

# Ukraine

## *Competitive Profile*



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# General Information

- ✓ *fast facts*
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## *Fast Facts*

<b>Full name</b>	<i>Ukraine</i>
<b>Population</b>	<i>~46,008,000</i>
<b>Capital city</b>	<i>Kyiv (official)/Kiev</i>
<b>Area</b>	<i>~603,600 sq km</i>
<b>Major languages</b>	<i>Ukrainian (official), Russian, emerging English</i>
<b>Major religion</b>	<i>Christianity</i>
<b>Life expectancy</b>	<i>64 years (men), 74 years (women) (UN)</i>
<b>Monetary limit</b>	<i>Ukrainian Hryvnia (UAH )</i>
<b>Exchange rate</b>	<i>7.91 UAH/USD (2010) 7.93 UAH/USD (as of March 9, 2011)</i>
<b>Main exports</b>	<i>Metal products, fuel and petroleum products, chemicals, machinery and transport equipment, food products.</i>
<b>GDP, current USD</b>	<i>\$138.4 billion (2010)</i>
<b>GDP per capita PPP, current USD</b>	<i>\$6,318 (2009, World Bank)</i>
<b>Internet domain</b>	<i>ua</i>
<b>International dialing code</b>	<i>380</i>

## *Sovereign Country Ratings*

<b>Moody's</b>	<i>B2</i>
<b>Fitch (country ceiling)</b>	<i>Fitch B (as of February 18, 2011)</i>

## *Ukraine's Stand in International Rankings*

<b>Ease of Doing Business (The World Bank)</b>	<i>145 (Rank, 2011, out of 183 countries)</i>
<b>Index of Economic Freedom (Heritage Foundation)</b>	<i>164 (Rank , 2011 out of 183 countries)</i>
<b>Human Development Index (UNDP)</b>	<i>69 (Rank, 2010 out of 169 countries (2010))</i>
<b>Global Competitiveness Index (World Economic Forum)</b>	<i>89 (Ranks, 2010-2011 out of 139 countries)</i>

### Geography

*The largest country in Europe located in Central Europe. Ukraine's biggest cities are:*

*Kyiv – the capital city, 2.8 mln population*

*Dnepropetrovsk - largest industrial city, 1 mln population*

*Odessa - country's most important port and cultural center, 1 mln population*

### Natural Resources

*The country possesses:*

- The largest manganese-ore fields*
- The second-largest mercury fields in the world.*

*Ukraine is also rich in iron ore, coal, natural gas, oil, salt, sulfur, graphite, titanium, magnesium, kaolin, nickel, chromite, mercury deposits and timber.*

### Demography

*The country's population is mainly middle-aged with the average age of 40.*

*Ukraine is the 28th most populous country in the world, however, with negative population growth rate at -0.5% (2009).*

### Labour Force

*Total labour force - 22.1 million, with 9% unemployment rate in 2010.*

*High migration rate and low effectiveness in retaining high-skilled workforce (according to the World Economic Forum - 115th rank among 183 countries).*

*High rate of literacy (100%)*

*Primary education - 98% enrolment rate*

*Secondary education - 94% enrolment rate*

*Tertiary education - 79% enrolment rate*

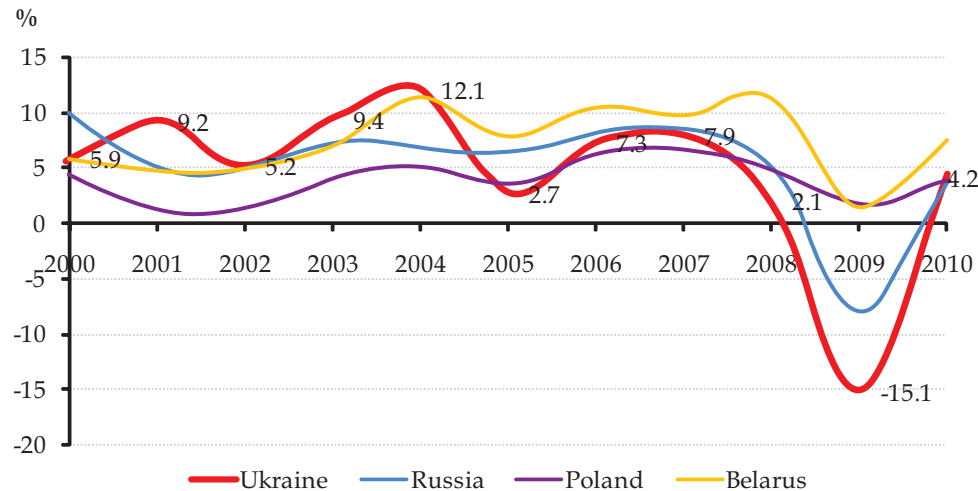


# Economy

- ✓ *economic growth*
- ✓ *economy structure*
- ✓ *inflation and foreign currencies*
- ✓ *public sector performance*
- ✓ *external sector*
- ✓ *foreign trade partners*
- ✓ *foreign direct investments*



## GDP Growth (Annual %)



Source: National Statistical Offices

### Key growth drivers until 2004

- High global prices for steel - Ukraine's major export commodity
- Increasing domestic consumption, backed by rising wages and improving social sector.

- The growth dynamics of Ukraine's economy has had quite unstable performance since 2000.
- In 2008-09 Ukraine experienced one of the most severe impacts of the global financial crisis among CIS and CEE countries.
- Ukraine was among countries most affected by the global economic crisis. Several factors such as drop in steel prices and shortage of gas supply deepened the crisis.
- Mining, manufacturing and construction were most suffered sectors during the crisis.
- On a positive note, 2010 already showed signs of economic revival. The continued growth in the first quarter of 2011 is forecasted to lead to 4% economic growth at the end of the year.

### Key reasons of slowdown after 2004

- Political reform which led to inefficiency in public finances
- Decreasing level of investments
- Appreciation of Hryvnia (in real terms) with negative implications on trade and current account balances, price competitiveness resulting in significant growth of imports.

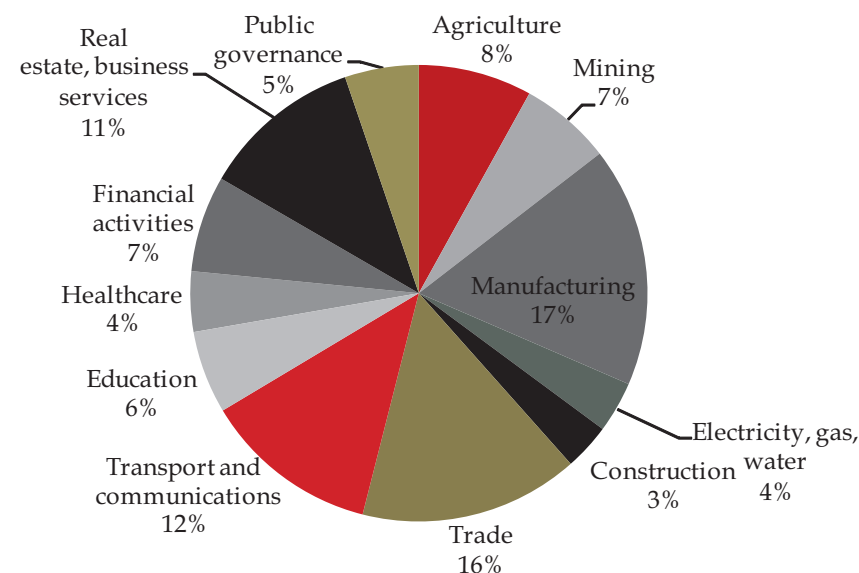
## GDP per Capita, PPP (current international \$, 2009) and CAGR (constant 2000 \$, 2000-2009)



Source: World Development Indicators, World Bank

- Ukraine is classified in the group of lower middle income countries (WB classification) by the indicator of GDP per capita PPP.
- As a result of global financial crisis GDP decline in Ukraine comprised about 15% in 2009.

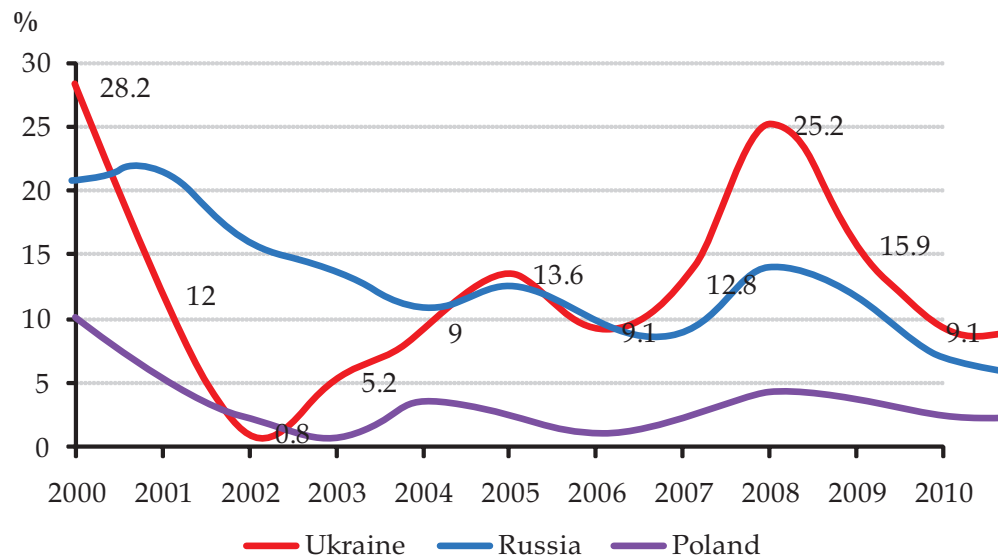
## GDP by Sectors of Economy, % in GDP



Source: State Statistics Committee of Ukraine

- The largest economic sector - manufacturing, relies on low value-added sectors.
- Steel processing, followed by food industry and machinery are the major manufacturing sectors in Ukraine.
- A huge boost is expected in the urban development and construction spheres. Large-scale property development and infrastructure programs are already planned to be implemented to host 2012 UEFA European Football Championship in the country.

