UKRAINE EITI REPORT
The abbreviated version
THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI): INFORMATION ON THE INITIATIVE AND HISTORY OF ITS DEVELOPMENT IN UKRAINE

Information on the Initiative

The Extractive Industries Transparency Initiative (EITI) is a global Standard that has the main purpose of promoting the transparency of revenues of a state from its natural resources. The countries implementing the EITI Standard should disclose the information on tax and other payments received by the state from natural resources extractive companies, the procedures for granting permits (licenses) for the use of natural resources and other information related to the use of natural resources.

The governance and control over the EITI implementation in a given country are executed by a Multi-Stakeholder Group (MSG), which includes representatives of the government, business and civil society. Ukraine also has the EITI National Secretariat, which coordinates the activities of implementation of the EITI in Ukraine.

More information on EITI in Ukraine can be found on the website www.eiti.org.ua

EITI IN UKRAINE SUPPORT BY:

- World Bank
- International Renaissance Foundation
- USAID
- German and UK Governments through the “Good Financial Governance” Project implemented by the federal enterprise Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

The development of EITI in Ukraine

- 2009 September 30: Ukraine committed to implement the EITI, having approved Resolution No. 1098 of the Cabinet of Ministers of Ukraine «On Ukraine’s Accession to the Extractive Industries Transparency Initiative»
- 2012 October 10: The EITI Multi-Stakeholder Group in Ukraine was created, which includes representatives of the government, business and civil society.
- 2013 October 17: Ukraine was accepted as an EITI Candidate Country
- 2015 June 16: The agreement with the Independent Administrator was concluded. The preparation of Ukraine’s first EITI Report began
- 2015 July 31: Publication of Ukraine’s first national EITI Report
- 2015 December: Publication of Ukraine’s second national EITI Report, which covers two calendar years and additional extractive industries
- 2017 February: The first validation of Ukraine by the EITI International Secretariat


- Extraction of coal;
- Extraction of crude oil;
- Extraction of natural gas;
- Mining of iron ores;
- Mining of titanium ores;
- Mining of manganese ores;
- Transportation of oil and gas.

In 2014-2015, based on the results of scoping study and analysis of the information received from the State Fiscal Service of Ukraine, the scope of the EITI Report covered 97 extractive companies, which together paid more than 99% of tax revenues to the Consolidated budget of Ukraine from extractive industries.

Overall, only 51 of 97 extractive companies responded to a request distributed for the purposes of preparing the Report. In addition, the Independent Administrator received a response from 7 extractive companies that were not designed for reconciliation.
BRIEF OVERVIEW OF UKRAINE’S EXTRACTIVE INDUSTRIES

According to Geoinform of Ukraine SRPE, as of the beginning of 2014, more than 20 thousand ore deposits and manifestations containing 117 types of minerals have been identified in Ukrainian territory, of which approximately half are of commercial value and are registered in the State Registry of Mineral Reserves.

EITI REPORT OF UKRAINE 2014-2015
COAL

Structure of the hard coal reserves, by the category as of 01.01.2016

<table>
<thead>
<tr>
<th>Purpose Reserve</th>
<th>Balance Reserves (A+i-B+C1)</th>
<th>Balance Reserves (C2)</th>
<th>Off-balance Reserves</th>
<th>Ucertain (A+B+C1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>17,274.4 mln t</td>
<td>44,317.6 mln t</td>
<td>11,539.7 mln t</td>
<td>18.5 mln t</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Structure of the balance reserves of hard coal as of 01.01.2016

<table>
<thead>
<tr>
<th>Purpose Reserve</th>
<th>Balance Reserves (A+B+C1)</th>
<th>Balance Reserves (C2)</th>
<th>Off-balance Reserves</th>
<th>Ucertain (A+B+C1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (regions)</td>
<td>44,317.6 mln t</td>
<td>11,539.7 mln t</td>
<td>18.5 mln t</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Reserves for extraction – 1115 years
Reserves for consumption – 979 years

Balance reserves of coal will cover extraction for 1115 years, if the volumes of extraction remain at the same level as in 2015
Balance reserves of coal will cover consumption for 979 years, if the volumes of consumption remain at the same level as in 2015

Structure of the balance reserves of hard coal, by region (as of 01.01.2015), mln t

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luhansk</td>
<td>18,909</td>
<td>26,074</td>
</tr>
<tr>
<td>Donetsk</td>
<td>17,901</td>
<td>25,655</td>
</tr>
<tr>
<td>Dnipropetrovsk</td>
<td>1,816</td>
<td>0</td>
</tr>
</tbody>
</table>

