

# Kyiv Mayor Newsletter

March 2019

**CHANGE STARTS WITH KYIV**

**Kyiv recognized globally for return on budget investment and red tape reduction**



Kyiv has entered top 10 the most successful cities globally for return on budget investment and awarded an fDi Strategy Award for red tape reduction.

Vitali Klitschko received the award at the fDi Location Awards ceremony celebrating the most successful locations globally for investment attraction, which is annually hosted by Foreign Direct Investment Magazine (a division of The Financial Times) at MIPIM property conference which took place on 12-15 March in Cannes, France.

He also showcased a Kyiv stand and promoted major real estate investment and development opportunities in the city to international property investors.

“Today we represent here Ukraine and its capital city. As Kyiv mayor I would like to emphasize that our city is undergoing dynamic transformation now, setting an example for the entire country,” remarked Klitschko. “Kyiv is an attractive and promising investment market, since it leads the way as a destination city over a few past years, welcoming 60% of total investment in Ukraine. Kyiv has risen in the rankings of the Big Three credit rating agencies. Encouraging investment is among our top priorities, to boost the city development and make Kyiv more beautiful and comfortable to live in,” underlined Kyiv mayor.



This year MIPIM brought together over 26,000 attendees from 100 countries worldwide. This flagship event gathered about 6,000 international investors and almost 4,000 CEOs of the industry key companies.

The theme of this year's event was 'Engaging the Future' - an opportunity to envision the next 30 years of real estate industry which is helped by new drivers, under the lens of 'durability'.

MIPIM is a unique international networking platform to discover new urban development investment opportunities, urban areas development and tourism as well as meet potential partners to secure investments.

## Klitschko meets the wife of John McCain and delegation of the International Republican Institute

Kyiv mayor Vitali Klitschko met with Cindy McCain, the wife of the U.S. Senator John McCain, the delegation of the International Republican Institute (IRI) and the McCain Institute for International Leadership at Arizona State University. Cindy McCain co-leads the delegation that has arrived to Kyiv to observe a free democratic vote at Ukraine's presidential election on March 31. IRI delegation reviews the electoral process in both Kyiv and other Ukrainian cities.

"I highly appreciate Senator McCain's love for Ukraine and that during the Revolution of Dignity he was together with us on Maidan and supported our aspirations. I feel blessed to have known him and talked with him. As long as we remember a person, he is not really gone. The memory of John McCain - a great friend of Ukraine will always be in our hearts," said Vitali Klitschko at the meeting.

Cindy McCain thanked the mayor of Kyiv for his warm words and for having been her husband's friend. "He so loved Ukraine and Ukrainian people and felt protective over your country. I think, we should continue support for Ukraine and I am here today - to carry on his legacy," remarked Cindy McCain.



Meeting with the guests, Kyiv mayor briefed them on the latest developments in Kyiv over the past five years and told of challenges facing Ukraine during the election campaign - a rise of populism of some political candidates and the wish of Ukraine's enemies to cause instability in the country. "No matter who the next president is, it is very important to further pursue the democratic European path," stressed Klitschko. "We will continue to proceed on our European path so that Ukraine will establish itself as a successful and powerful democratic state and a rightful member of the European family," he emphasized.

Cindy McCain invited Vitali Klitschko to come in Washington to discuss the challenges confronting Ukraine and its future with the U.S. politicians and senators. She also remarked that Klitschko is the best spokesperson for Ukraine, recognised internationally.

## Klitschko: transparent business environment is a must for competitive sustainable entrepreneurship



The Kyiv City Council has adopted a decision to transfer the city-owned parking lots into private operation under ProZorro e-procurement procedure. As Kyiv mayor Vitali Klitschko announced at the Kyiv City Council session, transparent business environment in the city is a must for competitive sustainable entrepreneurship which contributes to raising budget revenues. “We are changing the hereditary corrupted and unresponsive governance system to make the city more prosperous, since entirely transparent business environment is a cornerstone of welcoming investments into Kyiv,” said Klitschko.

He reminded that thanks to ProZorro system the city has already saved some billions of hryvnas. Formerly rented out street trading kiosks brought only €280 thousand into Kyiv budget per year. After bidding street trading consents in e-auctions just one portable coffee shop yielded 900,000 in revenue.

The mayor also remarked that streamlining parking operations will not hurt the sole traders that work there. They will have the priority right to bid and participate in tenders. “We have to streamline these procedures to ensure the city’s becoming a successful European state,” emphasized Klitschko.

## Klitschko inspects refurbished Svyatoshyn Metro station

Kyiv mayor Vitali Klitschko inspected the refurbished Svyatoshyn Metro station. ₴150 million improvements include revamped platform, refurbished entryway and entrance halls as well as improved accessibility for passengers with disabilities - installed elevators and tactile paving. The station is fitted with renovated surveillance and alert systems as well as fire prevention and fire alarm systems. During the repairs the crews had to fix defects extend back to the station construction in 1971.

