



AVIATION POTENTIAL *OF KHERSON REGION:* PROSPECTS FOR INVESTMENTS

**Kherson International Economic Forum
'TAVRIAN HORIZONS'**

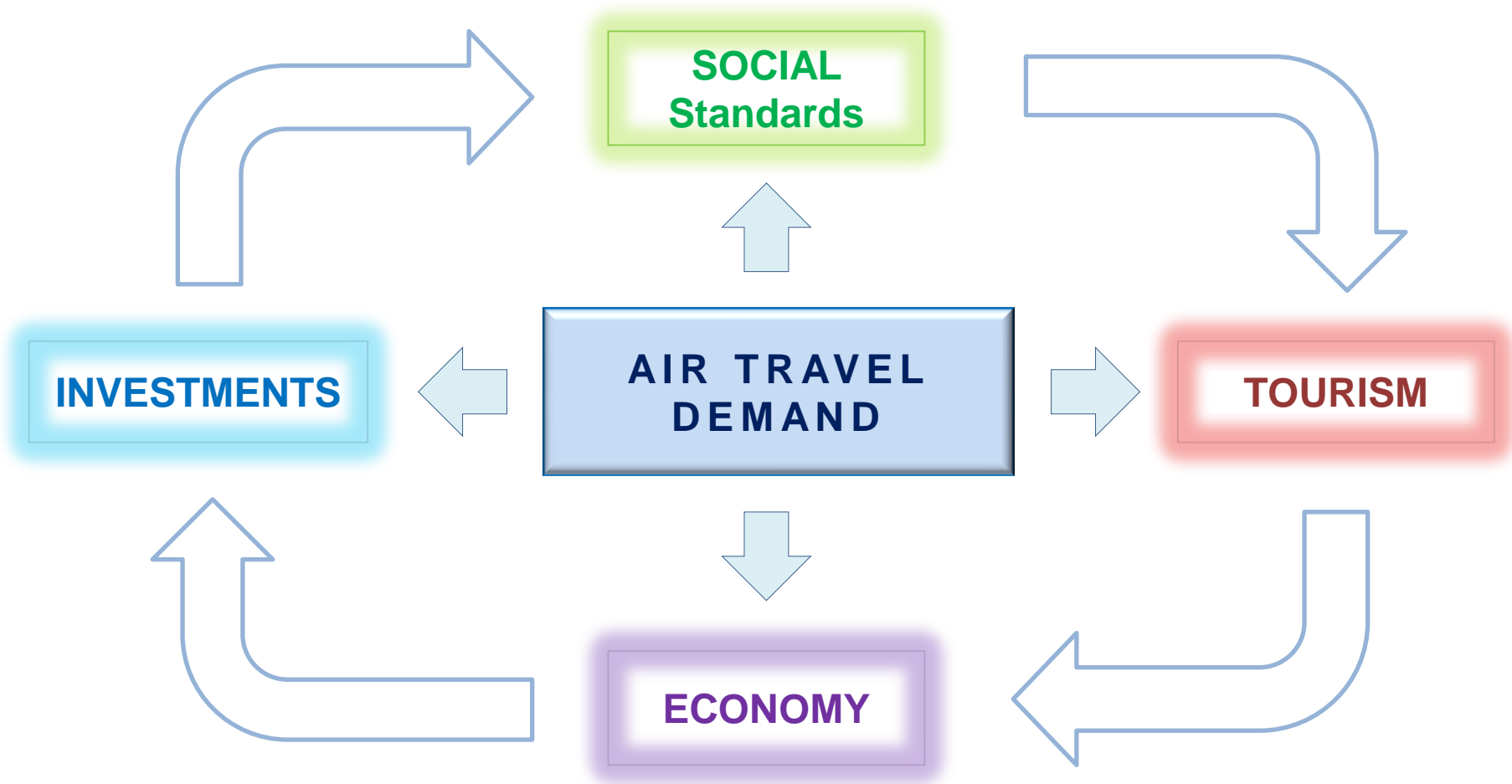


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1. Air Travel Potential
2. Air Cargo Potential
3. Investment Opportunities
4. Discussion



1. AIR TRAVEL POTENTIAL: Success factors



Source: AVIAPLAN



1. AIR TRAVEL POTENTIAL: Regional ranking

Kherson Region's economic ranking among regions of Ukraine

Ranking category	2016	2017	Y-o-y
Overall economics	18	15	↑
Investments	19	7	↑↑↑
<i>Capital investments</i>	20	1	↑↑↑↑

Kherson Region is #1 by y-o-y trend in capital investments!!!

