Response to the COVID-19 pandemic at city level and building urban economic resilience
MAIN ECONOMIC AND FINANCIAL IMPACTS OF THE COVID-19 PANDEMIC ON THE CITY OF KHARKIV

IMPACT ON LABOUR MARKET

IMPACT ON BUSINESS ENVIRONMENT

IMPACT ON FINANCIAL ENVIRONMENT

ECONOMIC GOVERNANCE ARRANGEMENT
CITY COUNCIL INITIATIVE TO FIGHT WITH PANDEMIC

- Creation of the anti-crisis committee
- Fundraising to support medical institutions
- Increasing healthcare costs from the city budget
- Supporting of small and medium-sized business
Moody’s Investors Service Inc.
B3 level ("stable outlook")

Fitch Ratings Ltd
"B" rating, "stable outlook"

Short-term Foreign Currency IDR “B”
Long-term City National Scale Rating “AA-
(Ukrainian.)”, stable outlook

National rating agency “IBI-Rating”
Long-term credit rating – “uaA +”
Investment attractiveness – “invAA”
(excellent investment attractiveness)
Kharkiv Ukraine

CITY RESILIENCE PERFORMANCE

**B**

- RPI 1-1 Local economy diversity: C+
- RPI 1-2 Openness and external markets integration: B
- RPI 1-3 Entrepreneurship and innovation: B
- RPI 1-4 Productivity, economic and financial capacity: C+
- RPI 2-1 Labour market flexibility: B
- RPI 2-2 Labour mobility: B
- RPI 2-3 Social protection of labour: A
- RPI 3-1 Size and depth of the financial system: C+
- RPI 3-2 Financial performance and soundness: C+
- RPI 3-3 City fiscal space: B
- RPI 3-4 City financial health and stability: C+
- RPI 4-1 Structures and leadership: B
- RPI 4-2 Scope and quality of city planning: A
- RPI 4-3 Investment readiness: B
- RPI 5-1 Coverage and functionality of basic: B
- RPI 5-2 Public services and infrastructure: B
- RPI 5-3 Connectivity and mobility: B

*Data collection autumn-winter 2021*
## Kharkiv Ukraine

### CITY RESILIENCE PERFORMANCE

<table>
<thead>
<tr>
<th>BUSINESS ENVIRONMENT</th>
<th>RPI 1-1</th>
<th>Local economy diversity</th>
<th>D+</th>
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<tbody>
<tr>
<td></td>
<td>RPI 1-2</td>
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<td>C</td>
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<td>Entrepreneurship and innovation</td>
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<td>RPI 1-4</td>
<td>Productivity, economic and financial capacity</td>
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<tr>
<th>LABOUR MARKET</th>
<th>RPI 2-1</th>
<th>Labour market flexibility</th>
<th>C+</th>
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<td>Labour mobility</td>
<td>B</td>
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<tr>
<td></td>
<td>RPI 2-3</td>
<td>Social protection of labour</td>
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<tr>
<th>FINANCIAL SYSTEM</th>
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<td>City fiscal space</td>
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<tr>
<th>ECONOMIC GOVERNANCE</th>
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<td>Scope and quality of city planning</td>
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<th>Coverage and functionality of basic Public services and infrastructure</th>
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<tr>
<td></td>
<td>RPI 5-3</td>
<td>Connectivity and mobility</td>
<td>C</td>
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</tbody>
</table>

*Modern data*
RECOMMENDATION TO SUPPORT EFFECTIVELY MASSIVE RECONSTRUCTION

Establishing a Municipal Enterprise “City Reconstruction and Development Agency”
- leadership and governance and coordination for reconstruction and recovery;
- additional economic and implementation roles as the situation stabilizes.

Mobilization of private capital for development recommends long-term partnerships with international asset management firms providing equity and patient debt for municipal infrastructure investment.

Direct access to international finance for reconstruction and development.