According to the mayor, up to now only 12 Metro stations are friendly to disabled people, having elevators or vertical platform lifts. Svyatoshyn is the 13th now, having the latest equipment fitted. “The station has never been substantially renovated since its opening nearly 50 years ago. It looked very nasty: old tiles coming off the walls due to high humidity, gaping cracks and rats in walls, illegal street vending at the station entrance,” remarked Klitschko. “Svyatoshyn station now has a smart new appearance, it is also much more comfortable. We have updated power equipment, HVAC and waterproof wall insulation. Now there are three elevators, two vertical platform lifts and tactile paving for passengers with disabilities,” he told.



“Another 15 old Kyiv metro stations are set to get an upgrade to improve their appearance, safety and accessibility. Next station to see big improvements in the near future is Kyiv Polytechnic,” remarked Klitschko.

He added that Kyiv City Metro has 52 stations in operation and overall contains about 70 km of routes. It delivers 1.5 million daily rides. He also reminded that the city not only repairs the old metro stations but also build new ones. “Preparation works on two new metro stations - Mostytska and Prospekt Pravdy have already started. We are set to move ahead with the Green Line metro extension, with four more station to Vynohradar neighbourhood. We plan to unveil the first two stations in two years’ time,” announced Vitali Klitschko.

## Klitschko at the APP Assembly: Ukraine wants Europe to be united and powerful



As Kyiv mayor Vitali Klitschko has declared at the Austrian People's Party Assembly, Ukraine wants Europe that has always been and continues to be an example of true democracy, to be united and powerful. Klitschko attended the Congress which took place in Klagenfurt am Wörthersee, Austria, on invitation of the Federal Chancellor of Austria Sebastian Kurz. According to the party congress organisers, "Vitali Klitschko is a model for an entire generation and is considered a big advocate of European idea and a bridge-builder outside the EU."

"We are realists. We are conscious of the magnitude and variety of challenges facing the EU today. But we are interested in powerful and united Europe. Despite all problems Europe sets an example of true democracy for us," stressed Vitali Klitschko addressing the Assembly.

He also remarked that a unity of both Austria and the European Union in imposing sanctions plays a significant role in curbing Russian aggression. "I want all Europeans to remember that Ukraine defends not only its independence but also its European choice, not only our shared democratic values but also Europe's stability and security," he emphasized. Klitschko added that five years ago in Maidan for the first time in the history lives have been sacrificed for European idea and people have lost their lives under the EU flags.

"European values are not just empty words or a slogan for us. Many EU citizens take them for granted, since these values are a part of their everyday reality," stressed Klitschko. "Our painful experience of having lived under the Soviet regime, of having risen up against totalitarianism and now of opposing Russian aggression learn us to fight for democracy every day. We need to appreciate fruits of democracy in every country," emphasized Vitali Klitschko.

He also noted that Association Agreement with the EU is the best road map for Ukraine's reforms and transformation.

The Austrian People's Party Assembly, held under the motto 'Let's get ready for Europe' has brought together over 1300 participants. According to them, this year's Congress, held shortly before European Parliament elections, was of great political importance.

The Federal Chancellor of Austria Sebastian Kurz voiced support for Ukraine and its European aspirations and thanked Vitali Klitschko for all his efforts in implementing European principles and values. He also remarked that the APP's parliamentary election win in 2017 has become possible thanks to the support given by Vitali Klitschko who has star guested in the party's assembly prior the elections. At that party gathering the former Foreign Minister Sebastian Kurz was elected the APP chair.

The Austrian People's Party was founded in 1945, and now with more than 600.000 members is the biggest party in Austria. The Chairman of the Party is Sebastian Kurz who became the Federal Chancellor of Austria in 2017. The Austrian People's Party is the European People's Party member party.

### **Klitschko reveals plans to reconstruct Bortnychi Aeration Station**

The mayor of Kyiv Vitali Klitschko announced plans for one of the biggest infrastructure projects - the Bortnychi aeration station reconstruction which is expected to be completed in six years.

"Kyivvodokanal released an international bid earlier later today that seeks to have a general contractor provide for the reconstruction of the Bortnychi aeration station," remarked Klitschko.



The Bortnychi station is one of the biggest wastewater treatment facilities in Eastern Europe and the only one treating the sewage water in Kyiv.

This project worth about \$970 million which is secured by a loan from the government of Japan is aimed at enhancing the resilient performance of Bortnychi treatment station, environmental and public health improvement.

"Not only the station reconstruction will have a positive effect on the environment of the city, but it will bring a substantial investment inflow into Kyiv, since 70 percent of the total project costs goes to the city. The project means new jobs and national industry working at full capacity," emphasized Vitali Klitschko.