Source: MEDT reports on Ukraine's regions social and economic rankings 2016-2017



1. AIR TRAVEL POTENTIAL: Tourism

INBOUND TOURISM



- 1) Significant tourism attraction potential:
 - Black & Azov Sea Resorts
 - Perfect mix of ancient heritage & modern entertainment
 - Unique Nature Reserves: Askania Nova and Academy of Science
 - Active sports (air, water and land)
- 2) Pro-Active Tourism Organization of Kherson
- 3) Competitive pricing
- 4) Two network carriers at Kherson Airport:
 - Turkish Airlines
 - Ukraine International
- 5) FDIs in the region & activity of Industrial Park(s)

OUTBOUND TOURISM



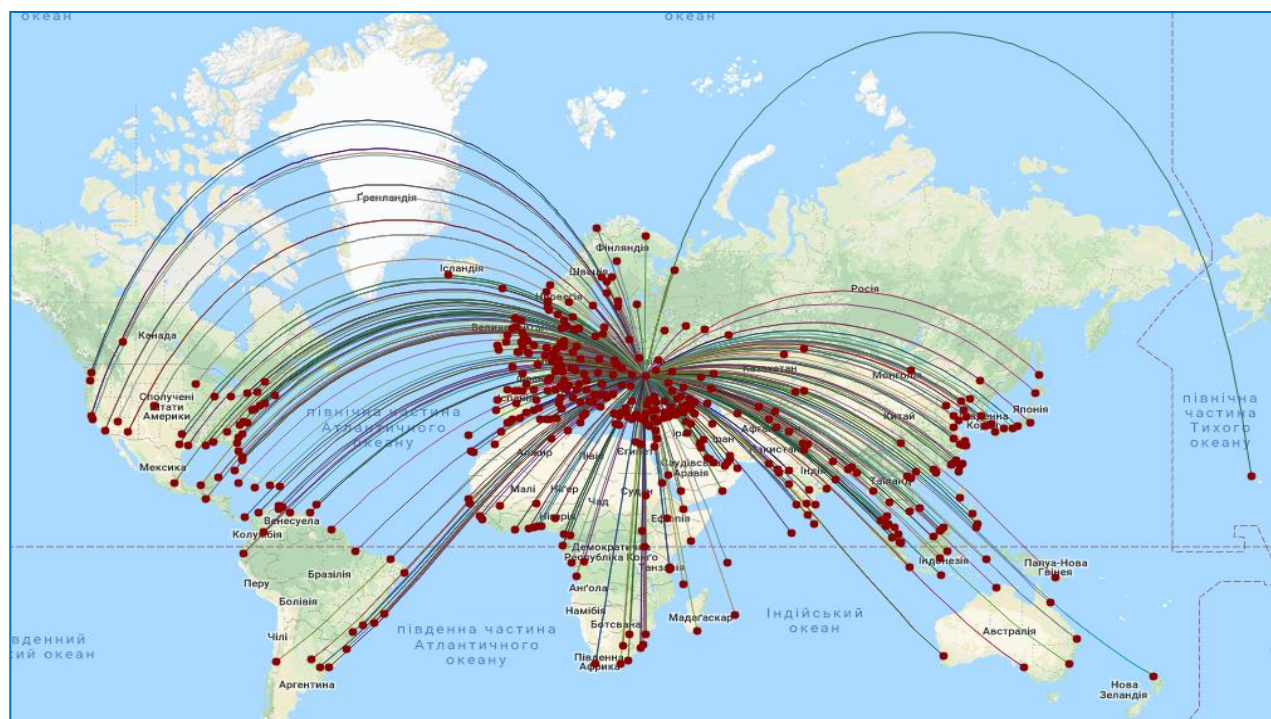
- 1) Airport **Catchment area** (200km or 3,0-3,5 hours drive) – **2,8M inhabitants** within the covered regions including Crimea
- 2) Multi transport connectivity: road, rail, sea, river
- 3) Activity of Industrial Park(s)
- 4) Over 20 companies with FDIs only in Kherson region including international brands with good employment:
 - Danone Dnipro
 - Chumak
 - Freedom Farm Bacon
 - Freedom Farm International
- 5) Available support of local tour operators

Tourism is the major driver for air travel demand to/from Kherson region!



