and Healthcare

Pharmaceutical industry covers production of pharmaceuticals and medical purpose articles, wholesale and retail trade, specialized storage and distribution through developed sales network. Commodity supply chain of the pharmaceutical industry in the country includes foreign companies (imported products), local manufacturers, wholesalers/distributors of pharma related products, public and private hospitals and the retail segment.

Lviv Medical University provides different programs for clinical trials and development and is open for cooperation.

Private Healthcare Clinics

There is strong potential in the private healthcare sector. The market is still in its early stages, with relatively few established clinics and limited competition. As demand for high-quality medical services continues to rise, this presents a valuable opportunity for growth and investment.





Sectors to invest



- Approx. 1.53 million of tourists visit Lviv every year
- About 129 hotels and other accommodation facilities in Lviv region
- About 9 200 bed places in hotels and other accommodation facilities
- More than 1 200 cafes, restaurants, bistros and other food establishments
- Over 4 thousand of historical and architectural relics of 12-20th century in Lviv region (25% of all objects in Ukraine)



Data as of 2024. Source: http://dashboard.city-adm.lviv.ua/statystyka/turyzm



Tax and regulatory aspects



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European integration

On 27 June 2014, the EU-Ukraine Association Agreement was signed by the Heads of State and Government of the European Union and the President of Ukraine.

The Deep and Comprehensive Free Trade Area (DCFTA), which is an integral part of the Association Agreement, has been provisionally applied by the EU and Ukraine since 1 January 2016.

This agreement envisages the mutual opening of markets for goods and services, based on transparent, predictable, and enforceable trade rules. DCFTA sets out the schedules for the gradual reduction and elimination of import duties by both parties. For a significant number of goods, import duties were reduced to 0% as of 1 January 2016.

On 28 February 2022, Ukraine officially submitted its application for EU membership.

On 23 June 2022, the EU granted Ukraine candidate status, subject to the implementation of seven key recommendations. Fulfilling these recommendations is a prerequisite for the EU to decide on the start of accession negotiations. Ukraine is now moving forward on its path toward EU membership.





On April 30, 2025, the governments of Ukraine and the United States signed an <u>Agreement establishing the U.S.-Ukraine Reconstruction Investment Fund</u> (hereinafter – the Fund), a strategic mechanism for attracting investment in mineral extraction, energy, and infrastructure. The focus includes assets with deposits of oil, gas, lithium, uranium, titanium, copper, gold, and dozens of other resources that are critical to the country's energy and economic security.

On May 8, 2025, Ukrainian Parliament has ratified the Agreement. According to the Agreement signed on April 30, 2025, 50% of the following revenues will be allocated to a **special fund of the State Budget of Ukraine:**

- royalties for the use of subsoil (for specific natural resources),
- fees for the issuance of special permits for subsoil use,
- proceeds from the sale of the state's share of production under production sharing agreements.

These revenues will constitute Ukraine's contribution to the investment fund, which will be managed in partnership with the U.S. side. The goal is to finance reconstruction, modernization, and development projects.



The Fund will be established on a parity basis – with **50% participation** from each side and **equal voting rights**.



Employee's taxes, which have to be deducted from the salary (by an employer as a tax agent) amounts to 23%, which includes:

Personal income tax -

18%

Military contribution -

5%

+ Employer's taxes – 22% of unified social contribution (USC), which is calculated from the salary gross.

EXAMPLE

Costs of the Employer on the Salary Gross in the amount of 500 EUR

	Salary Net, EUR	Personal income tax, EUR	Military contribution, EUR	EUR
Costs of the Employer	402,5	90	25	110



Lviv California Chamber of Commerce

GENERAL TAXES II	N UKRAINE	RATE	
Corporate profit tax		The general rate – 18% (0, 3, 9, 18, 25%, 50% - to certain companies/business activities)	
VAT		The standard rate – 20% (0, 7% depending on type of transaction)	
	Budget subsidies	for eligible agriculture companies (VAT payers)	
	Dividends	15% (5% / 10%)	
Withholding	Interest	15% (10%)	
Tax	Royalty	15% (10%)	
	Other income	0% – 20%	
Personal Inco	me Tax	18% (0, 5, 9% – to specific items of income)	
Military L	evy	5%	
Real estate	e tax	≤1,5% of the min wage / 1sq. m.	
Land tax/Land rent		0.1% - 12%	
Unified tax regime		This regime offers tax savings for agricultural companies and private individuals doing business without incorporation of separate legal entity, by registering as private entrepreneur.	

There are number of taxes at the local level, including property tax, unified tax, and tourism duties. In general, local taxes (except unified tax) and duties do not have a significant impact on a taxpayer's tax position.

Withholding tax

By carrying payment of dividends to the non-resident shareholder the company is obliged to pay withholding tax in amount of 15%, but normally the lower tax is provided by the international tax avoidance agreements.



We are open to collaboration and strategic partnerships

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