



Investment passport of Mukachevo City



About the City

Mukachevo is a city of regional importance, located in the south-western part of Transcarpathian region on the banks of the river Latorytsia. The town is surrounded by mountains - Galish, Lovachka, Sorocha, Chervona, Chernecha.

Climate - temperate continental

The city was founded in 896

Population - 85.9 thousand people

Population density – 3145/km²

City area - 27.2 km²

Postal code - 89600



Competitive advantages of the city

TOP 1 - by exports of goods and services among cities of Transcarpathian region

TOP 1 - by volume of capital investments per capita among cities of Transcarpathian region

TOP 2 - by economic potential in Transcarpathian region

TOP 2 - by population in Transcarpathian region

- **Favorable geographical, geopolitical and logistical location:**
 - 40-50 km to the borders with Hungary and Slovakia
 - 90-100 km to the borders with Poland and Romania
- **Transport junction of international highways and railways:**
 - railway line Kyiv - Budapest - Vienna
 - highways Kyiv - Budapest - Vienna and Kyiv - Bratislava – Prague
- **Powerful industrial potential including export-oriented companies like Flex, Fischer**
- **Mobility and high transparency of city authorities**
- **Developed network of educational, cultural, healthcare organisations**
- **Internal city revenue - more than 50% of total income**
- **Active transition of city enterprises to alternative energy sources**
- **Complex of former military airfield of 227 hectares with the possibility of construction of Mukachevo International Airport**
- **Ancient and rich historical and cultural heritage - Palanok Castle and other architectural monuments**
- **Inter-ethnic and inter-denominational tolerance of the multinational population of Mukachevo**

International cooperation

Twin Cities

1.	Presov	Slovakia	
2.	Humenne	Slovakia	
3.	Kisvarda	Hungary	
4.	Mateszalka	Hungary	
5.	Nirmedyesh	Hungary	
6.	Dobosh	Hungary	
7.	Celldomolk	Hungary	
8.	Eger	Hungary	
9.	Budovar, Budapest	Hungary	
10.	Mielec	Poland	
11.	Pelhrimov	Czech Republic	
12.	Pag	Croatia	
13.	Zenta	Serbia	
14.	Subotica	Serbia	

According to the signed agreements on partnership and cooperation, Mukachevo has a longstanding cross-border and international cooperation with 14 European twin cities



Cooperation with international organizations

Participation in the project "Support for Leadership Organizations in Combating Corruption in Ukraine" Interaction " with USAID support.



The European Mobility Week - Carpathian Network project was implemented under the EEA grants and Norway grants programs.



The mini-project within the framework of the European Mobility Week was supported by the German Society for International Cooperation GIZ.



Projects in the field of tourism, water supply, sewerage, implementation of alternative types of mobility were implemented within the framework of the Cross-border Cooperation Program ENI CBC Program Hungary-Slovakia-Romania-Ukraine



Hungary-Slovakia-Romania-Ukraine
ENI CBC Cross-border Cooperation Programme

A number of events on celebration of Europe Day in Ukraine with support of the EU Delegation to Ukraine were implemented in the city



City Development Indicators

- Mukachevo ranks the second place among cities of Transcarpathian region by economic potential
- The city has a well-developed industrial complex and the potential for preparing attractive proposals for investors
- Industry development, equipment modernization, implementation of projects on alternative energy sources, demand for real estate and Mukachevo infrastructure reconstruction act as the main factors for increasing capital investments in the city's economy

Local budget revenues	643 mln UAH
Number of enterprises	777
Volume of industrial output (products) sold by enterprises	2 660 mln UAH
Share of volume of industrial output (products) sold by enterprises in the regional indicator	11,2 %
Number of employees on enterprises	16 014 persons
Average monthly salary of employees	8 313 UAH
The unemployment rate	0,7 %
The volume of foreign direct investments (for the period of foreign investment since 1994 as of 01.10.2018)	20,5 mln USD
The volume of foreign direct investments for person (for the period of foreign investment since 1994 as of 01.10.2018)	240 USD
The volume of capital investments	1 225 mln UAH
Capital investments per capita	14 368 UAH
Volume of retail trade turnover	2 513 mln UAH



- The reform of fiscal decentralization and growth of business activity allows Mukachevo to increase the budget revenues and increase expenditures on the development of the city's infrastructure (roads, engineering networks, lighting, water supply, sewerage, public transport, etc.)
- The improvement of engineering and social infrastructure is one of the priorities of Mukachevo city authorities