1. AIR TRAVEL POTENTIAL: Actual demand

Worldwide demand on individual air traveling to/from Kherson



Source: OAG for 2017



1. AIR TRAVEL POTENTIAL: Long term forecast



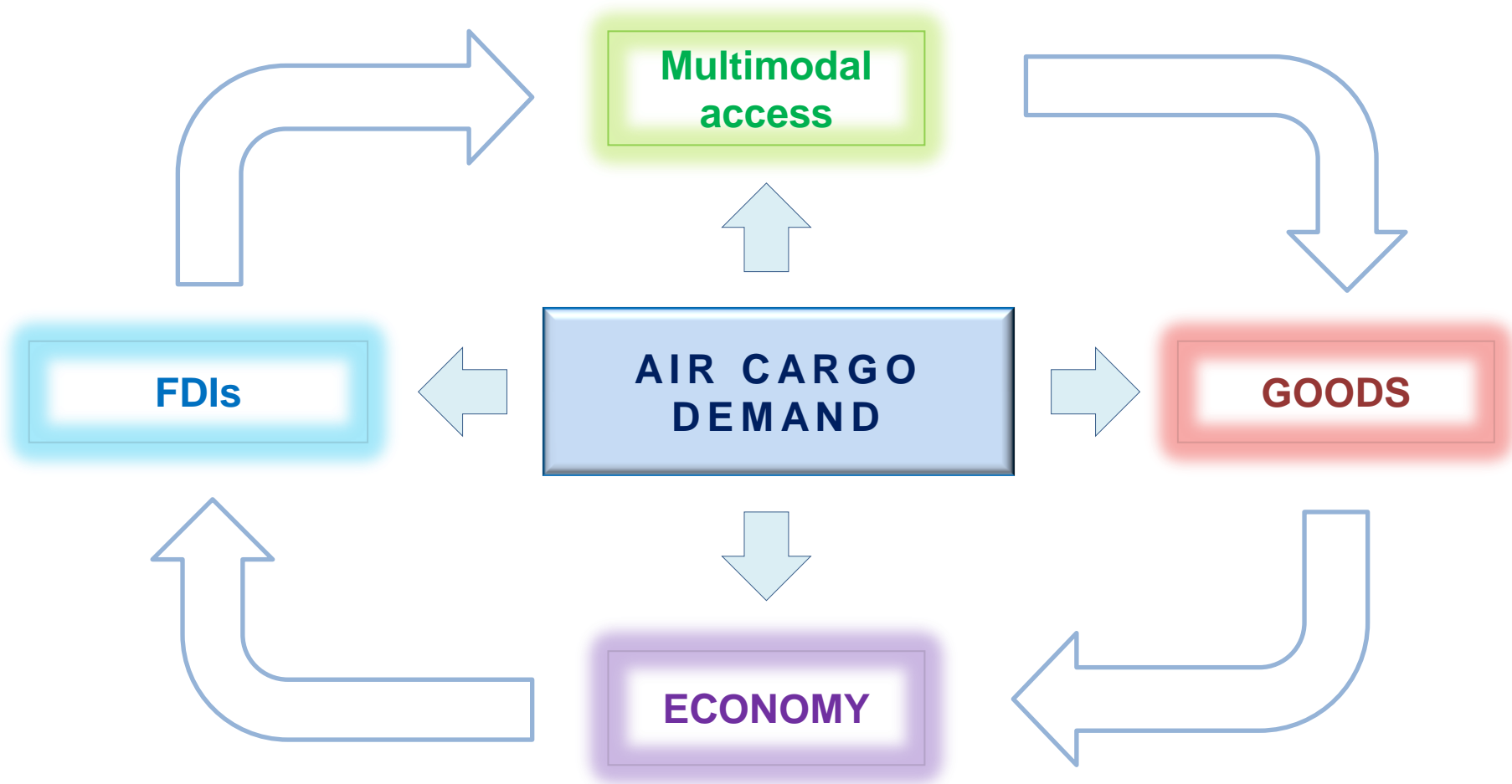
Passenger flow forecast

-5	-1	Base	+5	+10	+15	+20
2013	2017	2018	2023	2028	2033	2038
1,4	106	185	981	1 600	2 443	3 639

Source: Aviaplan forecast for IFC (average scenario subject to airdrome reconstruction in 2019/2020)



