

Ukraine: InnovFin Science Programme: EIB supports Ukrainian Innovation Campus Project in UNIT.City



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- **€50 million loan to finance the development of a state-of-the-art technology campus in Kyiv**
- **The facility will include a non-profit IT education academy and multifunctional office space for technology-driven companies**
- **The project will generate 549 full time and 2 400 temporary jobs and indirectly support some 15 000 jobs around UNIT.City**

The European Investment Bank (EIB) has agreed to lend €50 million to [Ukraine's](#) first vertically integrated innovation park [UNIT.City](#). The EIB loan is to finance the Ukrainian Innovation Campus Project, which will cover the design, renovation and construction of new, tailored facilities and structures in UNIT.City, a part of the holding company [UFuture](#).

The project will benefit from the support of [InnovFin Science](#), a joint initiative from the EU Commission and the EIB that promotes research and innovation (R&I) investments by public and private bodies. The loan is backed by Horizon 2020, the EU Framework Programme for Research and Innovation and is managed by the EIB.

The project will contribute to creating one of the biggest hubs merging dedicated infrastructure with an innovation ecosystem for IT and technology companies in Central and Eastern Europe. It will put together start-ups and IT training, high technology companies and R&D centres, incubators and accelerators within a 25 ha inner-city site, boosting the development of Ukraine's high-tech industry.

The project involves a private non-profit IT training facility, multifunctional flexible floor space offering a variety of office accommodation, digital fabrication laboratories (fablabs), communal and interaction spaces, and seminar and meeting room spaces for events plus other supporting facilities and infrastructure. Within the innovation campus, tenants will have access to the campus facilities, multifunctional office space, mentorship and training programmes, and cooperative tools and services to support their business' growth.

EIB Vice-President Lilyana Pavlova commented: *"Ukraine has among the largest and fastest-growing populations of IT professionals in Europe with about 200 000 people working in this field. In addition, most clients of Ukrainian IT companies are from Western Europe and the United States. Despite these remarkable achievements, Ukraine and more specifically the Kyiv urban area lack a proper ecosystem for R&D and IT companies at all stages of development, from start-ups to expanding high-tech companies. With its dedicated InnovFin Science support, the EIB is now helping Ukraine to bridge this gap. This will strengthen the competitiveness of the country and its capital city and enable it to take full advantage of its skilled workforce."*

Mariya Gabriel, Commissioner for Innovation, Research, Culture, Education and Youth, said: *"As part of our shared commitment to creating a more inclusive, connected and resilient European Research Area, it is important to enhance our support for research and innovation actions in the Eastern Partnership countries. We need to bridge existing gaps and promote the involvement of researchers and technology companies from these countries in the EU research and innovation framework. The investment announced today for an integrated innovation campus in Ukraine will contribute to achieving this goal, helping to boost the country's innovation and entrepreneurial ecosystem."*

Founder of UFuture Vasyl Khmelnytsky added: *"The EIB credit line will help us to expedite the development of UNIT.City in Kyiv. It's an important signal for the entire market, and it proves that we are moving in the right direction with the support of the European institutions. We are ready to share our experience and scale this concept of creative economy hubs across the country"*.

CF0, Partner UNIT.City Kirill Bondar said: *"The partnership with the European Investment Bank for UNIT.City is not only necessary financing, but also a valuable reputational contribution. It is an unprecedented case for Ukraine, which opens up opportunities for new financial partners and investors both in UNIT.City and across the country. We are demonstrating to the whole world: Ukrainian business can be trusted"*.

The EIB credit line provides up to 10 tranches of at least €5 million each. The funds are allocated for nine years with a very competitive annual interest rate for Ukraine. Money will be allocated for the construction of new campuses of the innovation park – B15, B16, B17, U1 – with a total area of 70 000 m². The total cost of the project (including components financed by the EIB) is estimated at €110 million. Thus, about half of the estimated costs will be financed by the EIB.

The project promoter and the EIB loan borrower is Unit Holdings LLC, a company established by the UBO of UFuture Group. The project is expected to be completed by 2023 and it will generate up to 2 400 temporary jobs and increase permanent employment within the promoter's business by 549 full time jobs. Indirectly, the project will support around 15 000 jobs in the tenant companies present at the UNIT.City innovation park.

The legal partner of the transaction was Everlegal Law Firm. The financial partner is Ukrgasbank.

Background information:

The EIB finances projects in [Ukraine](#) on the basis of the EU External Lending Mandate. This provides the EIB with a guarantee covered by the EU budget for projects of significant interest to the EU and its [Eastern Neighbours](#) in the areas of social and economic infrastructure, local private sector development and climate action.

[InnovFin Science](#) provides loans and equity-type financing for research Institutes, universities and research organisations. The EU improves access to finance for R&I projects emanating from public and private entities such as R&I infrastructures (including the financing of buildings and other infrastructure directly related to R&I activity); R&I activities; activities eligible under the EUREKA network, the European Research Area (ERA) or the Euratom fission programme. Financing is deployed directly by the European Investment Bank from € 25 million to eligible beneficiaries in EU Member States and Horizon 2020 Associated Countries.

[UFuture](#) is a holding company of Ukrainian entrepreneur Vasyl Khmelnytsky that integrates his business and impact-investment projects. The company has a diversified portfolio of assets in the fields of real estate, infrastructure, industry, renewable energy, pharmaceuticals, and IT. Currently, UFuture's assets are estimated at \$550 million, and the total capitalisation of the businesses it has invested in is more than \$1 billion.

[UNIT.City](#) is Ukraine's first innovation park. It is a place where unparalleled infrastructure and an all-inclusive ecosystem enable high technology, innovative and creative businesses to happen and flourish. Here the concentration of companies, startups, students, professionals and research laboratories creates the conditions for businesses within the park to grow faster than elsewhere.