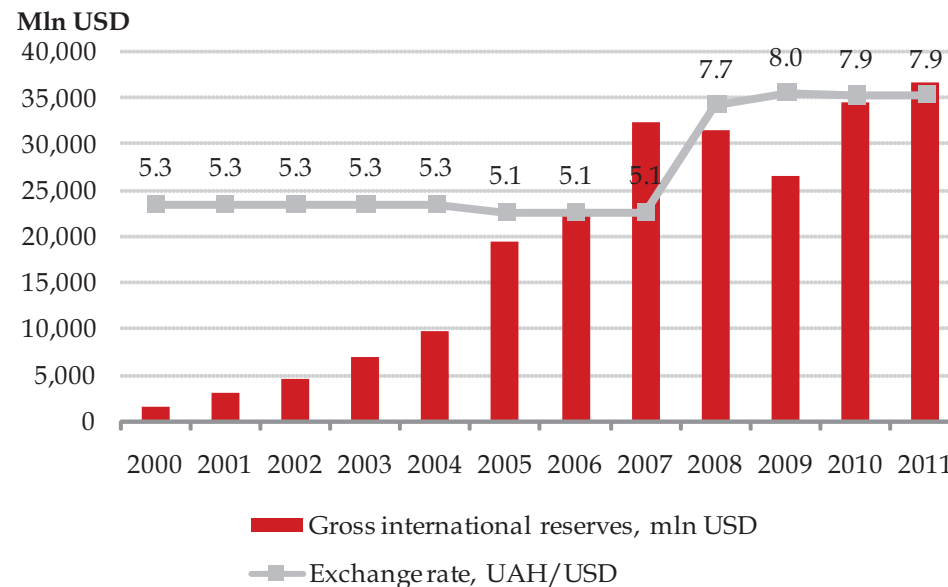
## Inflation, 2000-2010, in %



Source: National Statistical Offices

- Since 2000s the economy has been experiencing huge price fluctuations.
- After sharp decline of inflation rate up to 1 % in 2002 it peaked at the level of 25% in 2008.
- The trend of deflating local prices is explained by falling oil and food prices locally.
- To regulate price fluctuations, the government implements tightened monetary policy since February 2009.

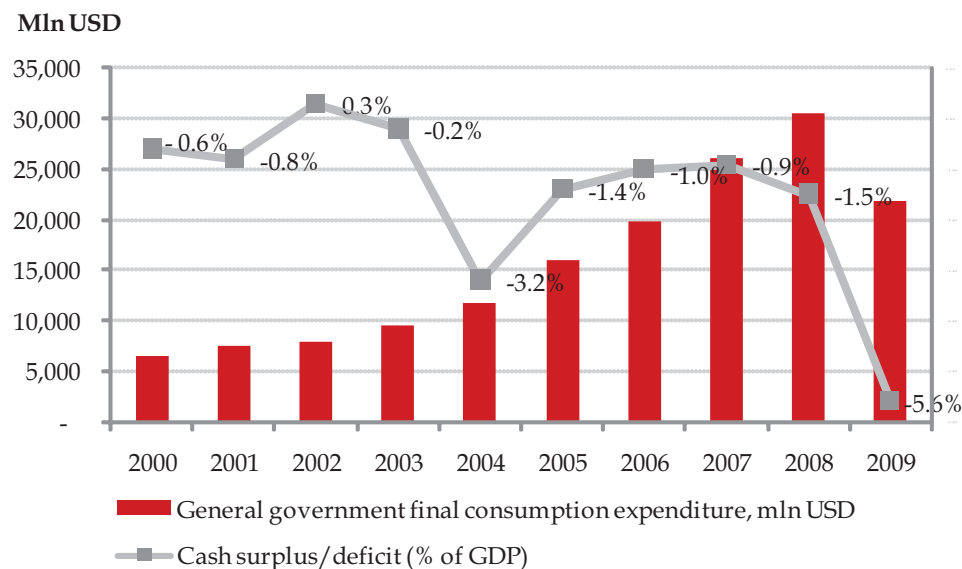
## Gross International Reserves in million USD and Exchange Rate, 2000-2011 (February)



Source: State Statistics Committee of Ukraine

- The sharp increase of exchange rates in 2008 was addressed by extensive sale of international reserves by Ukraine's Central Bank in the consecutive year. As a result, the exchange rates stabilized in the short-term period.

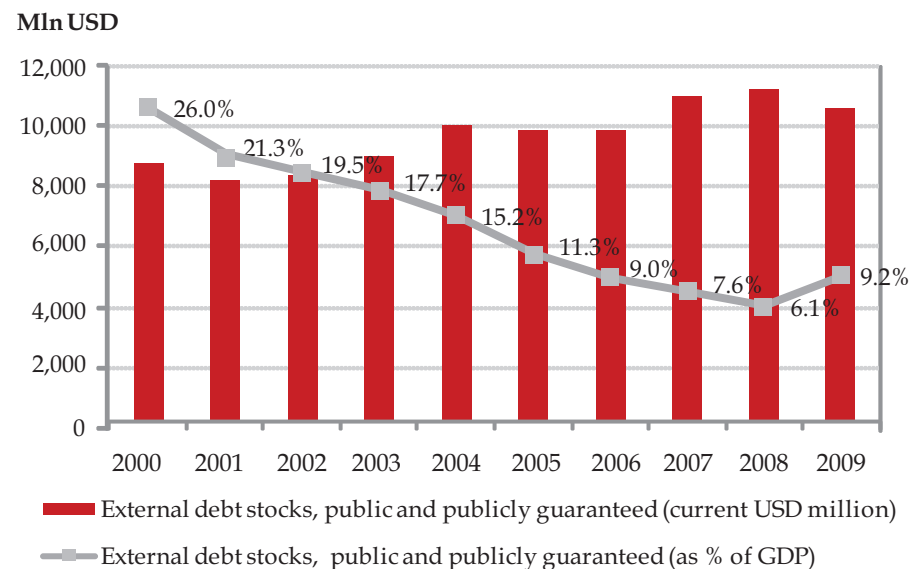
## State Consumption Expenditures, in million USD and Cash Surplus/Deficit as % of GDP



Source: World Development Indicators, World Bank

- The significant increment in the volume of budget deficit in 2009 was mainly driven by sharp increase in expenditures during the pre-election period.
- The expenditures in the framework of the new Social Standards Law and massive investments for hosting the event of 2012 UEFA championship were the main budget items.
- State consumption expenditures in Ukraine have been traditionally maintained at the level of 18-20% of GDP since 2001.
- A new Tax Code adopted by the government in 2010 was aimed at cutting the budget deficit.

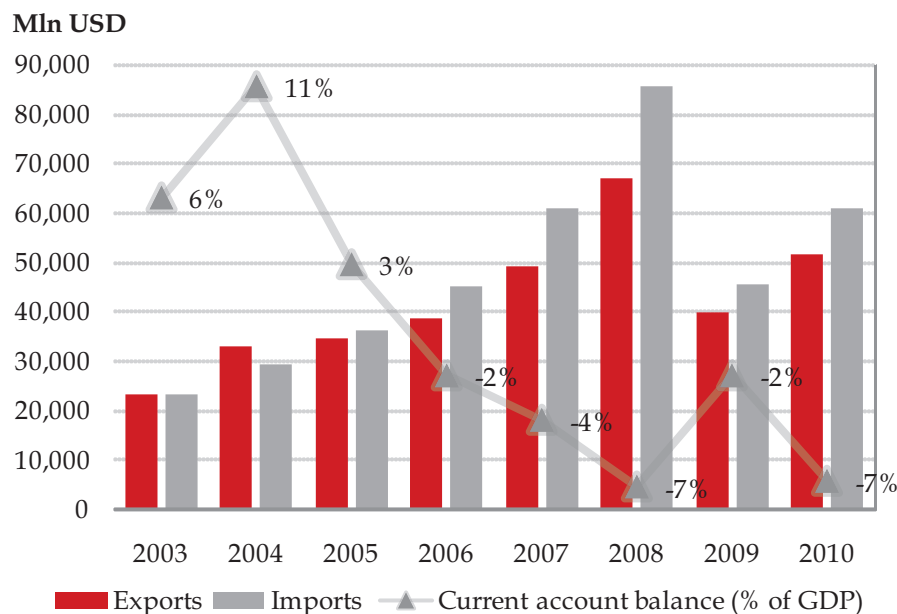
## External Public Debt, in million USD and its Share, as % of GDP



Source: World Development Indicators, World Bank

- Public debt steadily decreased its share in GDP until 2008. Though the external public debt decreased in 2009, its ratio to GDP increased due to significant contraction in GDP volume.

