

REPORT: WAR IN UKRAINE COSTS SHOPPING CENTRE INDUSTRY US\$9.9 BILLION

- *45% of retail spaces in Eastern regions have been damaged*
- *76% of shopping centres in the country have now reopened*
- *Data from the UCSC shows the market has already recovered by 70% since February*

BRUSSELS, November. 21, 2022 - The Ukrainian Council of Shopping Centres (UCSC), a member of the European Council of Shopping Places (ECSP), has today published a report on how the current war in the country has impacted the retail and retail property sectors economically.

In its first four months, the UCSC calculates the industry has lost US\$9.9 billion dollars and that this could increase to US\$13 billion by the end of the year. The report also believes that up to 45% of retail spaces in the Eastern regions may have been damaged. From the beginning of November 2022, 29 shopping centers across Ukraine have suffered significant damage. The largest percentage is in the East where 14 centres were impacted costing an estimated US\$290 million, followed by Kyiv with 6 centres costing US\$68 million and then the south with 7 centres costing US\$32 million. The most affected shopping centers are Port City (Mariupol), Nikolsky and Karavan (Kharkiv), Retroville (Kyiv), and Fabrika (Kherson).

Maksym Gavryushyn, Head of the UCSC, said: *“Despite the terrible conditions, people still need to go and buy the things they need and want, and our economy still needs to continue to function. When shopping places have either been destroyed or damaged, the consequences on local communities have been dramatic. People have unfortunately been killed and injured and whole neighbourhoods have lost access to some of their most important goods and services, such as foods, medicines, and clothing”.*

Peter Wilhelm, Chairman of ECSP, added: *“Unfortunately shopping centres are not immune from the realities on the ground. It is important we recognise how the war is impacting different industries and the people who work and rely on them. Shopping centres play an important part in serving their communities in the good times and the bad times. We stand in support of our Ukrainian colleagues as they manage the current situation, prepare for a difficult winter, and ultimately look towards a better future.”*

Despite the challenges, the retail property sector is proving to be as resilient as ever with 241 shopping centres out of 326 (or 76%) across the country reopening. According to the UCSC’s Retail Wellbeing Index (RWBI), the market is recovering and is currently operating at is 70% capacity. Some significantly damaged shopping centers that have partially or fully resumed operations, include Lavina Mall and Retroville (Kyiv), Nikolsky and Dafi (Kharkiv), and others.

Copies of the full report can be downloaded [here](#).

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About European Council of Shopping Places (ECSP)

The European Council of Shopping Places provides a European voice for an industry that designs, creates, funds, develops, builds and manages places anchored by retail across Europe. Its members are a catalyst for sustainable urban regeneration and represent an important civic function in virtually every European community. For more information, please visit www.ecsp.eu



ECSP

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About Ukrainian Council of Shopping Centres (UCSC)

As members of the International Council of Shopping Centres and representatives of the European Council of Shopping Spaces in Ukraine, the Ukrainian Council of Shopping Centres integrates the Ukrainian shopping centre market into the global professional community. <https://www.linkedin.com/company/ukrainian-council-of-shopping-centers/>