Volumes of coal extraction by companies in 2014-2015, thous. ton

<table>
<thead>
<tr>
<th>Company Type</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>DTEK Pavlogradvuhillia PrJSC</td>
<td>5,187</td>
<td>18,787</td>
</tr>
<tr>
<td>Shakhtoupravlinnia</td>
<td>1,987</td>
<td>18,833</td>
</tr>
<tr>
<td>Dobropilliavuhillia LLC</td>
<td>1,616</td>
<td>1,754</td>
</tr>
<tr>
<td>DTEK Rovenkyantratsyt LLC</td>
<td>890</td>
<td>691</td>
</tr>
<tr>
<td>DTEK Sverdlovantratsyt LLC</td>
<td>691</td>
<td>890</td>
</tr>
<tr>
<td>DTEK Mine Komsomolets</td>
<td>691</td>
<td>890</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>911</td>
<td>773</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>1,616</td>
<td>1,754</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>1,987</td>
<td>18,833</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>2,549</td>
<td>1,293</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>2,693</td>
<td>2,428</td>
</tr>
<tr>
<td>DTEK DTEK Mine Komsomolets</td>
<td>1,552</td>
<td>1,552</td>
</tr>
</tbody>
</table>

Notes: Volume of coal extraction was in tons.
Volume of extraction reserves at the end of 2015.
Volume of consumption reserves at the end of 2015.
Volume of consumption reserves at the end of 2014.
Volume of extraction reserves at the end of 2014.
Export of hard coal, by country

According to State Statistics Service of Ukraine

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,565</td>
<td>7,926</td>
</tr>
<tr>
<td>Russia</td>
<td>1,462</td>
<td>473</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>1,793</td>
<td>348</td>
</tr>
<tr>
<td>USA</td>
<td>1,793</td>
<td>348</td>
</tr>
<tr>
<td>Canada</td>
<td>1,793</td>
<td>348</td>
</tr>
<tr>
<td>South Africa</td>
<td>1,793</td>
<td>348</td>
</tr>
<tr>
<td>Other</td>
<td>1,793</td>
<td>348</td>
</tr>
<tr>
<td>Total</td>
<td>14,604</td>
<td>4,076</td>
</tr>
<tr>
<td>Volume of exported, thou. ton</td>
<td>7,284</td>
<td>6,770</td>
</tr>
<tr>
<td>Cost of exported products, million USD</td>
<td>1,793</td>
<td>348</td>
</tr>
</tbody>
</table>

Import of hard coal, by country

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>299</td>
<td>262</td>
</tr>
<tr>
<td>Russia</td>
<td>106</td>
<td>41</td>
</tr>
<tr>
<td>USA</td>
<td>45</td>
<td>4</td>
</tr>
<tr>
<td>Canada</td>
<td>41</td>
<td>3</td>
</tr>
<tr>
<td>South Africa</td>
<td>35</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>99</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>181</td>
<td>142</td>
</tr>
<tr>
<td>Volume of imported, thou. ton</td>
<td>1,154</td>
<td>774</td>
</tr>
<tr>
<td>Cost of imported products, million USD</td>
<td>1,793</td>
<td>774</td>
</tr>
</tbody>
</table>

EITI REPORT OF UKRAINE 2014-2015

NATURAL GAS

Reserves for extraction – 46 years
Reserves for consumption – 27 years

Structure of the balance reserves of natural gas as of 01.01.2016

- Provisional balance reserves
- Balance reserves
- Off-balance reserves

Proven reserves (code 111)
Probable reserves (code 121)
Preliminary explored probable reserves (code 122)

Balance reserves of natural gas will cover extraction for 46 years, if the volumes of extraction remain at the same level as in 2015.
Balance reserves of natural gas will cover consumption for 27 years, if the volumes of consumption remain at the same level as in 2015.
### Structure of the balance reserves of natural gas, by region, mln mcm

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poltava region</td>
<td>358,461</td>
<td>328,917</td>
<td>-7.7%</td>
</tr>
<tr>
<td>Kharkiv region</td>
<td>353,037</td>
<td>343,145</td>
<td>+2.8%</td>
</tr>
<tr>
<td>Lviv region</td>
<td>76,802</td>
<td>69,545</td>
<td>-9.3%</td>
</tr>
<tr>
<td>Sumy region</td>
<td>109,959</td>
<td>106,014</td>
<td>-3.5%</td>
</tr>
<tr>
<td>Black sea shelf</td>
<td>39,931</td>
<td>37,506</td>
<td>-5.6%</td>
</tr>
<tr>
<td>Other</td>
<td>37,506</td>
<td>37,506</td>
<td>0%</td>
</tr>
</tbody>
</table>