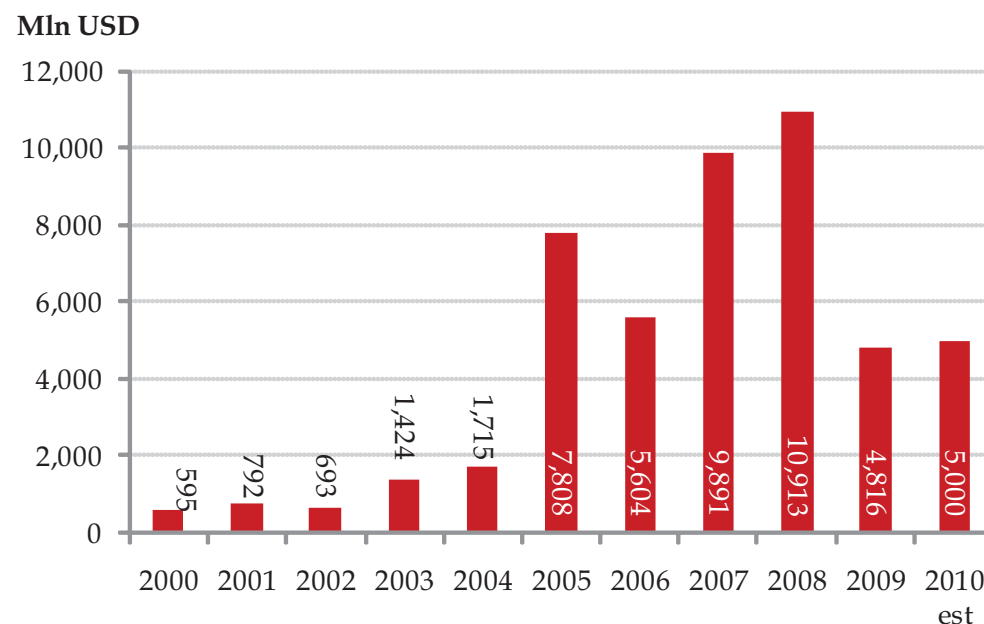
## Foreign Trade and Current Account, in million USD



Source: State Statistics Committee of Ukraine

- The balance of trade in Ukraine has been negative since 2006 and comprised 7% of GDP in 2010.
- The export decline in 2009 was mostly conditioned by the crisis in international markets of mining products and decrease in steel prices.
- 2010 showed signs of revival backed by stabilizing steel prices and global markets. Both export and import volumes increased in 2010, however the negative balance deepened in the same year.

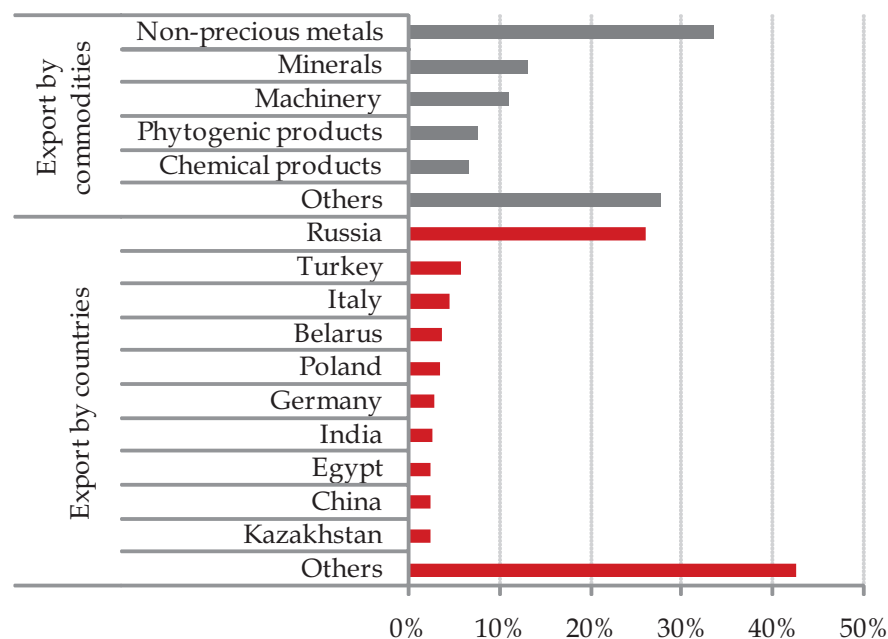
## FDI Inflow, current USD, million



Source: State Statistics Committee of Ukraine

- Rapidly increasing FDI levels came to a slowdown as a result of the global financial crisis.
- According to estimates the level of FDI flows grew in 2010 compared to the previous year but it was still very far from FDI levels in 2007-2008.
- The banking sector attracts the majority of foreign direct investments to the country.

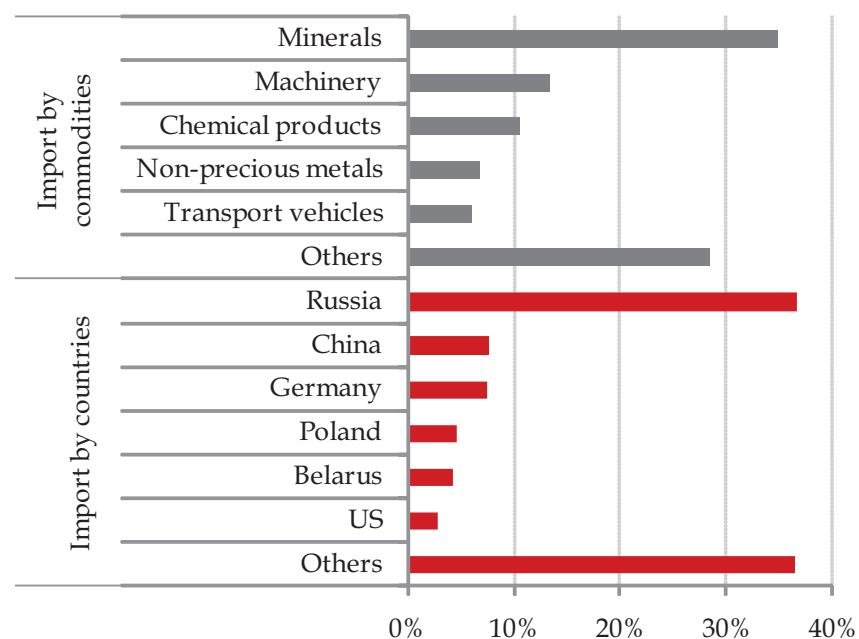
## Export Structure, 2010



Source: UN Comtrade Database

- Ukraine maintains quite diversified portfolio of foreign trade partners.
- Russia and other CIS countries account for about 40% of Ukrainian exports.
- Another significant portion of commodities is exported to European countries.
- Main export commodities are non-precious metals, minerals and machinery.
- Iron and steel are mainly exported to Turkey, Russia, Lebanon and China.

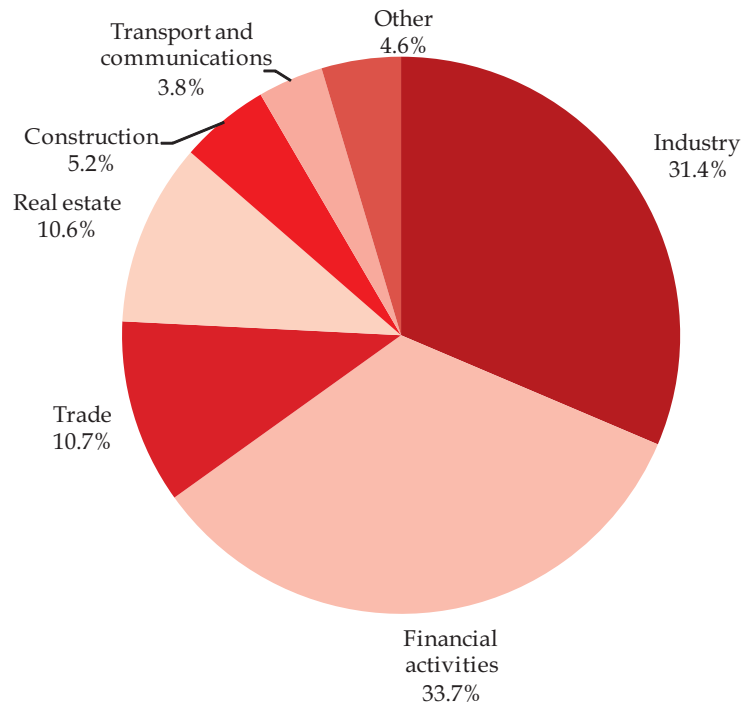
## Import Structure, 2010



Source: UN Comtrade Database

- Over one-third of the total imports come to Ukraine from Russia.
- China and Germany account for 16% of Ukrainian imports together.
- American products comprise only 3% of the total imports to Ukraine.
- The most popular imported products are mineral fuels and oils (35%), machinery and chemicals.

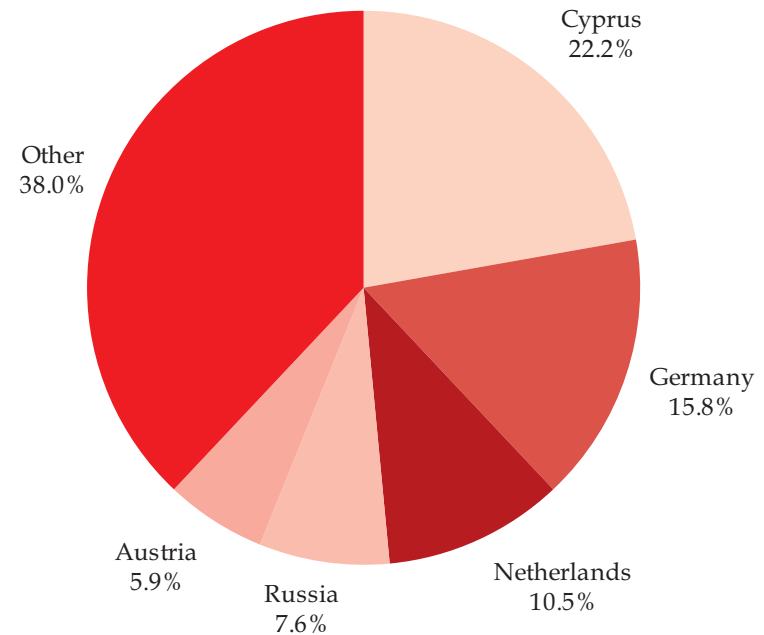
**FDI Stock by Sectors of Economy, as of January 2011**



Source: State Statistics Committee of Ukraine

- Foreign investments flowed predominantly to financial and industrial sectors.
- Industry, retail and real estate are the next most attractive sectors for FDI.

