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### *“Good Time To Get On Ukraine Train”*

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<https://www.afr.com/world/europe/good-time-to-get-on-the-ukraine-train-20221219-p5c7iy>

At the start of Russia’s full-scale invasion of Ukraine some ten months ago, President Zelenskyy now-famously told allies that he needed ammo not a ride.

Thankfully, Ukraine’s democratic allies recognised the strategic importance of supporting Ukraine and put in place unprecedented military and humanitarian aid. This includes Australia, which in per capita terms has arguably done more than any non-NATO ally, including the provision of some 60 Bushmasters that are currently involved in the recapture of Ukrainian land in the south and east. The “ammo” has flowed; when combined with the skill and sacrifice of Ukraine’s fighting personnel, it is tipping the war in favour of Ukraine’s battlefield victory.

In fact, as Ukraine continues to push out the Russian invading force, and even as Putin’s diminishing supply of ‘missiles of madness’ hit our civilian infrastructure, a new discussion is taking place in Washington, London, Europe, Asia and, of course, Kyiv. While more military materiel remains essential to defeating Putin and Russia’s proxy war on the West, senior policy makers and business leaders are now actively talking about rebuilding Ukraine.

The conversation is rapidly changing – from defending Ukraine to securing victory over Putin to reconstruction of Ukraine to, yes, business opportunity for Ukraine’s partners and allies.

Here, Australia has specific capabilities that are well matched to Ukraine’s needs, including in the areas of agri-business, social infrastructure construction, IT, mining and international education. Now is the time for Australia’s forward-thinking political and business champions to make sure that Australian business is well inside the opportunity pipeline, whether that is an investment or partnership capacity.

Given the scale of destruction wrought on Ukraine by a malicious and genocidal foe, there is indeed much to be done. The highly-regarded Kyiv School of Economics’ latest analysis estimates the cost of direct damage to Ukraine’s buildings and infrastructure since the beginning of the full-scale invasion at \$180 billion AUD. They report the largest share (39.7%) of damage comes from residential structures, totalling some 135,800 and equal to about \$72 billion. Transportation infrastructure constitutes another 27.7% of the damage, with roadways (\$38 billion) and railways (\$7 billion) making up the majority of the \$50 billion total. Other civilian infrastructure, like education and healthcare, have been targets too, with \$9.8 billion and \$2.3 billion worth of damage, respectively. That includes some 978 healthcare facilities and some 1,270 schools, the deliberate destruction of which is a war crime under the Geneva Convention.

This week, with energy being heavily rationed throughout winter-time Ukraine following missile attacks, President Zelenskyy estimated the cost of repairing Ukraine’s energy infrastructure at around \$1.3 billion AUD.

At the same time, there has been both direct and indirect impact on key Ukrainian productive sectors, including agri-business (where Ukraine was formerly an international grain export

leader), mining (where operations are typically nowhere near the Australian standard of technology and automation), and even Ukraine's hugely innovative IT sector (including as a result of the necessary "brain drain" into military operations).

Key players are recognising that this situation is not only a humanitarian imperative, but a new commercial and financial future for themselves and Ukrainian partners. We don't back away from that; as a Government, we embrace this future, as our liberal democratic values include a commitment to pro-business policies. We are also very focussed on and confident of eliminating the sovereign risk posed by the war.

Indeed, we don't just wish to rebuild our country; we want it to be a global example of citizen-oriented and future-proofed infrastructure and services. We have the chance to not just replace school and hospitals like-for-like, but to transform and innovate on a massive scale.

To that end, the Government of Ukraine is very encouraged by "Twiggy" and Nicole Forrest's Tattarang Group's investment of some \$780 million in the Ukraine Green Growth Initiative, which President Zelenskyy described as follows:

*"We will not replace communist-era rubbish Russian infrastructure. Instead, we will leapfrog to the latest technology. We will take advantage of the fact that what the Russians have destroyed can readily be replaced with the latest, most modern, green and digital infrastructure."*

BlackRock Financial Markets Advisory is now actively working to grow the Green Growth fund to some \$140 billion. This is via an MoU with the Ministry of Economy of Ukraine whereby Blackrock is designing a framework for public and private investment in the future of the Ukrainian economy.

Last week, there were further positive developments. The G7 Leaders' Meeting specifically affirmed support for Ukraine's reconstruction and created new structures to coordinate it. An international "Standing with Ukraine" conference held in Paris with 47 participating countries, including Australia and New Zealand, raised \$1 billion in support for both short- and longer-term restoration-related efforts.

Since arriving here in Australia some nine months ago, I have had encouraging discussions with dozens of Australian businesses interested in directly participating in the many aspects of a major reconstruction and recovery effort, including: social infrastructure design and delivery, transport and road design and delivery, project management, risk management, maritime services, site remediation, digital solutions, and renewable and conventional energy supply. Readers of the AFR will well recognise these Australian "strength" areas and see their great fit with the emerging market that is post-war Ukraine. Please consider my door fully open to further discussions.

The Australian Government can further foster this opportunity by, for example, establishing its own forum for targeted Australian investment and participation in a specific region of Ukraine, such as maritime Mykolayiv, a key hub of agribusiness transport and logistics, and where authorities will be highly cooperative.

Whether in investment terms or direct partnership terms, Australian business will find in Ukraine a Government and a nation that is: truly resilient, highly educated and skilled, hugely optimistic and determined about its future, and very collaborative. It's a good time to get on the "Ukraine Train".