

Advertisement



IT matters

“Especially in technology, we need revolutionary change, not incremental change”

It is of the greatest importance nowadays for the Ukrainian people to understand that some of the industries within in our country have a high potential and can potentially improve Ukraine's economy.

As a matter of fact, the IT industry can be truly considered to be the most dynamic area of the Ukrainian economy, which holds a leading position within Eastern and Central Europe. Already it has shown a 10-fold increase since 2003 (from \$200 million in 2003 to \$2 billion in 2013) and is likely to be a potential driving force even for the current stagnated economy which has been influenced by negative trends and geopolitical issues. Moreover, some experts foresee further potential growth in the industry to \$20 billion by 2020, which could generate up to 11% of Ukrainian GDP, reaching the same level as the agricultural sector, thereby significantly altering the trade balance between import and export.

Apart from this, Ukraine has more visible advantages, including a wide talent pool, strong traditions of technical education, a huge range of technological competencies, as well as the favourable geographical location of our country. Ukraine has also been named among the top 30 most attractive countries for outsourcing for more than 5 years in a row, while Kyiv is among the top 100 outsourcing cities in the world.

Nowadays the software development and R&D sectors of the IT industry employ over 50,000 people, with average salaries in the industry the highest in Ukraine and with about 5,000 new jobs being advertised. This number increases by 25% annually, thus indicating a serious lack of personnel. IT companies can support the training of an additional 100,000 software developers by 2020 and can assign them jobs in the international software industry.

However, we need to understand that further IT development will be more possible if there is strong governmental support and long-term reform of state policy. Various aspects are needed to be worked on with the government in order to support IT industry growth in Ukraine, including the correct development and implementation of upcoming tax reforms, and amendments to legislation on copyright, customs and labor codes etc.

First IT conference devoted to Ukraine takes place in San Francisco

As a further indication of the industry's potential and outreach, Ukraine made a significant step recently with global recognition of the IT industry. The European Business Association, together with Happy Farm, EPAM Systems and USUBC, organized the Ukraine Tech Gem — the first international technological conference devoted to Ukraine's dynamic IT industry, which took place on 18 September 2014 in California, USA.

The conference brought together over 500 participants from the United States and Ukraine, among them IT companies, members of the EBA IT Committee, innovators, venture capitalists, business angels, students and people of Ukrainian descent.

Ukraine introduced to the American audience its technology companies, startups, talented engineers, portfolios of successful innovations and most promising products that have received worldwide recognition.

The Ukraine Tech Gem conference program involved IT legends and venture capital demonstrations in Silicon Valley, discussion panels, and exposure for the best Ukrainian IT companies and startups. The special guest of the Ukraine Tech Gem conference was Ruslana, the Ukrainian social activist, People's Artist of Ukraine, winner of Eurovision, and UNICEF Goodwill Ambassador. The conference was organized by a special panel of media devoted to information warfare and ways to combat misinformation with technology.

This successful high level event has undoubtedly boosted the development of Ukraine's IT sector, as well as improving the image of Ukraine as a global player in the market, representing the country as the number one outsourcing destination in Europe.



Anna Derevyanko,
Executive Director of the European
Business Association

The European Business Association was one of the organisers of the U.T. Gem Conference, because we believe in the powerful potential of the Ukrainian IT industry! Several months ago we decided to hold such an event and we came here together with the most influential IT companies which represent the EBA IT Committee as well as numerous partners and stakeholders. In particular, the EBA sees our mission as promoting the high-quality services and intellectual technologies offered by talented and prospective Ukrainian IT companies in the international market. Such a unique forum of IT professionals is of the highest importance now, given the current situation in Ukraine and position of businesses and investors in our country (the state of GDP, budget challenges, the level of inflation and other economic indices). We are sure that the U.T. Gem will become a forceful tool of building mutually beneficial cooperative relationships between Ukraine and the heart of world's IT industry — Silicon Valley in the USA. All the more so, Ukrainian IT companies continue to demonstrate significant successes and are still very flexible in dealing with crisis situations and any escalation of the conflict in east Ukraine.



Craig Wilson,
Managing Director — North America,
Ciklum, Inc.

Ciklum is proud to have been a sponsor of the first-of-its-kind Ukraine Tech Gem Conference. The conference exceeded our expectations, both in terms of the quality of the attendees and the program, and it truly serves as a testament to the powerhouse tech talent in Ukraine.



Oleksiy Skrypnyk,
Co-Founder and CEO, ELEKS

It was definitely a successful event and a milestone for development of the Ukrainian IT industry. I cannot recall another conference of such scale organized solely by Ukrainian businesses and diaspora that entirely focused on Ukraine as a global IT market player and as a popular outsourcing destination. Although held for the first time this year, U.T. Gem was exceptionally well-arranged.

It provided an opportunity for the Ukrainian IT sector to showcase its outsourcing capabilities and emphasized the ability to deliver exclusive advanced technology solutions thanks to the highly qualified and intelligent staff — which is the key advantage that distinguishes Ukrainian outsourcing from competitors like India. I hope that the U.T. Gem conference will evolve into a prominent annual event, preferably in various business regions of the US like New York, Boston, and Chicago — and potentially globally to demonstrate the world-class expertise and recognized achievements of the Ukrainian IT industry.

It is important to arrange future U.T. Gem conferences in a way that will attract potential customers and investors. And I really support the idea of inviting world-renowned Ukrainians like Vitali Klitschko and Ruslana to speak at the events.



Taras Kytsmey,
Member of the Board of Directors,
SoftServe, Inc.

Showcasing Ukraine's technology sector is both gratifying and challenging. The challenges lie with the fact that Ukraine's IT and outsourcing potential is not as well known in the world as it deserves to be. It's gratifying due to the many achievements and milestones of Ukrainian IT companies.

With annual growth of the Ukrainian IT sector at 30-40%, I believe Ukraine will become one of the world's largest, and highest quality global outsourcing destinations. At SoftServe, we are dedicated to achieving this goal and to promote Ukraine's IT talent globally. We are opening new development centers in Eastern and Western Europe, we've already opened a UX/UI Excellence Center in Austin, TX, and we support international events like the recent U.T. Gem conference. The Ukrainian IT sector holds the promise of being the driving force not only for the Ukrainian economy, but for the world's economy, and SoftServe is proud to be a part of it.



Valeriy Krasovsky,
COO & Co-Founder at Sigma Software

In my opinion, Ukraine is quite a famous country on the world IT map and not only because of sad news from the conflict, but also because of talented and creative IT professionals who have conquered the international market of informational technologies. And I do believe that the conflict taking place in east Ukraine will soon finish and Ukraine will become a big player on the world market for IT services. It is worth mentioning that state support plays a vital role in the development of the IT sector. There should be strong facilitation from government as well as from parliament. One more essential area is access to quality education. That is why the vast majority of IT companies in Ukraine permanently support IT educational projects. I'm sure that we should co-operate more with state authorities and work on international consolidation as well as involve businesses into new and modern educational programs.



Olena Vardamatska,
Associate at Kyiv office of WolfTheiss
law firm

I have nothing but positive impressions from U.T. Gem. It was great to meet in person so many interesting and engaged participants from both sides of the Atlantic. As a lawyer, I was particularly pleased to notice that potential US investors had Ukrainian law issues in their minds from the onset when shaping their cooperation with Ukrainian partners. We discussed a wide range of questions, such as incorporation, the tax regime, protection of intellectual property rights for software and patents, and labor law specifics. I am always fascinated and very proud of the innovative products created by Ukrainians with many of these products showcased and discussed at U.T. Gem.