**Cumulative FDI by Country of Origin, as of January 2011**



Source: State Statistics Committee of Ukraine

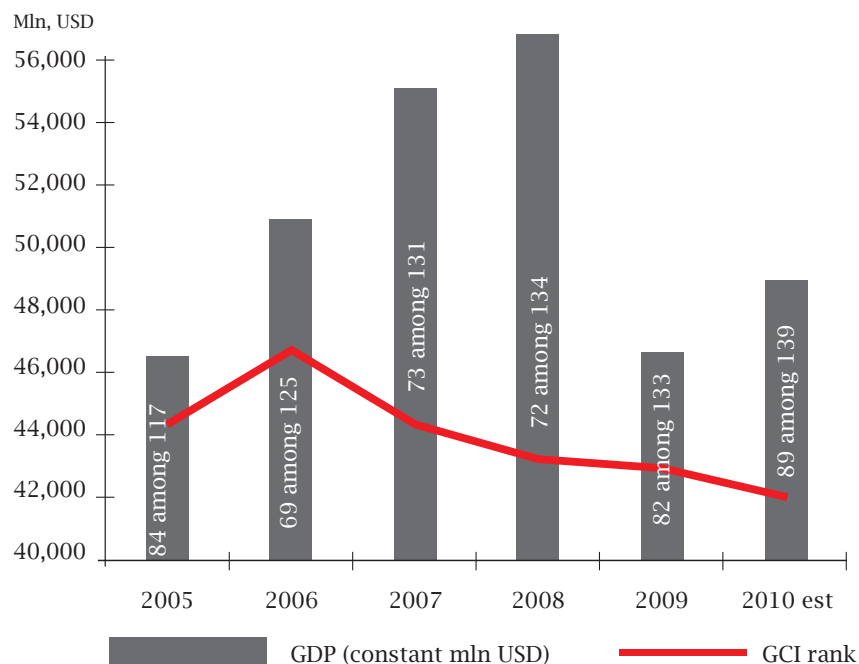
- As of 2010 Cyprus and Germany accounted for about 40% of foreign direct investments in Ukraine.
- Russia's share in FDI comprises just 8% of the total flows.

# Competitiveness Performance

- ✓ *competitiveness ranking*
- ✓ *comparative economic performance*
- ✓ *economy diversification*
- ✓ *export diversification*
- ✓ *resource-intensity of exports*



### GDP Dynamics and Global Competitiveness Rankings for Ukraine



Source: World Economic Forum, State Statistics Committee of Ukraine

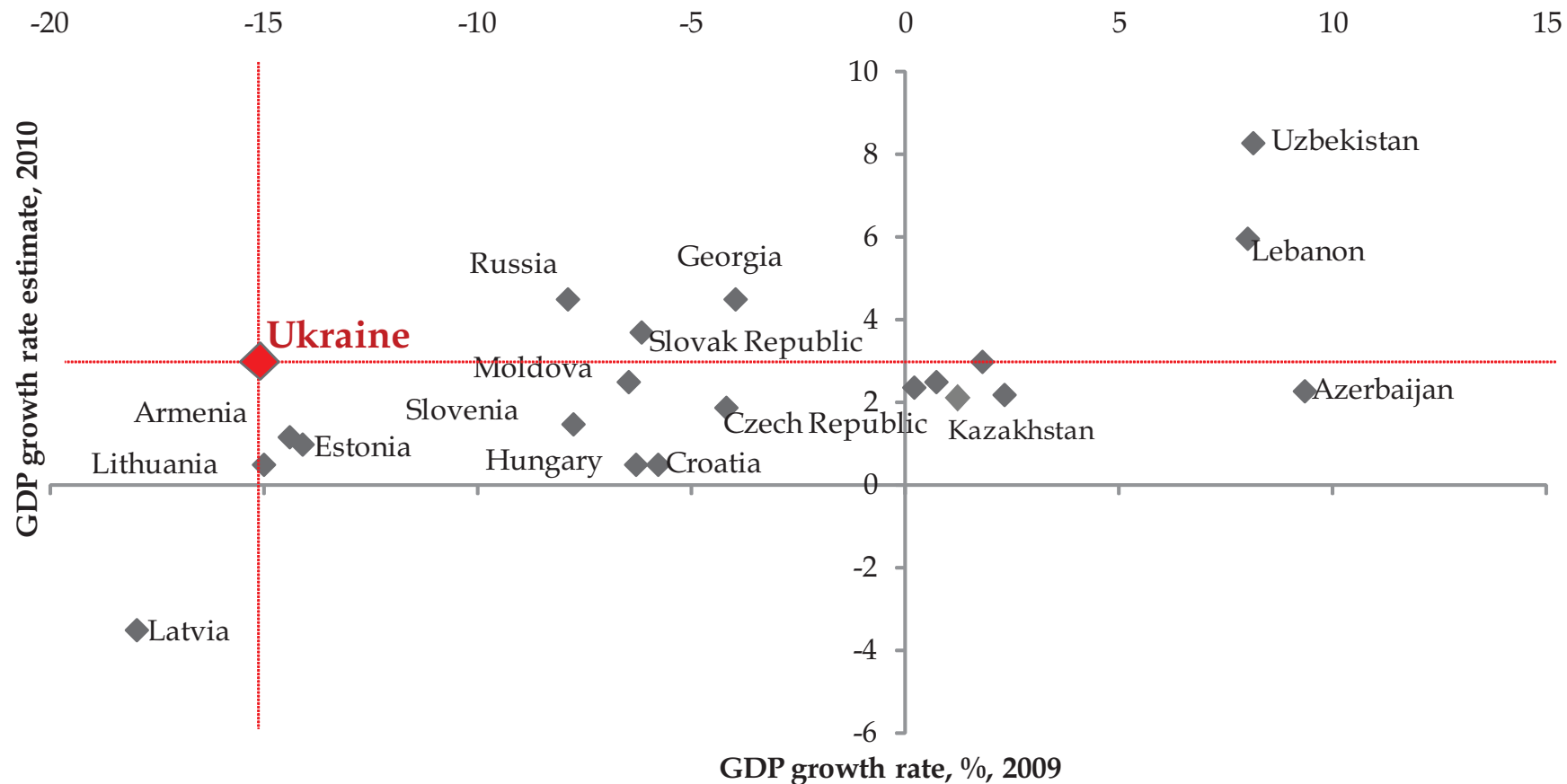
- According to the Global Competitiveness Report 2010/11 Ukraine is ranked 89th by its competitive performance among 139 countries.
- After a notable improvement in 2006, Ukraine's competitiveness stance has considerably deteriorated. It's ranking fell by 20 points.

### The Competitiveness Performance of Ukraine by Competitiveness Pillars

Pillar	Rank		
	2010	2009	Change in ranking (points)
Institutions	134	120	-14
Infrastructure	68	78	10
Macroeconomic stability	132	106	-26
Health and primary education	66	68	2
Higher education and training	46	46	0
Goods market efficiency	129	109	-20
Labor market efficiency	54	49	-5
Financial market sophistication	119	106	-13
Technological readiness	83	80	-3
Market size	38	29	-9
Business sophistication	100	91	-9
Innovation	63	62	-1

- The country's key competitive advantages are market size, higher education, labor market regulations and innovation.
- On the contrary, the level of Ukraine's competitiveness by the indicators of institutions, macroeconomic stability, goods market efficiency and financial market sophistication are extremely low.

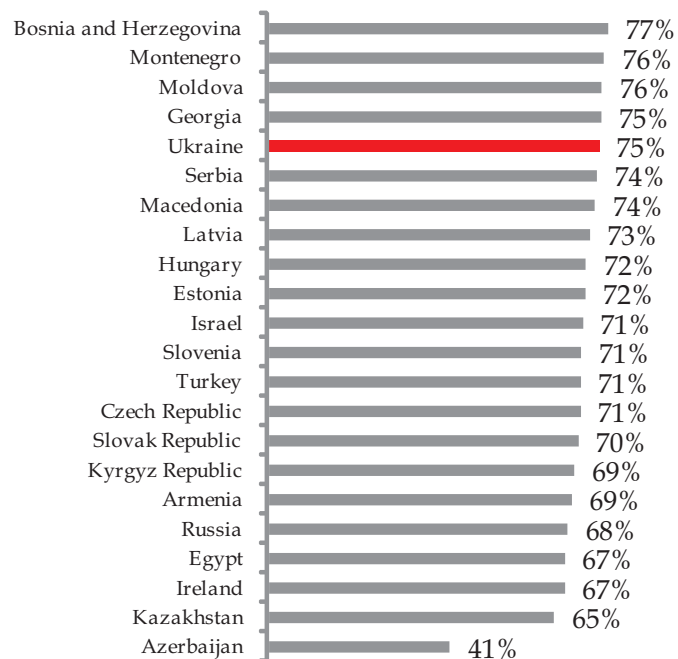
## Comparative Decline and Recovery of GDP in Benchmark Countries, 2009-2010