As of 01.01.2015
As of 01.01.2016

### Volumes of natural gas extraction, by company in 2014-2015, mln mcm

<table>
<thead>
<tr>
<th>Company</th>
<th>2014</th>
<th>2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ukrgazvydobuvannya PJSC</td>
<td>15,114</td>
<td>14,528</td>
<td>-3.8%</td>
</tr>
<tr>
<td>Ukrnatta PJSC</td>
<td>14,977</td>
<td>14,528</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Nattogazvydobuvannya PJSC</td>
<td>7,711</td>
<td>7,385</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Essco-Pivnich LLC</td>
<td>608</td>
<td>513</td>
<td>-15.6%</td>
</tr>
<tr>
<td>Kug-gaz LLC</td>
<td>102</td>
<td>217</td>
<td>+120%</td>
</tr>
<tr>
<td>Pryodn.Rezursy Pr. SC</td>
<td>2,285</td>
<td>2,290</td>
<td>+0.2%</td>
</tr>
<tr>
<td>Join Venture Paltavka gazonaftovaja kompaniya LLC</td>
<td>239</td>
<td>239</td>
<td>0%</td>
</tr>
<tr>
<td>Ukrahiynagazvydobuvannya PJSC</td>
<td>2,892</td>
<td>2,904</td>
<td>+0.7%</td>
</tr>
<tr>
<td>Persha ukraiinska gazonaftova kompaniya LLC</td>
<td>220</td>
<td>217</td>
<td>-1.4%</td>
</tr>
<tr>
<td>Regal Petroleum Corporation Limited LLC</td>
<td>1,226</td>
<td>1,373</td>
<td>+12.4%</td>
</tr>
</tbody>
</table>

### Natural gas extraction in Ukraine, by region, mln mcm

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kharkiv</td>
<td>7,583</td>
<td>6,45</td>
<td>-14.7%</td>
</tr>
<tr>
<td>Poltava</td>
<td>673</td>
<td>513</td>
<td>-24.0%</td>
</tr>
<tr>
<td>Lviv</td>
<td>634</td>
<td>439</td>
<td>-31.1%</td>
</tr>
<tr>
<td>Sumy</td>
<td>455</td>
<td>303</td>
<td>-33.9%</td>
</tr>
<tr>
<td>Ivano-Frankivsk</td>
<td>505</td>
<td>693</td>
<td>+37.7%</td>
</tr>
<tr>
<td>Luhansk</td>
<td>1,030</td>
<td>1,162</td>
<td>+12.9%</td>
</tr>
<tr>
<td>Other</td>
<td>9,704</td>
<td>9,338</td>
<td>-4.0%</td>
</tr>
</tbody>
</table>

### Import of natural gas, by country

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>14.5</td>
<td>16.4</td>
</tr>
<tr>
<td>Germany</td>
<td>2.8</td>
<td>3.5</td>
</tr>
<tr>
<td>Norway</td>
<td>1.3</td>
<td>2.1</td>
</tr>
<tr>
<td>Other EC</td>
<td>3.2</td>
<td>1.5</td>
</tr>
</tbody>
</table>
**OIL AND GAS CONDENSATE**

Reserves for extraction – 509 years\(^1\)
Reserves for consumption – 336 years\(^2\)

**Structure of the oil reserves, by the category as of 01.01.2016**

- **Balance reserves**: 115,790 thous. t (41.8%)
- **Off-balance reserves**: 39,849 thous. t (14.4%)
- **Uncertain purpose reserves**: 121,290 thous. t (43.8%)

**Structure of the balance reserves of oil as of 01.01.2016**

- **Proven reserves (code 111)**: 49,204 thous. t (40%)
- **Proven probable reserves (code 121)**: 66,288 thous. t (55%)
- **Preliminary explored probable reserves (code 122)**: 5,798 thous. t (5%)

**Oil extraction in Ukraine, by region, thous t**

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total (regions)</strong></td>
<td>2,039</td>
<td>1,817</td>
</tr>
<tr>
<td>Sumy</td>
<td>363</td>
<td>339</td>
</tr>
<tr>
<td>Ivano-Frankivsk</td>
<td>186</td>
<td>167</td>
</tr>
<tr>
<td>Chernihiv</td>
<td>124</td>
<td>138</td>
</tr>
<tr>
<td>Poltava</td>
<td>65</td>
<td>51</td>
</tr>
<tr>
<td>Lviv</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Kharkiv</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Dnipropetrovsk</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td>817</td>
</tr>
</tbody>
</table>

