

Partnership Between the Lviv City Administration and KPMG Germany

Background and Objectives of a Strategic Cooperation for Economic and Social Development

Ukraine remains a country with strong economic growth potential, even amid the ongoing Russian military aggression. Investments by German companies play a pivotal role in strengthening the Ukrainian economy and supporting the country's broader transformation. To further this development, the Lviv City Administration and KPMG Germany have signed a memorandum of cooperation. This partnership represents an important first step toward enhancing the city's economic infrastructure and making investments in Lviv and Western Ukraine more attractive.

A Strong Partnership to Foster International Relations

By signing the memorandum, the **Lviv City Council and KPMG Germany** have formalized their intention to collaborate and laid the foundation for a successful partnership. The document serves as a framework for various initiatives aimed at securing Lviv's future as a key urban and economic center in Western Ukraine.

Key elements of the memorandum include:

- Promoting and supporting international economic relations
- Enhancing Lviv's attractiveness as an investment destination
- Organizing joint projects, events, and marketing initiatives
- Preparing and publishing collaborative economic analyses
- Building relationships with international stakeholders across multiple economic sectors

The memorandum was signed by Andriy Moskalenko, First Deputy Mayor for Economic Development in Lviv, and Nicolai Kiskalt, Partner for the Private Sector at the KPMG Ukraine Gateway, who actively supports companies in identifying market opportunities and successfully implementing investments in Ukraine.

Working Together for a Successful Future in Lviv Oblast

The partnership focuses on developing a comprehensive strategy to promote post-war urban and economic growth. Lviv, which hosts many internally displaced persons from the directly affected conflict zones, is committed to sustainable solutions that improve the quality of life for all residents. The successes of Wroclaw and Krakow in Poland serve as models: Wroclaw has become a high-tech hub, while Krakow is recognized for its modern, climate-friendly infrastructure.

The partnership also supports the UNBROKEN National Rehabilitation Center in Western Ukraine, providing extensive medical care to both civilian and military war victims. Established with the support of international partners, including German organizations, the center was set up within months of the conflict's outbreak and now treats patients with physical and psychological trauma. Working closely with medical professionals and therapists from around the world, the center plays a critical role in mitigating the humanitarian consequences of the war.

The partnership aims to involve German companies and investors in these initiatives and strengthen the UNBROKEN Center for the long term.

Investing to Strengthen the Metropolis of Western Ukraine

The Investment and Project Office of the Lviv City Administration plays a central role in implementing the partnership. It is actively engaged in attracting new investors and developing the “Invest in Lviv” brand.

Investment opportunities span private-sector and public-sector projects, social initiatives, and a variety of other options. The local KPMG Ukraine office is closely involved in these processes, helping position Lviv as a highly attractive investment destination.