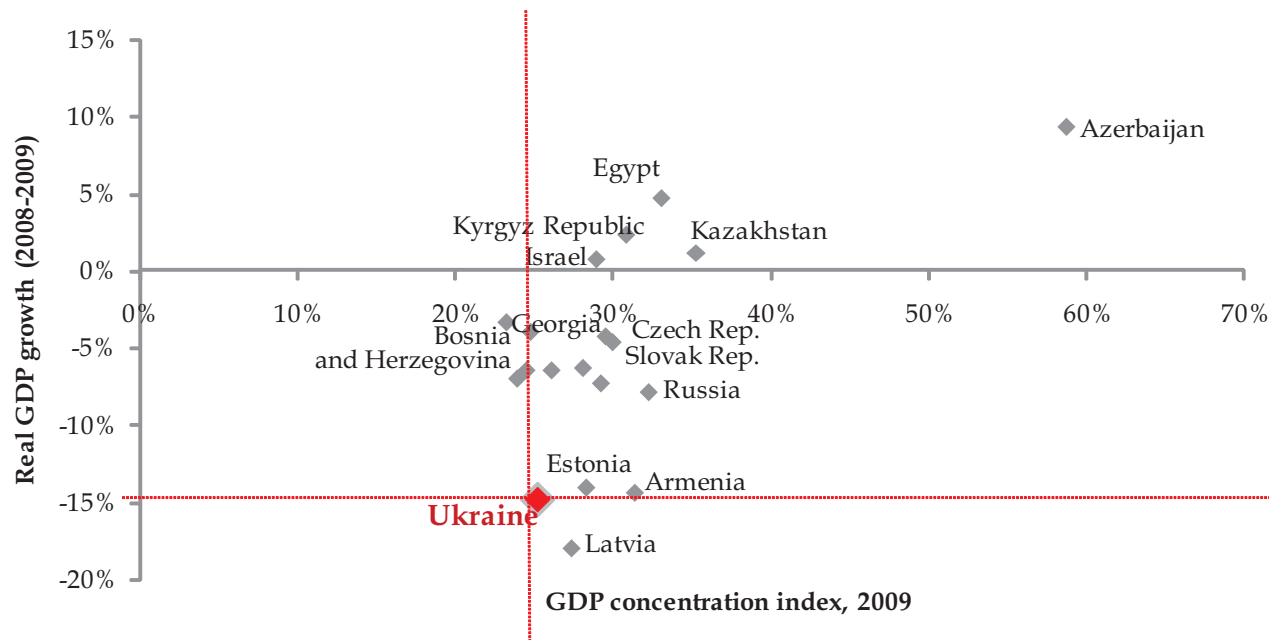
Source: WB, WDI-Online; national statistical offices of benchmark countries

Though Ukraine's economic performance hugely suffered from the global economic crisis, the country showed signs of revival already in 2010.

### GDP Diversification



### Real GDP Growth and GDP Concentration in Benchmark Regions, 2009



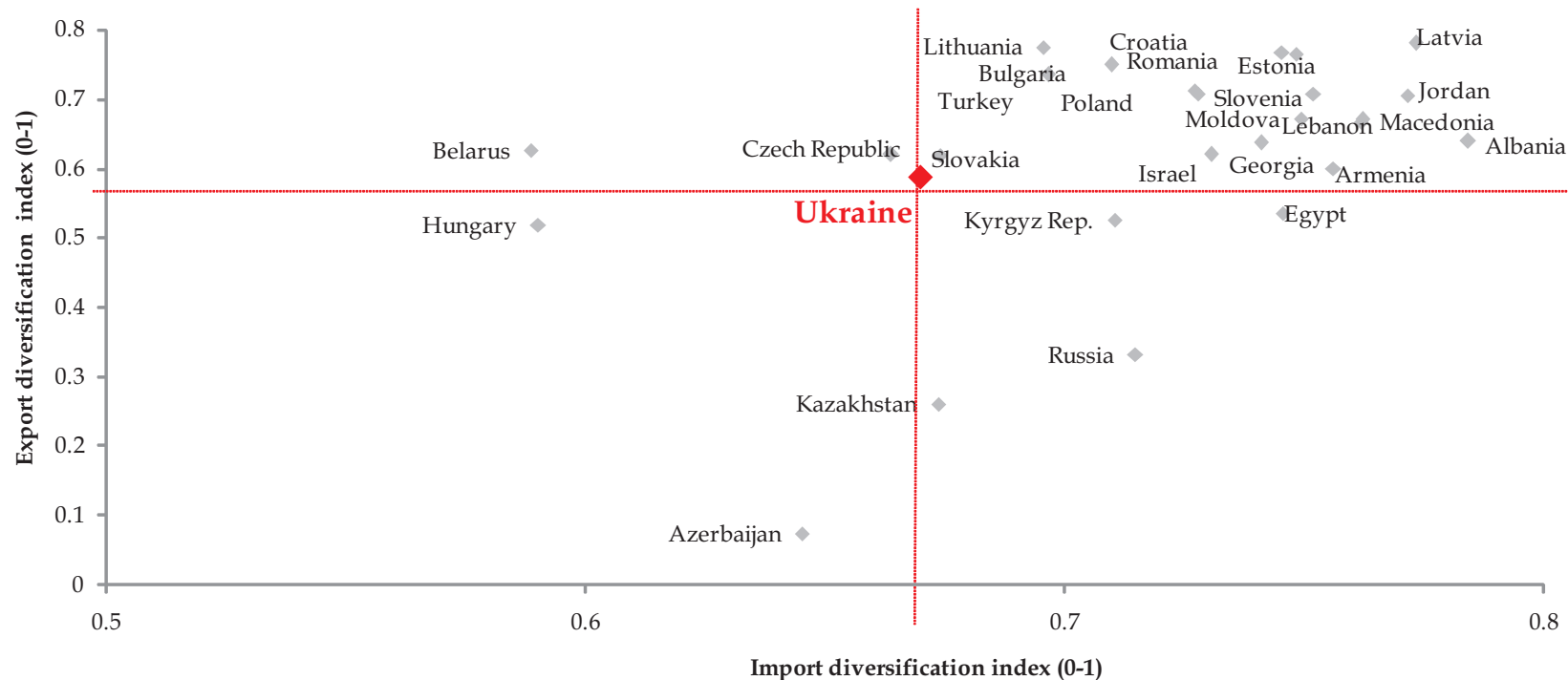
Note: Diversification is calculated as  $1 - \sqrt{\frac{\sum s^2 - 1/n}{1 - 1/n}}$ , where "s" is the share of the given sector/commodity group in total, "n" is the number of sectors.

Import and export diversification is calculated based on 21 commodity groups.  
GDP diversification is calculated based on 15 sectors.

Source: WB, WDI-Online; UN Comtrade; national statistical offices of benchmark countries

- Ukraine's economy is quite diversified compared to other benchmarked countries.
- The GDP concentration index (the concentration of value-creation activities in certain sectors) comprises 25% in the country with the biggest concentration of economic activities in the manufacturing industry (including mining and quarrying).

## Diversification in Exports/Imports and GDP in Benchmark Regions, 2009



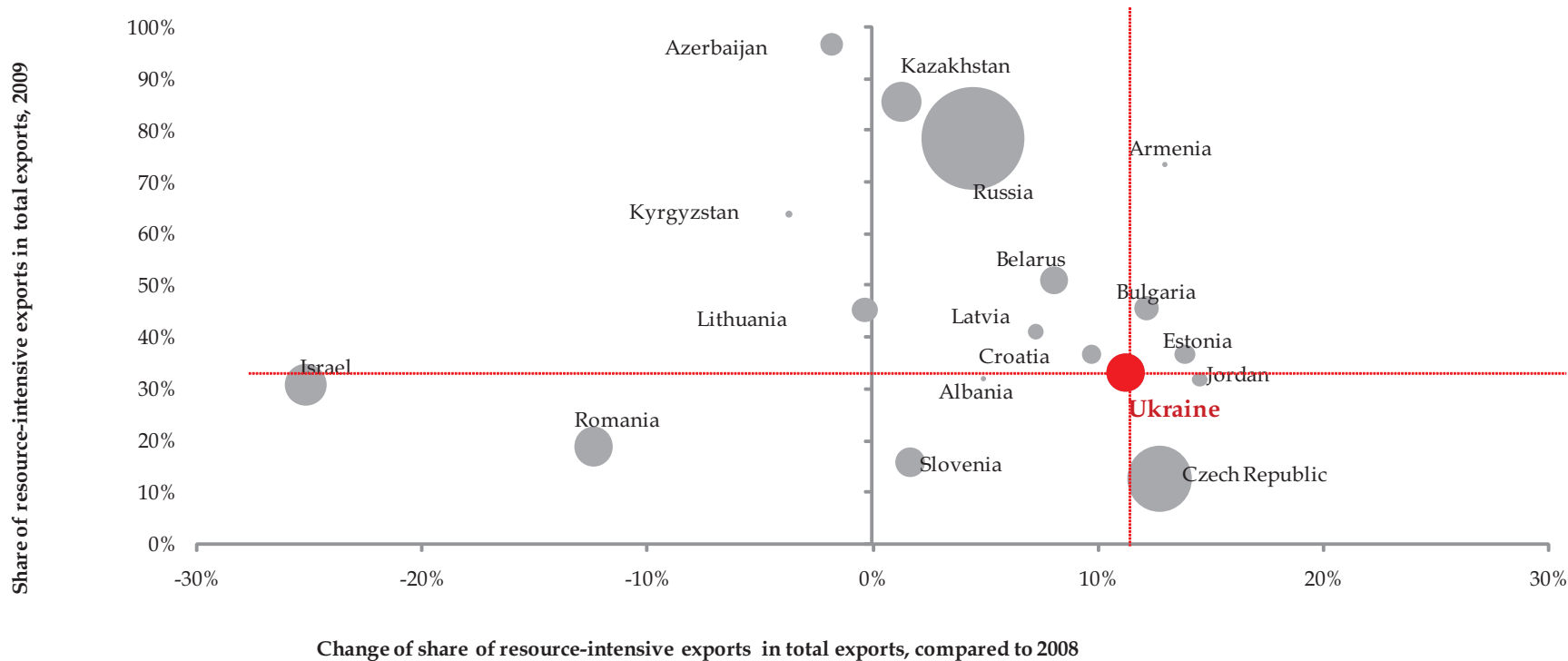
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Import and export diversification is calculated based on 21 commodity groups.