Institutions of preschool education	28
General secondary education institutions	21
Vocational Education Institutions	6
University	1
Healthcare Institutions (municipal)	2



Foreign trade

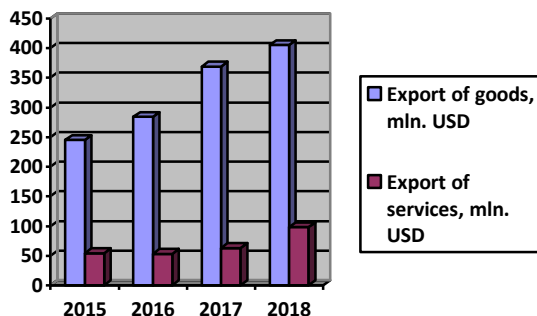
- Foreign trade is one of the main directions of development of Mukachevo
- The structure of foreign trade is diversified both by product groups and by country
- The balance of foreign trade in recent years is positive
- Most of foreign economic operations of Mukachevo are carried out with partners from Europe

Exports of goods	405,5 mln USD
Imports of goods	389 mln USD
Share of exports of goods in total regional index	24,4 %
Share of imports of goods in total regional index	25,7 %
Exports of services	98 mln USD
Imports of services	5 mln USD
Share of services export in total regional index	31,8 %
Share of services import in total regional index	18,1 %



flex

Dynamics of goods and services exports 2015-2018

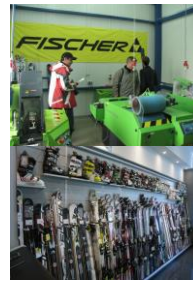


Successful investment stories

Leading city enterprises

Ukrainian-Austrian enterprise with foreign investments LLC "Fisher-Mukachevo"

No.1 in the world in production of mountain and cross-country skiing, company product is a kind of business card of Ukraine. Mountain and cross-country skiing, hockey sticks made in Mukachevo are in high demand in dozens of countries. 99% of the company's products are exported. The company executes orders for such world-known brands as Scott Usa, Stöckli, Tecno Pro, Hagan, Rossignol, Alpina, Splitkein, Tecno. The company also produces sticks for such firms like Sherwood (Canada), Easton (USA). European customers are also known in the world of hockey - brands TPS, Zetra, Ferland and others. Number of employees - 1036. Average salary - 14548 UAH.



Business partnership in the form of LLC plant "Flextronics Ltd."

Flextronics (Flex) is a company with Hungarian investment founded in 2012 and providing services for the production of electronic television boards, satellite TV routers, CLP cartridges, LED lamps, health care products, accessories and other electronic products, using high-tech manufacturing processes, modern equipment and best engineering ideas. The enterprise is located on the territory of 17 hectares, the production area of the enterprise is about 25300 square meters. Customers of the enterprise are world-famous companies - OSRAM, XEROX, Philips, TPY, Gilat, Genexis, Seidel, Nespresso. The company exports its products to Hungary, Germany, the Netherlands and other European countries. Number of employees - 3455. Average salary - 11974 UAH.



PJSC "Mukachevo Plant" Tochprilad

From 1968 to 1991, the company specialized in the development and manufacture of aviation modules, devices with elements of precision mechanics and electronic control. In 1992, the company was restructured from its own production to subcontracting. At present, the company holds leading positions in subcontracting in the western region of Ukraine. The production area is 26800 square meters. The main products are passive electronic components, cables for the automotive industry, LED lighting, speakers (telecommunications), speakers (car). Successful experience of implementation of projects with such companies as "Philips Technology Center" (Austria), "TDK Electronics, Retsag" (Hungary), "Videoton (Skoda)" (Hungary) and others. Number of employees - 700. Average salary - 9611 UAH.



PJSC "Mukachevo Knitwear Factory "Mriia"

Since 2005, the factory became a subsidiary of Utenos Trikotazhas JSC (Lithuania). It is a modern enterprise specializing in the production of knitwear (women's, men's, children's clothing). Textile made in Lithuania, in particular cotton, viscose, modal, are used for the manufacture of products. Due to the successful work with its main partner - Lithuanian joint-stock company "Utenos Trikotazhas", which has existed for more than 40 years, PJSC "MKF Mriia" exports about 75% of its products through "Utenos Trikotazhas" JSC. Customers of production are clothing stores in Sweden, Finland, Germany, Switzerland, Austria, Spain. Number of employees - 154. The average salary - 7827 UAH.