\(^1\) In this section, the term “oil” means “oil and gas condensate”
\(^2\) Balance reserves of oil will cover extraction for 509 years, if the volumes of extraction remain at the same level as in 2015
\(^3\) Balance reserves of oil will cover consumption for 336 years, if the volumes of consumption remain at the same level as in 2015
<table>
<thead>
<tr>
<th>Company</th>
<th>2014</th>
<th>2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ukrnafta PJSC</td>
<td>1,877.3</td>
<td>1,777.3</td>
<td>-12%</td>
</tr>
<tr>
<td>Ukrspodna Nazariy Pr JSC</td>
<td>537.2</td>
<td>522.7</td>
<td>-5%</td>
</tr>
<tr>
<td>Prydnalni Energiy Pr JSC</td>
<td>51.7</td>
<td>46.0</td>
<td>-10%</td>
</tr>
<tr>
<td>Join Venture Ukrainoipolii LLC</td>
<td>12.7</td>
<td>14.2</td>
<td>16%</td>
</tr>
<tr>
<td>Poltavskaja gazovykh Kompanijy Joint Venture</td>
<td>12.7</td>
<td>14.2</td>
<td>16%</td>
</tr>
<tr>
<td>Karpenkovna kompanija Ukrainoipolii PJSC</td>
<td>36.7</td>
<td>36.0</td>
<td>-2%</td>
</tr>
<tr>
<td>Vydobuvna kompanija Ukrainoipolii PJSC</td>
<td>36.0</td>
<td>30.3</td>
<td>-16%</td>
</tr>
<tr>
<td>Naukogazvydobuvannia Pr JSC</td>
<td>5.6</td>
<td>11.9</td>
<td>107%</td>
</tr>
<tr>
<td>Regal Petroleum Corporation Limited LLC</td>
<td>4.4</td>
<td>6.4</td>
<td>45%</td>
</tr>
<tr>
<td>Enerhogoservisna kompaniya JSC</td>
<td>4.2</td>
<td>4.2</td>
<td>0%</td>
</tr>
<tr>
<td>Arabskyi energetychnyi alians IUEI LLC</td>
<td>3.6</td>
<td>4.2</td>
<td>57%</td>
</tr>
<tr>
<td>Ukrspodna Nazariy Pr JSC</td>
<td>3.9</td>
<td>3.9</td>
<td>0%</td>
</tr>
<tr>
<td>Kub-gaz LLC</td>
<td>3.9</td>
<td>3.9</td>
<td>0%</td>
</tr>
<tr>
<td>Esco-Pivnich LLC</td>
<td>4.0</td>
<td>4.0</td>
<td>0%</td>
</tr>
<tr>
<td>Cashtan Petroleum Joint Venture</td>
<td>4.2</td>
<td>4.2</td>
<td>0%</td>
</tr>
<tr>
<td>Vydobuvna kompaniya Ukrnaftoburinnia Pr JSC</td>
<td>4.4</td>
<td>4.0</td>
<td>-10%</td>
</tr>
<tr>
<td>Nattogazvydobuvannia Pr JSC</td>
<td>4.2</td>
<td>3.9</td>
<td>-7%</td>
</tr>
<tr>
<td>Enerhoservisna kompaniya JSC</td>
<td>4.2</td>
<td>4.2</td>
<td>0%</td>
</tr>
<tr>
<td>Regal Petroleum Corporation Limited LLC</td>
<td>4.2</td>
<td>4.0</td>
<td>-5%</td>
</tr>
<tr>
<td>Ukrspodna Nazariy Pr JSC</td>
<td>3.9</td>
<td>3.9</td>
<td>0%</td>
</tr>
<tr>
<td>Ukrgazvydobutok Pr JSC</td>
<td>147</td>
<td>18.9</td>
<td>-89%</td>
</tr>
<tr>
<td>Export of oil, by country</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>41.2</td>
<td>8.0</td>
<td>-79%</td>
</tr>
<tr>
<td>Other</td>
<td>178.6</td>
<td>227.7</td>
<td>28%</td>
</tr>
<tr>
<td>Import of crude oil, by country</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td>159.7</td>
<td>18.9</td>
<td>-89%</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>18.9</td>
<td>82.1</td>
<td>345%</td>
</tr>
<tr>
<td>Other</td>
<td>178.6</td>
<td>227.7</td>
<td>28%</td>
</tr>
</tbody>
</table>
IRON ORES

Reserves for extraction – 125 years\(^\text{14}\) Reserves for consumption – 148 years\(^\text{15}\)

Structure of iron ores reserves, by the categories (as of 01.01.2016), thous t

- 4,129,901.00 thous t (12%) Balance reserves
- 2,316,431.00 thous t (6%) Uncertain purpose reserves
- 29,222,217.90 thous t (82%) Off-balance reserves

Structure of the balance reserves (A+B+C1) of iron ores, by region (as of 01.01.2016), thous t

- Total (regions) 21,579,228
  - Dnipropetrovsk 12,127,529
  - Poltava 5,462,309
  - Zaporizhzhia 2,471,473
  - Crimea AR 868,733
  - Kirovohrad 365,680
  - Donetsk 283,504