2. AIR CARGO POTENTIAL: Success factors



Source: AVIAPLAN



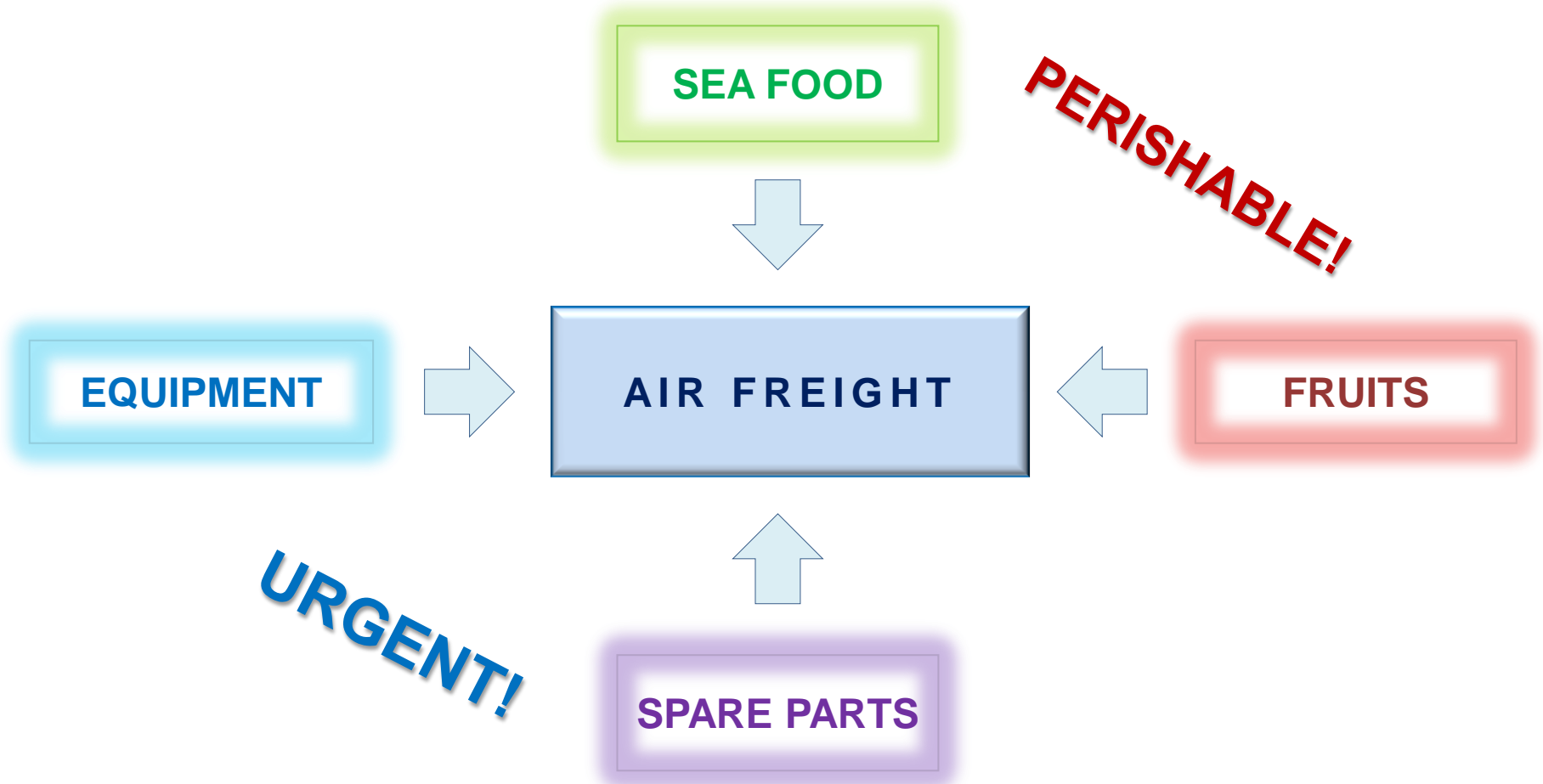
2. AIR CARGO POTENTIAL: Multimodal access



Source: AVIAPLAN



2. AIR CARGO POTENTIAL: Goods



Source: AVIAPLAN



5. INVESTMENT OPPORTUNITIES

The aviation potential of Kherson region provides numerous opportunities for investors :

- 1) **Hotels and Spa** with at least 4* level in Kherson and alongside the Black and Azov seas coast
- 2) **Development of services and tourism infrastructure** benefiting from multimodal connectivity of Kherson region
- 3) Industrial Park(s) including **ultra light aircraft manufacturing and exporting**
- 4) **Cooperation with local tour operators** and travel agencies
- 5) **Kherson International Airport :**
 - **Logistics and multimodal facilities** at Kherson airport for air cargo developments
 - **Aircraft maintenance** development
 - **Reconstruction of runway**, taxiways, apron and passenger terminal
 - **General aviation** facilities development, including Skadov'sk airfield and promotion of different events and activities (flight school, air shows etc.)
 - **Non-aeronautical activities** including restaurants and hotel investments



6. DISCUSSION

Aviation of Kherson Region provides really unique investment prospects!

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