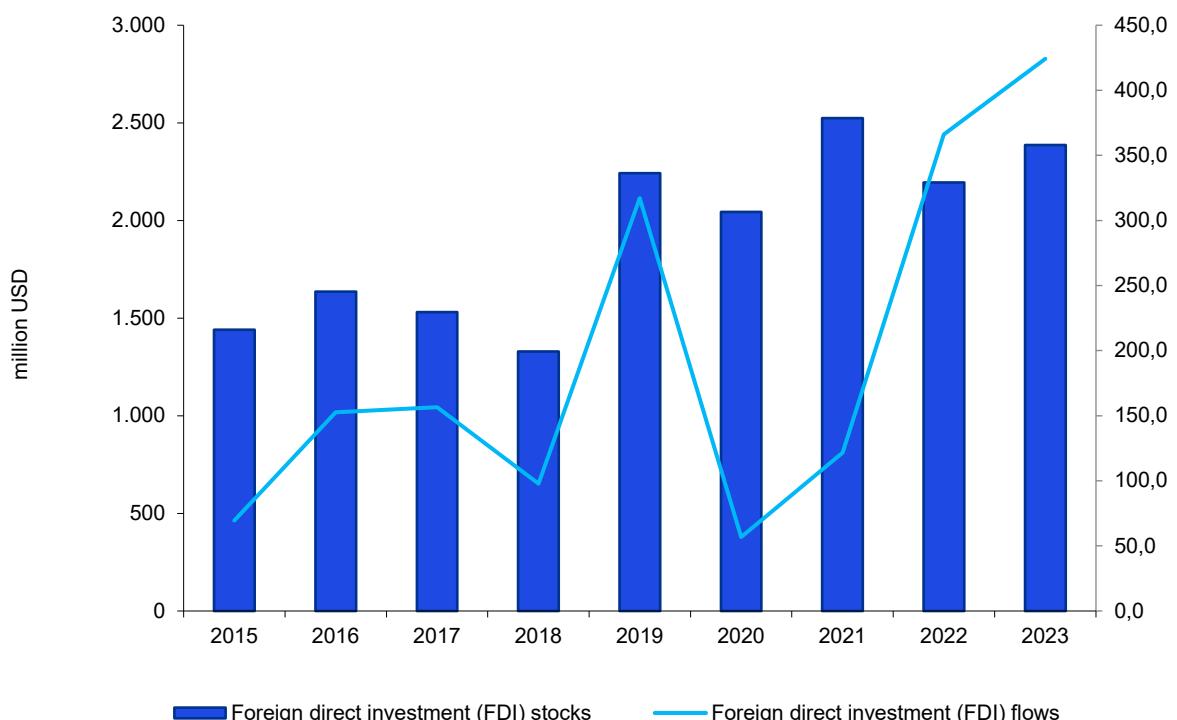
“In these challenging times, Lviv has become a

crucial hub for companies seeking stability and a strategic base for international operations that contribute to Ukraine’s reconstruction. The inflow of talent, resources, and expertise is driving new economic activity in the region and reinforcing Lviv’s role as a key actor for economic stability and the future of Ukraine,” says Maksym Voytsekhovsky, Director and Head of KPMG Lviv Office in Ukraine.

Why Invest in Lviv Oblast?

Foreign direct investment in Lviv Oblast has steadily increased in recent years, reflecting the region’s growing economic significance for Ukraine.

Foreign direct investment stocks in Lviv



Source: National Bank of Ukraine

- **Strategic Location:** The region connects Europe with Ukraine, acting as a logistics hub for international trade between Europe, Asia, and the Middle East. The planned reopening of the international airport, combined with modern road and rail networks, further enhances this advantage.
- **Strong Economic Growth:** Numerous international companies, including German firms, have already established a presence in Lviv. The

IT sector, in particular, is a major growth driver, contributing 22.5% to the regional GDP. Ukraine is one of Europe’s most cost-efficient locations and offers business-friendly conditions, including state investment guarantees.

- **Skilled Workforce:** Lviv benefits from a young, highly educated population, with approximately 70% holding a university degree. The city is a major educational center with 27 universities and more than 100,000 students, making it ideal for investors who rely on qualified labor.
- **High Quality of Life:** Lviv is one of Ukraine's most attractive cities. Since the outbreak of the war, many people from conflict-affected regions have sought refuge here. The city administration has implemented initiatives, such as the UNBROKEN Center's social housing program, to provide long-term prospects for displaced residents.

Even under these challenging conditions, German companies continue to see opportunities in Ukrainian regions such as Lviv. According to a 2024 survey conducted by KPMG Germany and the German-Ukrainian Chamber of Commerce and Industry, 43% of respondents plan to invest in Ukraine, even during wartime.

The partnership between KPMG Germany and the Lviv City Administration thus plays a pivotal role in enhancing Ukraine's economic resilience and growth. As Nicolai Kiskalt emphasizes:

"The signing of the memorandum of cooperation marks an important step toward promoting and transforming the country."

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