

Big Business and Talent — The Key to Ukraine’s Industrial Revival — Oleksandr Vodoviz at the KIEF

Oleksandr Vodoviz, head of Metinvest Group’s Chief Executive Officer’s (CEO’s) Office, spoke at the Kyiv International Economic Forum (KIEF) about tools for reviving Ukraine’s industry and the factors that continue to hinder its development.



The KIEF is a leading platform for discussing key economic issues and global trends. Its mission is to promote Ukraine’s integration into the international community as an equal and promising player. This year, the forum brought together around 90 experts from Ukraine, Austria, Azerbaijan, Latvia, Poland, Slovakia, the United States and Finland — including representatives of government, business, research institutions, the military, journalists, athletes, writers, educators and scholars.

Vodoviz took part in the “Make Ukraine Industrial Again” panel. The discussion also included executives from UMGI, MHP and BGV Group Management, as well as representatives of Ukraine’s Verkhovna Rada (parliament) and government institutions of Latvia.

According to the head of Metinvest’s CEO’s Office, during Ukraine’s integration into Europe, domestic businesses will have to earn their place independently, as competitors there are not waiting to welcome them. Success will require both government support for strategic industrial sectors and a willingness from businesses to build genuine partnerships with the state.

“For example, in the metallurgical sector, the employment ratio is 1:8 — one of the highest among all industries. This means that one job in the steel industry generates employment for another eight specialists in related sectors,” he said.

How to Revive the Industry

Metinvest’s enterprises continue to operate under constant shelling and power outages. Therefore, the Group’s main priority today is not growth or investment, but survival.

“Out of 110,000 employees, we now have 50,000 left. We’ve lost half of our business, and the remaining half continues to be destroyed. Yet, even today, we remain Ukraine’s number one exporter. This means the economy has shrunk by half. And we shouldn’t believe the figures that paint an ‘everything is fine’ picture — it’s time to step out of this comfort zone,” noted Vodoviz.

According to him, it’s the large corporations that drive the economy forward in both Europe and Ukraine, as these are the companies that are able to implement large-scale projects. When it comes to reviving industry, we must stop thinking in terms of figures like US\$100–300 million, as projects of this scale cannot create a strong industrial base, become true economic drivers or deliver desired GDP growth.

At Metinvest alone, the credit portfolio amounts to US\$2.5 billion. For comparison, developing a rare-earth minerals quarry requires around US\$1.5 billion in initial investment just to remove the first 50-metre layer of soil.

“If we want to move forward, Ukraine needs a comprehensive industrial policy at the legislative level, one that supports industrial development — similar to the approaches seen in the United States and Germany. Such a policy should promote large-scale projects that engage related industries and enable the country to make full use of its competitive advantages,” said Vodoviz.



Dmytro Kysylevskyi, a Ukrainian member of parliament and coordinator of the “Made in Ukraine” policy in the Verkhovna Rada, believes that the development of large businesses should be at the core of the country’s industrial strategy.

“The state’s policy is 60% focused on small and medium-sized businesses, and I see this as a problem. Ukraine cannot exist without large enterprises. We need to think about how big companies can grow and remain effective within the country — and what exactly the government must do to nurture national champions. In Germany’s industrial strategy, there is almost nothing about small entrepreneurs, but there is a section dedicated to Siemens — and we should consider a similar approach,” he noted.

Another important factor in reviving industry is making it more attractive to young people.

“Our survey shows that people under 25 often don’t even know what industry really is. They are more likely to choose IT — it seems easier and offers higher salaries — while working in a factory is seen as something outdated. We need to make industry appealing to the younger generation,” added Vodoviz.

Obstacles to Industrialisation

One of the key challenges holding back industrial development is limited access to financing.

“There is the Ukraine Facility programme worth US\$8 billion. Around 160 companies, including ours, have submitted their projects, yet access to these funds remains blocked. We would like the government to pay attention to this issue,” he explained.

Another challenge is external lending. The National Bank of Ukraine has done significant work by substantially liberalising conditions and allowing businesses to pay interest on their bonds. However, the repayment of the principal amount on these bonds is still not permitted — meaning that by 2026 many companies could face the risk of default.

“What will happen when large companies with international borrowings from the same banks that finance the country default? We must find a solution that allows businesses to develop and access credit resources even during wartime,” said Vodoviz.

The greatest challenge for the industrial sector remains the shortage of skilled personnel. Due to mobilisation and the mass emigration of young specialists abroad, the company is unable to restart the Inhulets Iron Ore Plant, which provides 7,000 jobs.

“Due to the government’s decision allowing men aged 18 to 22 to leave the country, we are losing around 160 employees a day. These are the future engineers and managers who should be developing business in Ukraine. It is a severe blow to the industrial sector,” he noted.

The head of the CEO’s Office of Metinvest believes that the government must take measures to retain people in

the country, even during wartime. At present, the approach to reserving employees from mobilisation is inconsistent: some enterprises are permitted 100% deferment, while others are not. Therefore, the state should clearly determine which enterprises are truly critical, taking into account the volume of taxes they pay, as, without workers, they will be unable to maintain or develop production.

Vodoviz added that the labour issue will remain a serious challenge for businesses even after the war, as a large number of people have left the country. “Even with available funding, large-scale projects employing thousands of people will not be able to start without workers. A national programme to bring Ukrainians back home is essential,” he said.

Another challenge for industrial producers is the unpredictability of tariff policies. “We lack an arbiter to mediate between businesses and state monopolies such as Ukrenergo and Ukrainian Railways. The government takes a passive stance, leaving companies to sort things out on their own. However, investors will not come to the country this way — they want stability and predictability,” explained Vodoviz.

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