It is important to mention that the loan features favourable terms for Ukraine, as Japan extends over ¥109 billion at 0.1 percent annual interest rate, with a 40-year payback period and a 10-year grace period. Under the deal, products and services provided by Japan constitute about 30 percent of the total construction cost. Currently the Japan International Cooperation Agency (JICA) has officially approved the tender documentation.

## Klitschko unveils Borys Nemtsov square in Kyiv



The mayor of Kyiv unveiled a square named after the Russian opposition politician Borys Nemtsov shot dead in Moscow four years ago. The square is located at the crossing of Surikova str. and Povitroflotsy av., next to the Embassy of the Russian Federation. Zhanna Nemtsova, daughter of the politician and the founder of Borys Nemtsov Freedom Foundation was also in attendance for the ceremony.

“We are unveiling today a square and a plaque honoring a great friend of Ukraine, prominent Russian opposition politician Borys Nemtsov. I knew him personally, we communicated. Nemtsov used to visit Ukraine and loved it,” said Klitschko.

He remarked that Boris Nemtsov Plaza was officially unveiled outside the Russian Embassy in Washington a year ago, followed by a similar move in Vilnius. The ordinance naming the square after Borys Nemtsov was passed by the Kyiv City Council on November 15, 2018.

“Nemtsov was a fierce critic of the Russian policy toward Ukraine. He condemned the annexation of Crimea by Russia and bluntly announced Russian troops presence in Donbas. He stood behind Ukraine and wished it success,” stressed Klitschko.

Vitali Klitschko emphasized that whoever ordered the murder was never found. “But we all know that this is a political murder and whom Nemtsov hindered,” noted Kyiv mayor. “Every single day this square will remind the Russian Embassy of the people who fight for truth, democracy and justice. For the future of their country,” he said.

“Probably the top question is why Kyiv unveils a memorial honouring my father? Because he was a truly great friend of Ukraine. I think, most important here is that his tragic fate is closely intertwined with events that have occurred and still go on in Ukraine,” said Zhanna Nemtsova.



## Klitschko hands house keys over to orphaned children

24 orphaned children and children without appropriate parental care have received their title deeds for new one-bedroom move-in ready apartments at the meeting with Kyiv mayor Vitali Klitschko. “Today we are meeting on a most pleasant occasion - to hand 24 title deeds over to children who are deprived of a family environment and orphans,” said Klitschko.

Over two years 107 new apartments have been allocated in total. “The situation has significantly improved. Earlier not more than 5 children annually have been entitled to fulfill their right to housing,” stressed Vitali Klitschko.



Last year 87 homes worth almost 77 million hryvnas were allocated under the city’s housing delivery programme. The government provided a subsidy for 12 more homes. Upon availability of new residential buildings the city will further reduce the number of orphans and children deprived of parental care on a housing waiting list, with 383 persons on it at the end of 2018. Under this programme in 2019 Kyiv earmarks ₴50 million and more ₴14 million receives as a state subvention.

“We will continue to provide municipal housing assistance to orphaned children and we plan that his housing backlog will be cleared in next years. Our goal is that all orphanage graduates could receive their title deeds as soon as they start their adult lives,” remarked the mayor.

The new homeowners were thrilled and thanked the city authorities. “I am an orphan, my wife has been internally displaced. We have been doing voluntary military service in eastern Ukraine for four years now. Now it will really warm us up to know we have our own family home,” said one of the beneficiaries, Serhiy Vlasenko while receiving the certificate.

## **Klitschko signs Memorandum with EBRD to implement infrastructure projects**

Kyiv mayor Vitali Klitschko signed a Memorandum of Understanding with the European Bank of Reconstruction and Development on joining the EBRD Green Cities programme. The funding will be dedicated to the implementation of important transport infrastructure projects.

One of the projects the EBRD will back is the municipality's acquisition of new buses, trolleybuses and metro cars as well as complete reconstruction of tram lines in Kontraktova square and massive repair of the Metro bridge.

“Together with the EBRD we have selected 4 transport infrastructure projects we will implement during 2019-2020. Very recently the Bank Operations Committee approved €320 million projects concept. The next step is signing of the loan documents and a start of bid procedures,” remarked Klitschko. According to him, this is the second stage of cooperation with the EBRD. Under the first project the city has already been renewing the city's public transport fleet worth €60 million (185 buses and 202 trolleybuses). The project also provides €40 million of funding for purchase of 50 new metro cars. The project is scheduled for completion by 2021.

Klitschko remarked that equally important is upgrade of municipal heat system worth €140 million under the EBRD Green Cities programme. “The Bank provides funds to support investments into green infrastructure improvement and helps to develop a good policy paper to address the target challenges,” stressed the mayor.

The Green Cities Programme helps beneficiary cities to address their priority environmental challenges as well as develop the Green City Action Plan to prioritise investments and reforms, and get the donor funding.