Iron ores extraction in Ukraine, by region, thous t

- Total (regions) 176,049
  - Dnipropetrovsk 126,314
    - Poltava 38,038
    - Kirovohrad 7,316
    - Zaporizhzhia 4,381
  - Poltava 28,980
  - Kirovohrad 28,848
  - Zaporizhzhia 24,746

Volumes of iron ores extraction, by company in 2014-2015, thous t

- 2014
  - ArcelorMittal Kryvyi Rih PJSC 62,072
  - Southern GZK PJSC 30,054
  - Zaporizhzhia iron and steel works PJSC 19,773
  - Zaporizhzhia iron ore industrial complex PJSC 9,712
  - Zaporizhzhia iron ore industrial complex PrJSC 5,659
  - Yerystivskyi GZK LLC 5,175
  - Ingulets GZK PrJSC 5,075
  - Donetsk GZK PrJSC 2,876
  - Donetsk GZK PrJSC 2,876
  - Donbass GZK PJSC 1,594
  - Donbass GZK PJSC 1,594
  - Ingulets GZK PrJSC 1,484
  - Ingulets GZK PrJSC 1,484
  - Zaporizhzhia industrial complex PJSC 1,323
  - Zaporizhzhia industrial complex PrJSC 1,323

- 2015
  - ArcelorMittal Kryvyi Rih PJSC 68,580
  - Southern GZK PJSC 34,088
  - Zaporizhzhia iron and steel works PJSC 23,944
  - Zaporizhzhia iron ore industrial complex PJSC 14,934
  - Zaporizhzhia iron ore industrial complex PrJSC 9,712
  - Yerystivskyi GZK LLC 5,175
  - Ingulets GZK PrJSC 5,075
  - Donetsk GZK PrJSC 2,876
  - Donetsk GZK PrJSC 2,876
  - Donbass GZK PJSC 1,594
  - Donbass GZK PJSC 1,594
  - Ingulets GZK PrJSC 1,484
  - Ingulets GZK PrJSC 1,484
  - Zaporizhzhia industrial complex PJSC 1,323
  - Zaporizhzhia industrial complex PrJSC 1,323

\(^{14}\) Balance reserves of iron ores will cover extraction for 125 years, if the volumes of extraction remain at the same level as in 2015.

\(^{15}\) Balance reserves of iron ores will cover consumption for 148 years, if the volumes of consumption remain at the same level as in 2015.
### Export of non-agglomerated iron ores, by country

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romania</td>
<td>1,741</td>
<td>1,040</td>
</tr>
<tr>
<td>Slovakia</td>
<td>361</td>
<td>178</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>258</td>
<td>61</td>
</tr>
<tr>
<td>Slovakia</td>
<td>119</td>
<td>6</td>
</tr>
<tr>
<td>Hungary</td>
<td>34</td>
<td>10</td>
</tr>
<tr>
<td>Austria</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Serbia</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,565</td>
<td>1,522</td>
</tr>
</tbody>
</table>

### Volume of exported products, thous. ton

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>2,981</td>
<td>1,923</td>
</tr>
<tr>
<td>Poland</td>
<td>1,620</td>
<td>454</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>410</td>
<td>405</td>
</tr>
<tr>
<td>Slovakia</td>
<td>1,082</td>
<td>107</td>
</tr>
<tr>
<td>Romania</td>
<td>386</td>
<td>36</td>
</tr>
<tr>
<td>Hungary</td>
<td>119</td>
<td>19</td>
</tr>
<tr>
<td>Austria</td>
<td>119</td>
<td>36</td>
</tr>
<tr>
<td>Serbia</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>5,500</td>
<td>1,923</td>
</tr>
</tbody>
</table>

### Cost of exported products, million USD

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>4</td>
<td>178</td>
</tr>
<tr>
<td>Poland</td>
<td>4</td>
<td>61</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Slovakia</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Romania</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>Hungary</td>
<td>34</td>
<td>8</td>
</tr>
<tr>
<td>Austria</td>
<td>69</td>
<td>19</td>
</tr>
<tr>
<td>Serbia</td>
<td>1,040</td>
<td>361</td>
</tr>
<tr>
<td>Other</td>
<td>53</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>1,040</td>
<td>361</td>
</tr>
</tbody>
</table>

### TITANIUM ORES

Reserves for extraction – 28 years\(^1\)
Reserves for consumption – 1053 years\(^2\)

Reserves of titanium ores (as of 01.01.2016)

- Ilmenite: 2,500 thous t (30%)
- Rutile: 5,900 thous t (70%)

Titanium ores extraction in Ukraine, thous t

- 2014: 250 thous t
- 2015: 240 thous t (-4%)

\(^1\) Balance reserves of titanium ores will cover extraction for 28 years, if the volumes of extraction remain at the same level as in 2015 (http://minerals.usgs.gov/minerals/pubs/mcs/2016/mcs2016.pdf).