Source: WB, WDI-Online; UN Comtrade; national statistical offices of benchmark countries

Export and import bases are quite similar in Ukraine in terms of their diversification levels.  
By its export diversification Ukraine is compatible to Czech Republic and Slovakia and to Kazakhstan – by import diversification.

### Resource-Intensity of Merchandise Exports, 2009



Source: UN Comtrade; national statistical offices of benchmark countries

- Ukraine has comparably low level of resource intensity of exports among the benchmarked countries. However, the share of resource-based exports increased in 2009 after the economic recession in the country.
- Though the major export commodities are resource-based products, they are being exported in the form of processed goods, thus defining Ukrainian economy with low resource-intensity of exports.

# Sectoral Performance

- ✓ *industry*

  - structure*

  - metallurgy*

  - gas, electricity and water*

  - foodstuff, beverages and tobacco products*

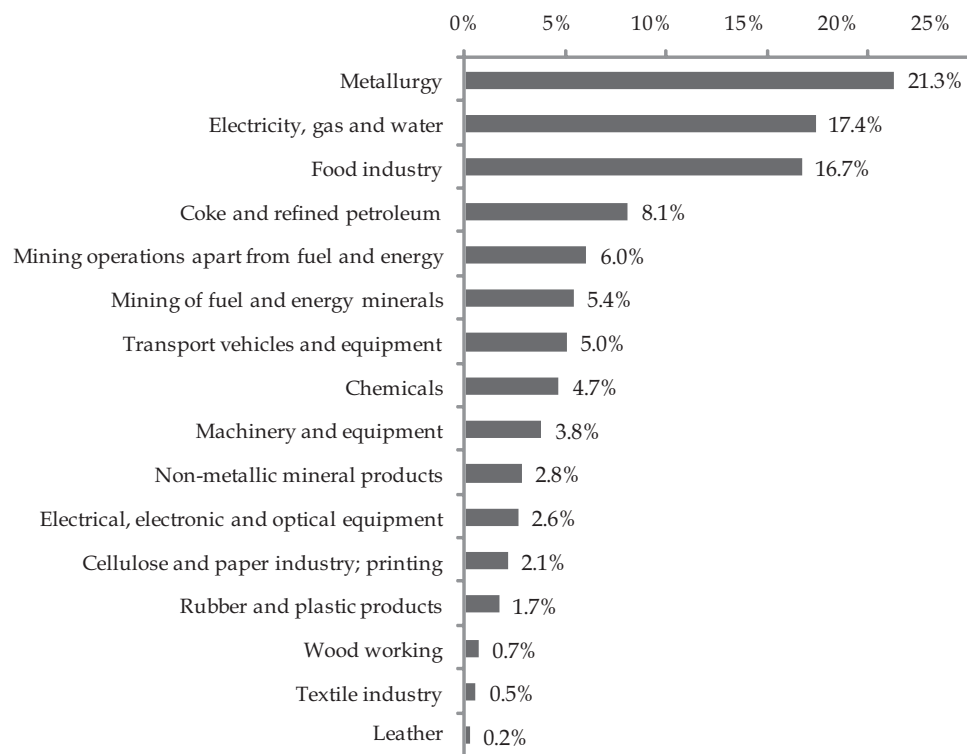
- ✓ *agriculture*

- ✓ *financial sector*

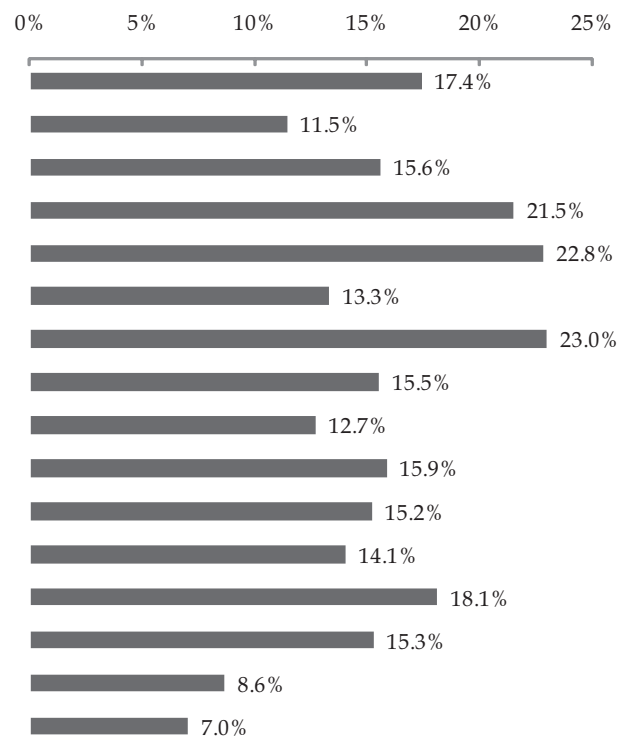
- ✓ *retail*



## Sectors by Share in GDP, % (2010)



## Sectors by CAGR, % (2001-2010)

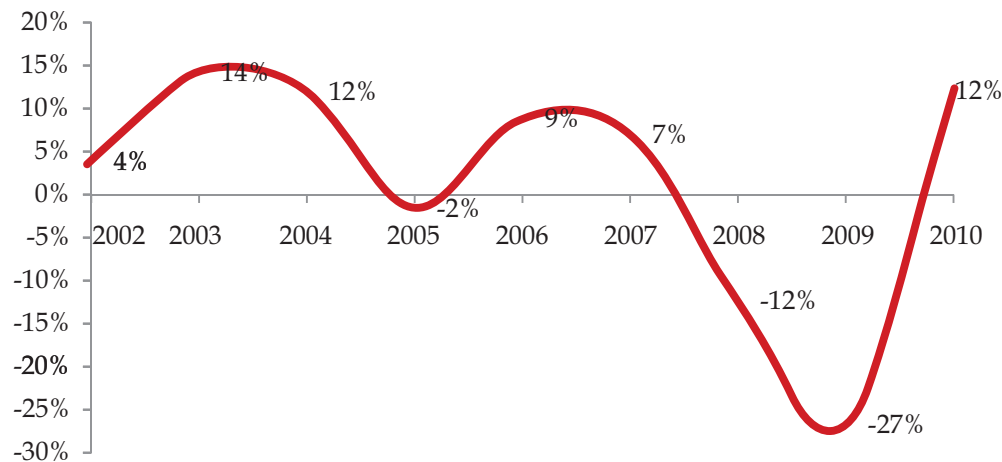


Source: State Statistics Committee of Ukraine

Note: Hereinafter the Compounded Annual Growth Rates (CAGRs) in the text are calculated, using the nominal output values for each year.



## Metallurgy, Production of Finished Metals, Volume Index, Year-on-Year Change, 2002-2010



Source: State Statistics Committee of Ukraine

### Key issues of the sector

- High sensitivity towards fluctuations of metal and gas prices
- Slow modernization of equipment
- Relatively low productivity
- High monopolization of certain sub-sectors
- Interruptions in raw supply
- Increasing railway tariffs
- Currency fluctuations
- Ineffective privatization practices

### Key opportunities

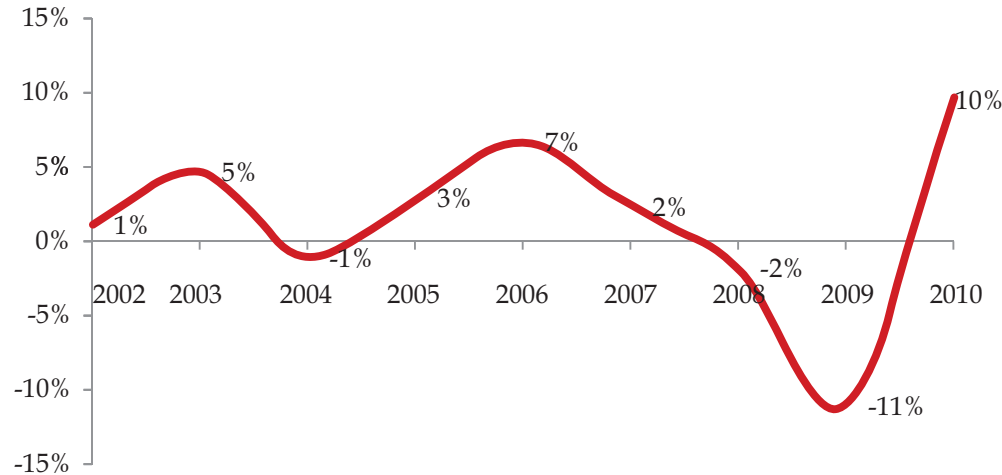
- Extensive resource base
- Skilled labor force
- Favorable railway and port infrastructure

- Metallurgy is the largest industrial sector in Ukraine.
- The sector, with 176,550 million UAH (\$~ 22,300 million) output in 2010, employs more than 600,000 workers.
- Iron and steel are Ukraine's top export items. Main export partners are Turkey, Russia, Lebanon, China and Italy.

