

## Individual aspects of state support for the activities of relocated enterprises

**Oleksandr Olshanskyi**

*Volodymyr Dahl East Ukrainian National University, Kyiv*

<https://orcid.org/0000-0002-1888-7653>

**Valentyna Mamonova**

<https://orcid.org/0000-0002-0219-3884>

**Abstract.** *Brought up to date the issue of temporary relocation of enterprises from war-affected territories to safe regions for economic recovery. Considered 3 types of relocation. Analyzed several aspects of implementing state support for relocated enterprises: enterprise relocation program, available loans of 5-7-9%, etc. Problems that arise during the establishment of relocated enterprises in other territories under different conditions are arranged into 5 groups. Proposed measures to strengthen state and regional support for relocated enterprises.*

**Keywords:** *enterprise relocation, state support, relocation program, available loans.*

The full-scale war in Ukraine has necessitated the relocation of enterprises from the areas of hostilities or close to them, to more or less safe regions of the country. In order to provide assistance to such enterprises, a state program for the temporary relocation of enterprises from war-affected regions was developed in 2022 and extended to 2025, and a special online platform ([relocate.prozorro.sale](https://relocate.prozorro.sale)) was created for its implementation. This program was called the “Enterprise Relocation Program” (hereinafter referred to as the Relocation Program) – within the framework of the Relocation Program, enterprises can receive assistance from the state not only in searching for the placement areas and transportation to a new location, assistance in resettling employees who have moved and finding new employees, but also in restoring logistics, purchasing raw materials, and finding sales markets” [3].

To resume the work of the enterprise, both within the framework of the Relocation Program and independently, they move to the city of Kyiv, as well as Kyiv region, Lviv, Zakarpattia, Ternopil, Chernivtsi, Ivano-Frankivsk, Khmelnytskyi and other regions. In this case, one of the three types of relocation can occur [2]:

- full relocation (when all production facilities and resources of the enterprise are moved to a safe territory);
- partial relocation (when only a part of the production facilities and/or divisions are moved to a safe territory, and the rest of them remain at the previous location of the enterprise);
- mixed relocation (when a new division is created in a safe territory and part of the personnel is moved to a new place to work in it, and the production facilities remain in the territory of the permanent location of the enterprise).

According to the results of a study by Vadym Hetman Kyiv National Economic University, presented in March 2025, more than 2/3 of Ukrainian enterprises suffered losses or were in a critical condition due to the war, so almost one third of entrepreneurs are exploring the possibilities of relocation not only to safer regions of Ukraine, but also abroad [5]. According to Opendatabot, in the first year and a half since the beginning of the war, 840 enterprises moved to safer regions under the state business relocation program, and as of the end of March 2024, there were 18,944 relocations since the beginning of 2022. In total, 11,083 companies relocated in 2024, with business relocation due to the war decreased by 18% compared to 2023 [4]. Ukrinform reports that as of 01.01.2025 from Zaporizhzhia region. more than 5,000 small and medium-sized enterprises have been relocated to other regions, 87 enterprises have been relocated to Kirovohrad region, and 78 relocated enterprises are already located in Poltava region [7].

At the same time, relocated enterprises face serious problems when establishing work in other territories under different conditions, that can be classified into the following groups:

- 1) administrative and legal (registration, permits, licenses, local peculiarities of business rules, reformatting the enterprise management system, restructuring logistics, etc.);
- 2) personnel (transportation of employees, their placement (housing), personnel migration, search for qualified specialists, attracting local residents, retraining in the event of enterprise transformation, etc.);
- 3) logistical (search for premises, land plot, loss of property (destroyed/left on temporarily occupied or affected territory), damage to equipment, lack of warehouse space, construction of new production facilities, installation of equipment, etc.);
- 4) financial and economic (costs of moving the enterprise, loss of suppliers and sales markets and search for new ones, resuming the work of the enterprise in a new place, business diversification, etc.);
- 5) socio-psychological (social – establishing relations with other enterprises, integration into the environment of the new territorial community and region (the need to adapt to local traditions and customs); psychological – PTSD, disruption of psychological well-being, financial hardship of employees, etc.).

In addition to the Relocation Program, financial support is provided, in particular: 5-7-9% loans, grants for relocated businesses, business assistance to internally displaced persons (IDPs), etc. [6].

Thus, in October 2024, the Cabinet of Ministers of Ukraine adopted a decision on the possibility of extending loans under the state program “Affordable Loans 5-7-9%”, which has been implemented since 2020, until December 31, 2026; adopted a decision on simplifying the procedure for leasing state and municipal property during the period of martial law, etc. According to the Ministry of Economy, Environment and

Agriculture of Ukraine, since the beginning of 2025 alone, businesses have attracted 16.6 thousand preferential loans for a total amount of UAH 51 billion. - mainly for processing, lending in a high military risk zone, etc. [1].

Meanwhile, given the high risks of doing business in wartime, enterprises expect more significant support from the state and public governance bodies, which is confirmed by the results of the study mentioned above – almost half of the respondents think that current measures are insufficient, and 80% of respondents believe that intensive state support for relocated enterprises is needed [5]. To strengthen state and regional support for relocated enterprises, it is necessary to: at the central level – develop a real mechanism for compensating relocated enterprises for property and assets damaged as a result of hostilities; create preferential tax conditions for relocated enterprises throughout the country for a certain period; and at the local level – adapt local programs and business tools to promote the effective operation of relocated enterprises.

### References

1. “Affordable loans 5-7-9%”: Entrepreneurs have received 51 billion hryvnias under the state program since the beginning of the year. 04.08.2025. URL: <https://me.gov.ua/News/Detail/b12c3954-e5db-4d5d-afea-7abe8f6703e5?lang=uk-UA&title=DostupniKrediti5-7-9> (accessed: 5 August 2025).
2. Business Relocation Guide. Step-by-step business relocation action plan. GoLocal within the framework of the USAID Economic Support to Ukraine Project. URL: <https://golocal-ukraine.com/wp-content/uploads/2022/10/relokacziya-pidpri%D1%94mstv.pdf> (accessed: 3 August 2025).
3. Enterprise relocation program. 28.01.2025. URL: <https://me.gov.ua/Documents/Detail?lang=uk-UA&id=3e766cf9-f3ca-4121-8679-e4853640a99a&title=ProgramaRelokatsiiPidprimstv> (accessed: 3 August 2025).
4. Opendatabot. URL: <https://opendatabot.ua/analytics?theme=%D0%9F%D0%B5%D1%80%D0%B5%D1%97%D0%B7%D0%B4%20%D0%B1%D1%96%D0%B7%D0%BD%D0%B5%D1%81%D1%83> (accessed: 3 August 2025).
5. Presentation results of the study "Business during war - relocation, risks and support". 20 March 2025. URL: [https://kneu.edu.ua/ua/news\\_main/projects0123U100357nov\\_prezntaci\\_rez/](https://kneu.edu.ua/ua/news_main/projects0123U100357nov_prezntaci_rez/) (accessed: 23 May 2025).
6. Voronova N. Business Relocation within Ukraine: New Opportunities and State Support Programs (Guide 2025). URL: <https://gram-news.com.ua/relokatsiya-biznesu-v-mezhah-ukrayiny-novi-mozhlyvosti-ta-derzhavni-programy-pidtrymky-gid-2025> (accessed: 3 August 2025).
7. Ukrinform. URL: <https://www.ukrinform.ua/tag-relokacia-pidpriemstv> (accessed: 3 August 2025).