\(^2\) Balance reserves of titanium ores will cover consumption for 1053 years, if the volumes of consumption remain at the same level as in 2015.
MANGANESE ORES

Reserves for extraction – 594 years\(^\text{18}\)  
Reserves for consumption – 451 years\(^\text{19}\)

Structure of manganese ores reserves, by the category (as per 01.01.2016), thous t

- **58,038.20 thous. t**
  - **0.00 thous. t** (2%)
  - **58,038.20 thous. t** (98%)

Structure of the balance reserves \((A+B+C1)\) of manganese ores, by region (as of 01.01.2016), thous t

- **Total (regions)**: 2,182,916
  - **Zaporizhzhia**: 1,578,200
  - **Dnipropetrovsk**: 598,680
  - **Kherson**: 6,036

\(^{18}\)Balance reserves of manganese ores will cover extraction for 594 years, if the volumes of extraction remain at the same level as in 2015.  
\(^{19}\)Balance reserves of manganese ores will cover consumption for 451 years, if the volumes of consumption remain at the same level as in 2015.
EITI REPORT OF UKRAINE 2014-2015

Volumes of manganese ores extraction, by company in 2014-2015, thous t

- Ordzhonikidze GZK PJSC: 2,268.7 t in 2014, 2,339.0 t in 2015 (+3%)
- Marganets GZK PJSC: 1,176.3 t in 2014, 1,335.9 t in 2015 (+14%)
- Landshaft LLC: 9.5 t in 2014, 0.0 t in 2015 (-100%)

Export of manganese concentrate and agglomerate, by country

- Russia: 4.9 million USD in 2014, 0.3 million USD in 2015
- China: 0.1 million USD in 2014, 0.4 million USD in 2015
- South Africa: 60.7 million USD in 2014, 0.0 million USD in 2015
- USA: 67.6 million USD in 2014, 0.7 million USD in 2015

Import of manganese concentrate and agglomerate, by country

- Russia: 160.3 million USD in 2014, 0.0 million USD in 2015
- Brazil: 60.7 million USD in 2014, 0.7 million USD in 2015
- South Africa: 52.0 million USD in 2014, 0.0 million USD in 2015
- USA: 67.6 million USD in 2014, 0.7 million USD in 2015

Volume of imported products, thous. ton

- Total: 971.4 thou in 2014, 1,271.6 thou in 2015
- Ghana: 28.6 thou in 2014, 23.6 thou in 2015
- Russia: 111.4 thou in 2014, 111.4 thou in 2015
OIL AND GAS TRANSPORTATION

The volume of gas transit through the territory of Ukraine in 2009-2015

- Transit through Ukraine, billion cub. m
- Transportation to the Ukrainian customers, billion cub. m

-5.8%

The volume of oil transit and transportation to refineries in Ukraine 2009-2015

- Transit, million ton
- Transportation to refineries in Ukraine, million ton

-10.3%

Revenue and profit of gas and oil transportation system Operators

- Volumes of natural gas transit, billion cubic meters
- Volume of oil transportation and transit, million tones
- Revenue from main activity, million UAH
- Net profit, million UAH
Tariffs for natural gas transportation and distribution, UAH / thousand m³

Tariff for "direct pipes" customers
- The weighted average tariff for natural gas distribution ("oblgas")
- Tariff for Uktransgaz PJSC main pipelines transportation

Total government revenues from extractive industries in 2014-2015, thou UAH

TAX PAYMENTS OF EXTRACTIVE COMPANIES

Total government revenues from extractive companies, per revenue streams in 2014-2015, thou UAH

* According to the State Fiscal Service of Ukraine

Tariffs for oil transportation via the trunk pipelines, UAH/t

EITI REPORT OF UKRAINE 2014-2015
Share of government revenues, which were reconciled

- Extractive industries: 82.6% (2014), 82.8% (2015)
- Oil and gas: 85.7% (2014), 85.0% (2015)
- Metal ores: 66.1% (2014), 65.6% (2015)
- Coal: 98.1% (2014), 93.9% (2015)

Reconciliation of tax payments, per industry, thous UAH

- **Oil and gas**
  - 2014: 29,507,558.08
e  - 2015: 29,537,104.25
  - Change: +0.1%

- **Metal ores**
  - 2014: 6,409,515.82
e  - 2015: 6,401,015.51
  - Change: +0.1%