### Key players

- The sector is comprised of over 400 companies, including:
- "Arcelor Mittal Krivoy Rog" OJSC – the largest player
- "Alchevsk Iron & Steel Works" OJSC - implements full-cycle metallurgical works
- "Ilyich Iron and Steel Works of Mariupol" OJSC - a full-cycle metallurgical enterprise
- "Dniprovsky Iron and Steel Works named after Dzerzhinsky OJSC" - International Metal Trading Network, offering rolled metal products
- "Ukrayinska girnycho-metallurgiyina kompaniya" (UGMK) OJSC
- "AZOVSTAL Iron & Steel Works" OJSC
- "Zaporizhstal Integrated Iron & Steel Works" OJSC
- "Metalen" Ukrainian-Swiss JV LLC

### Production and Distribution of Gas, Electricity and Water, Volume Index, Year-on-Year Change, 2002-2010



Source: State Statistics Committee of Ukraine

#### Key issues of the sector

- Low internal capacities and high dependence on imported resources
- Bureaucracy and limited institutional base

#### Key opportunities

- A number of donor-funded programs promoting the development of alternative energy sectors (Sustainable Energy Action Plan by EBRD)
- Government commitment to the development of the sector

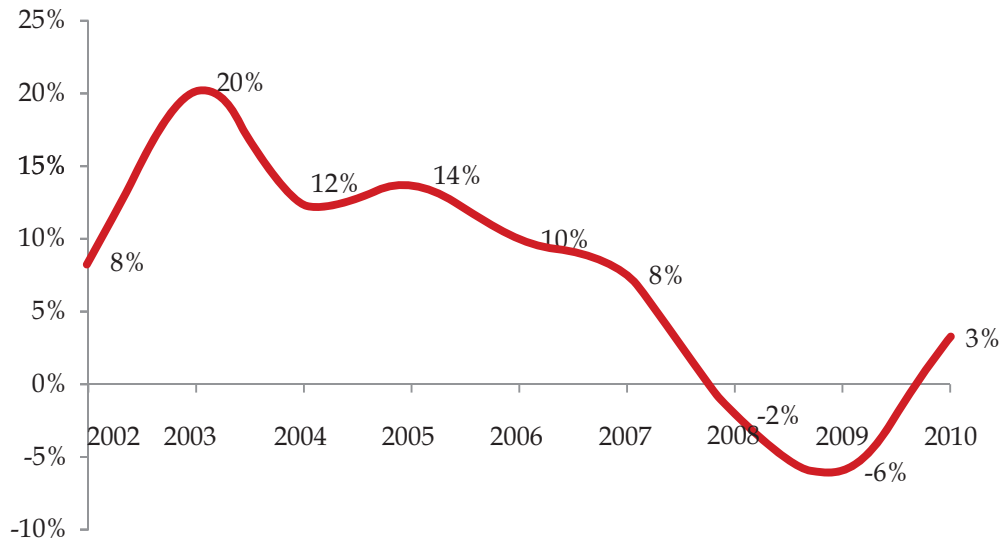
- Production and distribution of gas, electricity and water has the second highest share in industrial output (154,650 million UAH, ~\$19,500 million) and a below-average growth rate.
- Currently, Ukraine has state-supported program for the development of non-traditional and renewable energy sources.
- The main source of alternative energy is hydropower.
- The share of alternative energy in domestic energy consumption is small, but growing.

#### Key players

- NJSC “Naftogaz of Ukraine” – currently state-owned but plans to make an IPO
- NJSC “Energy Company of Ukraine” –state-owned. Production of hydropower
- ContourGlobal Ukraine –production, acquisition and investment in energy
- Shell Ukraine



### Production of Foodstuff, Beverages and Tobacco, Volume Index, Year-on-Year Change, 2002-2010



Source: State Statistics Committee of Ukraine

#### Key issues of the sector

- Obsolete production technologies and facilities still exist in the industry
- Still limited disposable income and demand sophistication by Western standards

#### Key opportunities

- Extensive consumer base
- Low production costs
- Geographic location favorable for effective export routes

- Production of foodstuff, beverages and tobacco products is the third contributor to the Ukrainian industrial output. Total sector output amounted to ~138,500 million UAH (~\$14,900 million) in 2010.
- The major sub-sectors of the Ukrainian food processing industry are cereal production, dairy, meat processing and sugar refinery. According to Business Monitor International confectionery industry can be seen as the most lucrative food segment for investments.
- According to FAO, Ukraine has a significant potential to increase its food production in case necessary investments are made in the country.
- On a positive note, investments have become more available to Ukrainian companies which get easier access to international financial markets.

#### Key players

**Confectionary:** International Confectionery Corporation "Roshen", Konti

**Dairy:** Ukrproduct Group (foreign and local ownership)

**Beer and soft beverages:** Obolon CJSC, Vitmark Ukraine

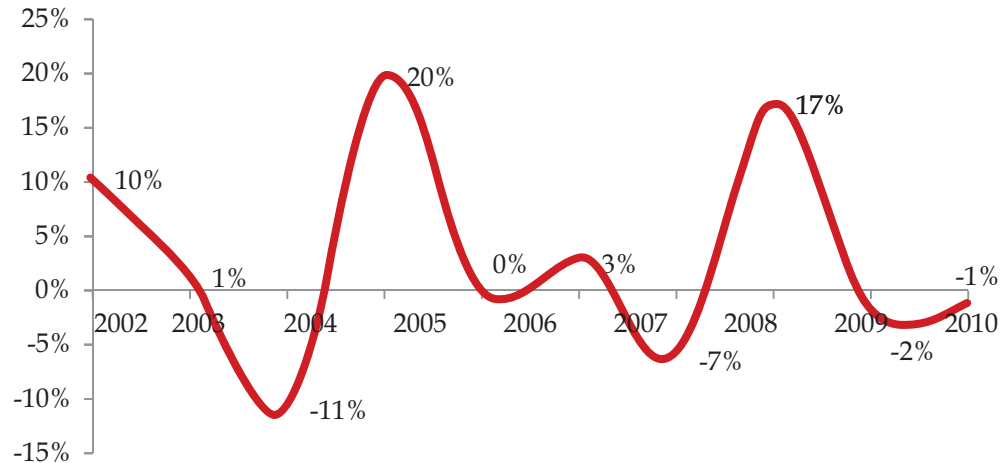
**Alcoholic beverages:** Khortytsa Distillery (one of top alcohol producers of the world and the leader of the Ukrainian alcohol market), Nemirot Holding, Soyuz-Victan, the Crimean Wine House

**Sugar:** Astarta Holding

**Grain:** Nibulon Ltd (largest local grain exporter)

**Other:** Krafts Food, Nestle

## Agriculture, Volume Index, Year-on-Year Change, 2001-2011



Source: State Statistics Committee of Ukraine

- With 79,000 million AUH (~\$10,000 million) gross value added in 2010, agriculture accounts for 8% of GDP.
- In the period of 2001-2011, the sector experienced an unstable growth with annual changes ranging from “-11%” to “+20%”.
- Cereals are one of the Ukraine’s top export products. The country is the third in the world in terms of grain exports. Top export partners purchasing Ukrainian grains are Spain, South Korea and the Philippines.

### Key players

- UKRZERNOPROM AGRO
- Ukrainian Agrarian Investments Holding
- Ilyich Agro
- Nafkom Agro
- Astarta – Kyiv
- Myronivsky Hliboproduct

#### Key issues of the sector

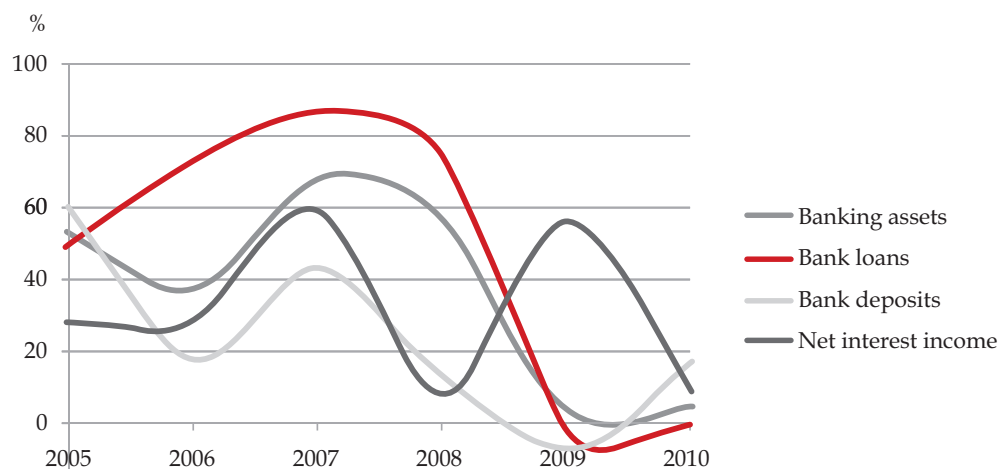
- Outdated machinery
- Poor quality management
- Underdeveloped infrastructure
- Ineffective institutional base

#### Key opportunities

- Good-quality soil with high productivity
- Favorable climate
- Qualified workforce
- Opportunities to develop organic agriculture
- Sophistication of operating companies with rapidly increasing interest towards IPOs



## Bank Performance, 2005-2010 (% change in local currency)



Source: State Statistics Committee of Ukraine

### Banking

- After years of dynamic growth the financial sector was hit hard by the financial and economic crisis in 2008.
- In 2009 EBRD and IMF implemented support program to rehabilitate and stabilize the Ukrainian financial sector.
- Foreign currency loans currently account for around half of total bank loans and are primarily denominated in US dollars.
- Corporate lending market is expanding with main creditors being manufacturing companies, mostly chemical and metallurgical enterprises.
- Lending to retail companies remains constricted.

