

# French companies keen to benefit from improving Ukrainian business climate

Credit Agricole sees growing interest in Ukraine as the country's French business community expands

France's Credit Agricole has been intricately involved in Ukraine's international business community for almost as long as the country has had an international business community. It was the first international bank to enter the newly independent Ukrainian market in the early 1990s, but this was not the start of the Credit Agricole story in Ukraine. The bank was actually present in today's southern Ukraine during the final decades of the Tsarist era, with a branch office in Black Sea port city Odesa that operated from 1892 until 1920. This longevity has helped foster valuable local knowledge while also inspiring considerable corporate loyalty. "Some of our international clients at the turn of the twentieth century came back

to Ukraine and these days they are still with us,"

says Credit Agricole Deputy CEO in

Ukraine Larysa Bondarieva.

Credit Agricole currently counts many of Ukraine's

approximately 180 French businesses among its international clientele. The bank has been intimately involved in the development of the country's French business community as it has evolved from the corporate representative offices in 1990s Kyiv to today's more diversified landscape, serving as a logical partner for companies seeking expert advice coupled with international standards and Credit Agricole's range of corporate and retail banking services. Ms. Bondarieva paints a picture of an expanding French business community that has weathered the storms of recent years and is now looking to expand, with existing companies increasing their investments while newcomers contemplate market entry. "Those who are already operating in Ukraine understand that the most challenging period of 2014-15 is now firmly in the past. They are quite confident about the direction the country is moving in and are ready to invest in the future."

This confidence is partly rooted in what some French businesses regard as the changing tone of dialogue between the Ukrainian public and private sectors that has become evident since the upheavals of 2014. For many years, interaction with the authorities was notoriously one of the biggest challenges facing any investor in Ukraine, but Ms. Bondarieva sees signs that this is no longer necessarily the case. "We often speak about this with our clients. What we are seeing is an emerging but clear consensus that it is now quite possible to have a productive dialogue with the Ukrainian authorities," she says. "This is something French businesses value highly. There is a growing sense of confidence that they will receive support at the state level, or at the very least, they will not have to face any additional obstacles. This represents a significant improvement to the Ukrainian business environment."

France currently ranks as the largest foreign employer in the country with French companies accounting for approximately 30,000 work places throughout the Ukrainian economy. The Credit Agricole portfolio of French clients natu-

rally has a strong agribusiness component, but other sectors ranging from energy and infrastructure to automotive and retail are also increasingly represented. Ms. Bondarieva points to landmark deals such as the recent opening of French sporting goods giant Decathlon's first Ukrainian outlet as indications of France's rapidly diversifying business footprint in Ukraine. Credit Agricole serves as a business bridge between France and Ukraine, producing an annually updated guide for potential investors and regularly engaging with French companies interested in the opportunities offered by the Ukrainian market. Ms. Bondarieva observes that in recent years she has noted growing awareness about Ukraine among the French business community, fueled in part by the increasing competition French agribusinesses in particular are facing on global markets from Ukraine's own robust agricultural sector. "Ukraine is definitely appearing more and more often on the French business radar," she says. This higher profile is fostering greater appreciation of the potential benefits Ukraine has to offer, while also leading to a more nuanced understanding of Ukrainian current affairs. "Ukraine is coming to be seen as a strong international player in the agriculture industry and this is naturally encouraging people to investigate opportunities here. Whenever we discuss these opportunities, French executives now tend to be familiar with the key issues facing the country."

Ukraine's rising international profile remains very much a work in progress, with Credit Agricole contributing to the process by seeking to foster a better understanding of the country among French businesses. "Ukraine is still something of an unknown quantity to many in France. Our role is to provide an objective and informed impression of today's Ukrainian realities," says Ms. Bondarieva. "Yes, there are a lot of opportunities here, but there are also significant challenges to be resolved. We try to explain this and offer the expertise to help companies succeed."



About the interviewee: **Larysa Bondarieva** is Deputy CEO at Credit Agricole Bank in Ukraine



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