- **Coal**
  - 2014: 2,927,042.12
e  - 2015: 2,991,453.41
  - Change: +2.2%

- **Oil and gas**
  - 2014: 54,941,456.60
e  - 2015: 54,157,488.78
  - Change: -1.4%

- **Metal ores**
  - 2014: 6,758,015.15
e  - 2015: 6,684,227.72
  - Change: -1.1%

- **Coal**
  - 2014: 4,821,279.12
e  - 2015: 4,818,835.99
  - Change: -0.1%
Reconciliation of tax payments, per type of payment, thous UAH

### 2014

- **Production royalty**
  - Reported by companies: 14,150,198.80
  - Reported by SFS: 14,150,198.80
  - Different by: 0.0%
  - Reconciled by: 14,150,198.80

- **Value added tax**
  - Reported by companies: 12,466,599.55
  - Reported by SFS: 12,201,064.62
  - Different by: +2.8%
  - Reconciled by: 12,201,064.62

- **Corporate income tax**
  - Reported by companies: 2,433,344.10
  - Reported by SFS: 2,501,013.05
  - Different by: -2.8%
  - Reconciled by: 2,501,013.05

- **Personal income tax**
  - Reported by companies: 1,362,853.79
  - Reported by SFS: 1,362,853.00
  - Different by: 0.0%
  - Reconciled by: 1,362,853.00

- **Transportation royalties**
  - Reported by companies: 665,085.04
  - Reported by SFS: 630,162.20
  - Different by: -5.3%
  - Reconciled by: 630,162.20

- **Excise tax**
  - Reported by companies: 613,516.77
  - Reported by SFS: 613,516.77
  - Different by: 0.0%
  - Reconciled by: 613,516.77

### 2015

- **Production royalty**
  - Reported by companies: 12,466,599.55
  - Reported by SFS: 12,201,064.62
  - Different by: -2.4%
  - Reconciled by: 12,201,064.62

- **Value added tax**
  - Reported by companies: 2,433,344.10
  - Reported by SFS: 2,501,013.05
  - Different by: +2.8%
  - Reconciled by: 2,501,013.05

- **Corporate income tax**
  - Reported by companies: 1,362,853.79
  - Reported by SFS: 1,362,853.00
  - Different by: 0.0%
  - Reconciled by: 1,362,853.00

- **Personal income tax**
  - Reported by companies: 665,085.04
  - Reported by SFS: 630,162.20
  - Different by: -5.3%
  - Reconciled by: 630,162.20

- **Transportation royalties**
  - Reported by companies: 613,516.77
  - Reported by SFS: 613,516.77
  - Different by: 0.0%
  - Reconciled by: 613,516.77

### OTHER PAYMENTS OF EXTRACTIVE COMPANIES

Other non-tax payments by the companies in 2014-2015 to the state enterprises and central executive authorities, mln UAH

- **Coal sector**
  - Non-tax payments in 2014: 604.1
  - Non-tax payments in 2015: 330.7
  - Difference: -45.3%

- **Iron Ore sector**
  - Non-tax payments in 2014: 294.5
  - Non-tax payments in 2015: 36.2
  - Difference: 10.9%

### Extractive companies’ social costs and charitable contributions in 2014-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Coal sector</th>
<th>Iron Ore sector</th>
<th>Oil and Gas sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>951.0</td>
<td>860.8</td>
<td>73.1</td>
</tr>
<tr>
<td>2015</td>
<td>988.2</td>
<td>868.8</td>
<td>112.0</td>
</tr>
</tbody>
</table>
FISCAL REGIME FOR EXTRACTIVE INDUSTRIES

Allocation of taxes between the budgets of various levels (general Budget Code rule)

Corporate income tax

Production royalty

Production royalty for non-hydrocarbon minerals

Non-production royalty

Transportation royalty; VAT; customs duties; excise tax; levy in the form of a special-purpose surcharge to the applicable natural gas tariff for consumers of all ownership forms

Environmental tax
Special water use levy/rent fee for special use of water

- State budget: 50%
- Regional budget, budget of the city of Kyiv: 50%

Personal income tax

- District budgets: 60%
- State budget: 25%
- Municipalities (incl. district-level cities): 15%
- Local governments budgets: 50%
- Regional budgets: 50%

Regional distribution of revenues from the extractive industries THOUS UAH

**2014**

- Donetsk region: 4.5% (1,996,170.59)
- Luhansk region: 2.9% (1,319,341.69)
- Chernihiv region: 3.8% (1,689,571.16)
- Other regions: 28.7% (12,839,766.41)

**2015**

- Donetsk region: 3.3% (2,335,721.87)
- Luhansk region: 2.2% (1,556,943.27)
- Chernihiv region: 1.2% (872,635.56)
- Other regions: 27.2% (19,291,504.37)