Investment proposal

1. The name of the project	Building of Mukachevo International Airport on the basis of the property complex of the former military airport in Mukachevo with the construction of the runway and aviation engineering infrastructure
2. Number and title of the task of the Regional Development Strategy to which the project corresponds	2.4.2. Development of transport-logistical border infrastructure
3. Purpose and objectives of the project	The purpose of this project is to create a modern cargo and passenger airport that meets international standards through the reconstruction of an existing property complex on the basis of a former military airfield. Implementation of the project will enable the airport infrastructure to serve forecast aircraft of type B-737-600, A-320, An-148, passengers and cargo, the transportation of which will be performed by these aircraft at a distance providing aviation connection with European cities. The main activities of the project are the reconstruction and modernization of all elements of the airport, the runway equipment landing facilities, light-signaling equipment, construction of an airport complex with a capacity of 300 persons for hour , the hotel complex for 150 people, as well as the arrangement of emergency rescue and support structure of engineering and technical support of the airport
4. Area affected by the project	Mukachevo United Territorial Community, Transcarpathian region, neighboring regions and border areas
5. Project target groups and final beneficiaries of the project	Population and economic entities of Mukachevo United Territorial Community, Transcarpathian region, neighboring regions and border areas
6. Description of the problem the project is aimed at	Absence of full and high quality air services (passenger and cargo) of Transcarpathian region with other regions of Ukraine and other countries, in particular Europe. Distance to the nearest airports: Lviv - 220 km, Kosice (Slovakia) - 150 km, Debrecen, (Hungary) - 160 km , Budapest (Hungary) - 350km.
7. Expected results of the project implementation	Modern international passenger and cargo airport. New jobs. Increasing of passenger and cargo air transportation. Increasing budget revenues at all levels. Activation of economic activity and development of the city and the region in general. Increasing the tourist attractiveness of the city and the region in general. Increasing the investment attractiveness of the city and the region in general.
economic and / or budgetary effectiveness of project implementation	New jobs. Increasing budget revenues at all levels. Activation of economic development of the city and the region in general. Increasing the investment attractiveness of the city and the region in geneal.
social influence	Improving the quality of air transportation services
environmental impact	-
8. Main activities of the project	Runway construction. Construction of aviation engineering infrastructure. Construction of the airport terminal.

9. Project implementation period (from (year) to (year))	Construction of passenger service infrastructure.					
	2020-2025					
10. Project financing, thousand UAH	1 year	2 year	3 year	4 year	5 year	Together
state budget	4 000 000	-	-	-	-	4 000 000
local budget	10 000	-	-	-	-	10 000
other sources	30 000 (regional budget)	200 000 (private investor's funds)	160 000 (private investor's funds)	-	-	390 000
11. Other information about the project						Total
						4 400 000 UAH
		Square of the complex - 227,9 ha				
		Previous budget - 140-147 million Euro				
		Profitable activity - in 8-10 years				



Tourism and leisure

- Tourism industry is one of the strategic directions of development of Mukachevo.
- The peculiarity of the city is a unique combination of natural conditions, recreational resources and a number of landmarks of history, architecture and culture.
- The city has all the prerequisites for intensive development of the domestic and foreign tourism: features of geographical location, favorable climate, developed hotel, transport, restaurant and entertainment, financial and socio-cultural infrastructure, rich historical heritage, multinational culture.



White Palace – former residence of
Shenborn Count



Architectural monument of national importance -
Mukachevo Historical Museum "Castle Palanok"



City Hall

Number of Mukachevo visitors (according to Castle Palanok):

2018 - 229,8
thousand people



The city is known for its art-festival events.

The most famous traditional Mukachevo cultural and artistic festivals:

"Chervene vyno"
("Red Wine")
(January)



"Honey Festival"
(September)



"Varyshska palachinta"
("City's pancake")
(February-March)



"Varyshske pyvo"
("City's beer")
(September)



"Ohyn i Mniaso"
("Fire and Meat")
(May-June)



"St. Martin's Day"
(November)





WELCOME FOR COOPERATION!

**Department of Economy
Executive Committee of Mukachevo City Council**

Address:

**2, Oleksadnr Dukhnovych Sq., Mukachevo
Transcarpathian region, Ukraine, 89600**

Tel.: +3803131 21078, 21047

<http://mukachevo-rada.gov.ua>

e-mail: mvk@mukachevo-rada.gov.ua