### Insurance

- Ukraine is extremely underinsured by Western standards. The reasons for this are relatively low disposable incomes and the lack of insurance culture.
- Obligatory insurance is more prevalent.

### Key players

- 176 operational commercial banks, down from 184 at the start of 2009
- Foreign banks have been operating in Ukraine since late 1990s and include: Calyon (France; formerly Crédit Lyonnais), Raiffeisen (Austria), ING (Netherlands) and Citibank (US), VTB Bank (the second-largest Russian state-owned bank), Alfa-Bank (Russia), National Reserve Bank (Russia), Kredyt Bank (Poland) and Bank Pekao (Poland).
- The largest banks operating are:
  - PrivatBank
  - Raiffeisen Bank Aval
  - Ukreximbank (a specialized export-import bank, state-owned)
  - Oschadbank (a savings bank, state-owned)

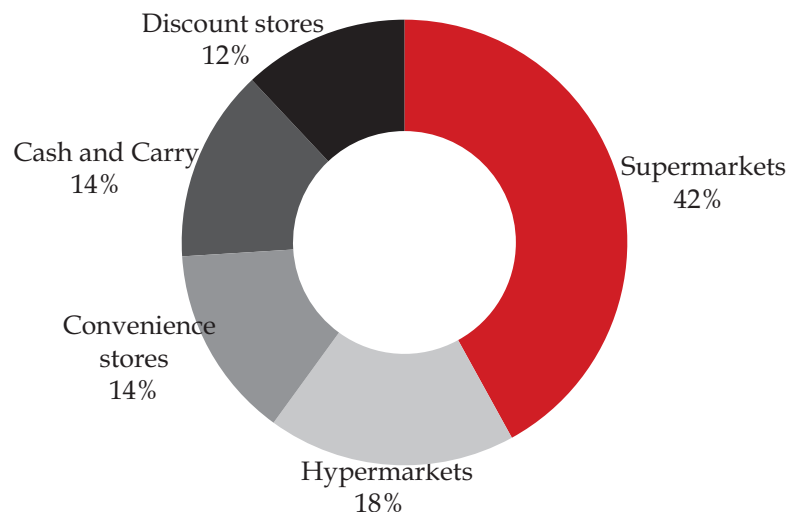
#### Key issues of the sector

- Weak legal infrastructure
- Lack of transparency in corporate management structures
- High credit risks and structural issues according to S&P
- Absence of sophisticated financial tools

#### Key opportunities

- Increasing foreign investments boosting business sophistication in the sector
- Formation of strong players with efficient business practices in the result of mass mergers and acquisitions.

## Retail Turnover by Types of Operators, 2009



Source: State Statistics Committee of Ukraine

### Key issues of the sector

- Extensive shadow segment
- Limited number of international trade operators
- Insufficient level of development of retail property
- High dependence on currency changes

### Key opportunities

- Expanding modern trade formats
- Increasing interest towards IPOs
- Significant untapped market potential, opportunities of regional expansion

- Ukrainian retail industry suffered strongly in 2009.
- Several large-scale retail operators (Baltic O'Key and Russian Vester) left Ukrainian market as a result of the financial crisis.
- In 2010, the retail sector revived and the trade turnover increased by 7% to 529,883 million UAH (~\$ 66,800 mln) in Ukraine.
- Several large cities - Kyiv, Donetsk, Dnipropetrovsk, Kharkiv and Odesa are the major contributors to the retail trade turnover.
- The supermarkets are the most popular trading format in Ukraine, accounting for 42% of all the retail trade.
- The upscale segment of retail sector prospers with growing presence of premium-quality stores.
- There are more than 100 FMCG operators in Ukraine, but only 5 of them lead the industry.

### Key players

- CJSC Fozzy Group
- ATB-Market LTD
- Metro Cash and Carry Ukraine
- CJSC Furshet
- OJSC Ashan Ukraine



# EV Consulting Profile

- ✓ *service lines*
- ✓ *expertise*
- ✓ *advisory practice leaders*



## **STRATEGY ADVISORY**

*Designing mid to long-term strategies; comprehensive competitive analysis; crafting and installing strategy execution tools based on balanced scorecards; linking strategy to operations through operational dashboards*

## **PUBLIC POLICY & DEVELOPMENT ADVISORY**

*Helping public sector organizations effectively design, implement and monitor sector development strategies and large scale, high impact projects. Sector strategies, impact analysis, complex studies, development support, etc.*

## **INVESTMENT ADVISORY**

*Investment strategy formulation, investment proposals, business plans and feasibility studies, M&A advice; business valuation; capital attraction; deal structuring and negotiation support*

## **MARKETING ADVISORY**

*Market studies and analysis by using quantitative and qualitative research tools (customer segmentation, customer loyalty and satisfaction assessment, brand health tracking etc.); commercial due diligence; development of market entry and expansion strategies etc.*

## **PERFORMANCE IMPROVEMENT**

*Design and install performance measurement systems; improve planning, budgeting and forecasting systems; streamline and improve finance and marketing function; improve sales force organization, compensation schemes, customer service standards; operational dashboards*

## **ORGANIZATION DESIGN**

*Designing corporate centers or holding structures for diversified businesses; modeling effective organization structures best suited to company strategies; developing organization culture and motivation metrics; staffing and competence needs assessments*



## Industry expertise

- ✓ *Information Technologies*
- ✓ *Mobile telecommunications*
- ✓ *Internet services*
- ✓ *Science and R&D*
- ✓ *Education*
- ✓ *Engineering Services*
- ✓ *Tourism & Travel*
- ✓ *Construction materials*
- ✓ *Real estate and construction*
- ✓ *Alcoholic and non-alcoholic beverages*
- ✓ *Confectionary and chocolate*
- ✓ *Agriculture, in particular pig farming, poultry, feed production*
- ✓ *Dairy and ice cream*
- ✓ *Health care and pharmaceuticals*
- ✓ *Logistics*
- ✓ *Retail*
- ✓ *Mining*

## Key highlights

*EV Consulting has accomplished over 170 consulting and research projects in a broad range of sectors.*

- Development of corporate and business level strategies, introduction Balanced Scorecards, performance management systems, performance improvement programs .
- Development of over 80 investment plans and memorandums, as a result of which more than 60 mln USD were attracted in a form of equity or debt financing.
- EV Consulting has worked with major international financial institutions such as EBRD, World Bank, IFC, Black Sea Trade and Development Bank, etc.
- EV has been at the forefront of introducing modern management tools in Armenia. Thus, it has introduced the Balanced Scorecards (BS) to develop long-term strategies and execution mechanisms in several companies.
- With close to 100% return rate of its customers EV has become a long-term consulting partner of many local and international companies.
- Together with its research branch EV Consulting publishes Armenian Competitiveness Report (ACR) annually. The report became a key analytical platform for public dialogue on key strategic issues in Armenia. Many of the ideas have been included in the government agenda.
- EV Consulting's research arm - EV Research Center partners with World Economic Forum and Harvard Institute for Strategy and Competitiveness.

## MANUK HERGNYAN

### *Managing Partner*

Mr. Manuk Hergnyan is the founding managing partner of EV Consulting and the founding chairman of EV Research Center. Manuk has had consulting experience with the US-based Setrakian Financial Group (head of Yerevan office), Arlex International and KPMG Consulting-Barents Group in Armenia and with Global Investment Union in Russia. He teaches Strategic Management and the Harvard Business School course on Microeconomics of Competitiveness developed by Michael Porter. Manuk holds a Ph.D. from Moscow State University. He has been trained at Cambridge (UK), Harvard (USA) and Central European Universities (Hungary), and is currently pursuing modular EMBA course at Oxford Said Business School (UK). Manuk is certified by the Palladium Group (founded by Drs. Norton and Kaplan) in Balanced Scorecard execution. Manuk is a member of the Board of Directors (BOD) of the leading dairy in Armenia and EBRD nominated BOD member at Liqvor Pharmaceuticals. He directly leads EV's strategy advisory practice.

## SEVAK HOVHANNISYAN

### *Partner; Head of Research and Market Advisory*

Mr. Sevak Hovhannisyan is leading research at EV Consulting and is founding board member of EV Research Center. At EV he has managed numerous research and economic development assignments for public sector institutions and companies. Mr. Hovhannisyan's professional career started in 1997, at the Investments Department of the Ministry of Trade and Industry of Armenia, where he was promoted to lead the development and implementation of foreign investment policies. In 2000, Mr. Hovhannisyan joined the ProSME project, getting directly involved in the development of SME related legislation and policies. Sevak played key role in developing pharmaceutical cluster policies and support organizations through USAID CAPS project. Sevak holds a PhD in International Economics from the Yerevan State University (Armenia), and has been trained in management at the Cambridge University (UK), Aachen University of Technology (Germany) and Mercy Corps (Cambridge, US).

## SONA GRIGORYAN

### *Manager*

Ms. Sona Grigoryan holds the position of manager with EV Consulting, focusing in the practice areas of strategy, performance management and investment advisory. She has managed complex projects in corporate finance and investment advisory fields. Sona has had a hands on experience on balanced scorecard projects for several years. She has been trained with the practical knowledge in the field by London headquartered 2GC Consultancy.

Sona is currently in the process of becoming a certified member of ACCA (Association of Chartered and Certified Accountants). Her educational background is in economics, with major in marketing in Yerevan State Institute of Economics (Armenia).