- Dnipropetrovsk region: 4.90% (3,501,298.61)
- Ivano-Frankivsk region: 6.7% (4,732,258.87)
- Sumy region: 23.6% (16,745,126.59)
- Poltava region: 25.5% (18,103,059.67)
- Other regions: 23.6% (16,745,126.59)
Extractive companies, whose provided information for reconciliation

**Oil and gas**

1. Shell Ukraine Exploration and Production I LLC
2. Joint activity agreement of 06/10/2011 No 1330-1-4 – authorized entity Shell Ukraine Exploration and Production I LLC 33832065
3. Arabski energetichnyi alians IUEI LLC
4. Eni Ukraine LLC
5. Zakhidgazinvest LLC
6. Kub-gaz LLC
7. Persha ukrajinska gazofanotova kompaniia LLC
8. Vydobuvna kompaniia Ukrmofanobuvna PrJSC
9. Ukrigazvydobutok PrJSC
10. Prom-Energoproduct LLC
11. Representation office Regal Petroleum Corporation Limited (without legal entity right)
12. Tysagaz LLC
13. Pari LLC
14. Kahan Petroleum Joint Venture
15. Joint Venture Ukraparapatol LLC
17. Uktragaz LLC
18. Zakhidnadraservis LLC
19. State Enterprise Ukrspetszamovlennia LLC
20. Pryrodni Resursy PrJSC
22. Skhidnyi Geolohichnyi Soiuz LLC
23. Geologichne biuro Lviv LLC
24. Prykyratska energetychna kompaniia LLC
25. Horyzonty LLC
26. Uktragazsvod PrJSC
27. Naftogaz of Ukraine National Joint-Stock Company
28. Uglinogazvydobuvannya PSJC
29. Poltavska gazofanotova kompaniia Joint Venture
30. Enerhoservisna kompaniia Ecos-Pivnich LLC
31. Naftogazvydobuvannya PrJSC
32. Ukrnafta PSJC

**Metal ores**

3. ArcelorMittal Kryvyi Rih PJSC
4. Vinohrinzhk PJSC Branch of United mining and chemical company State Enterprise
5. Iransk PJSC Branch of Unitesd mining and chemical company State Enterprise
6. United mining and chemical company State Enterprise
7. DTEK Pavlogradvuhillia PrJSC
8. DTEK Rovenkyantratsyt LLC
9. The foreign investment enterprise in the form of PrJSC
10. Donetska vuhilna energetychna kompaniia State Enterprise
11. DTEK Pavlogradvuhillia PrJSC
12. DTEK Rovenkyantratsyt LLC
13. DTEK Pavlogradvuhillia PrJSC

**Coal**

1. State Joint-Stock Company Chornornernaftogaz PSJC
2. Joint Venture Boryslavska Nafto kompaniia LLC
3. Energiia-95 LLC
4. Plast PrJSC
5. National Joint-Stock Company Nadra Ukrainy PJSC
6. Uktragazvydobuvannya LLC
7. Ukrinska burova kompaniia LLC
8. Praim-Gaz LLC
9. Makkom-grup LLC
10. Nadzag LLC
11. Ukrigaz LLC
12. Bogorsodchanyfgaz LLC
13. Nadra Geotsentr LLC
14. Joint activity agreement of 29/06/2004 No 612 – authorized entity Vyrobnycho-komertsiina firma Dion LLC 24430679
15. Joint activity agreement of 24/12/1997 No 999-97 – authorized entity Naftogazvydobuvana upravlinnia Poltavannahofgaz of Uknafta PSJC 22525915
17. Joint activity agreement of 04/02/2004 No 60 – authorized entity Firma Has LLC 21237338
18. Joint activity agreement of 24/03/2004 No 493 – authorized entity Karpatgaz LLC 20162340
19. Joint activity agreement of 26/12/2003 No 122 – authorized entity Sahlanskie LLC 32337272
20. Gravell 21 LLC (34011604) responsible for taxes maintenance and paymants provision to the budget during implementation JAA
22. Joint activity agreement of 19/01/1999 No 35-4 – authorized entity Ukrnafta PSJC 135390
23. Joint activity agreement of 28/01/2008 No 35-21 – authorized entity Kashch Petroleum LTD Joint Venture 23703371
25. Joint activity agreement of 13/10/2004 No 1747 – authorized entity Karpatnadrainvest LLC 31798453
27. Nadra Geotsentr LLC (34763705) responsible for taxes maintenance and paymants provision to the budget during implementation JAA No 265-12 of 23/11/2007 with Gampromyvolyoe upravlinnia Khakivigazvydobuvannya

* DTEK Dobropilavuhillia LLC provided information only for 2014
National EITI Report of Ukraine 2014-2015 and its Abbreviated version are prepared by EY.

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