



Results presentation of AmCham/Deloitte business survey
Winter Resilience Strategy 2024-2025

September 19, 2024

Survey methodology



Purpose

The survey conducted by Deloitte Ukraine and the American Chamber of Commerce in Ukraine gathered the insights of AmCham Ukraine member companies on their plans and strategies to overcome the challenges caused by blackouts. The survey information provides valuable insights that can help identify the challenges that businesses face, approaches to address them, as well as the support measures that businesses may need in anticipation of the 2024-2025 winter period.



Objectives

- To define the key consequences of lasting power outages for the companies` operations
- To identify the most effective practices for maintaining resilience and operational continuity
- To determine the support measures that companies may need to be more resilient in anticipation of the winter season



Methodology

We used a quantitative approach to collect data from CEOs, top management, and other business representatives. Data was collected through an online survey.

Survey period: July 22 – August 22, 2024

Respondents: 139

Executive summary (1/2)



76% of companies reported that lasting power outages **affect their operations**. A remarkable 88% of companies indicated that they are **prepared for power outages**, with almost all of them (94%) either **having a continuity plan or developing one**.



One-third of the companies can **independently ensure electricity supply for 24 hours or more** in the absence of a centralized electricity supply, demonstrating a high level of preparedness. **Generators are the most common power source** as 86% of companies use them during blackouts. However, 40% of these businesses diversify their power sources by combining generator power with solar panels or gas installations capacities.





The most significant impact of lasting power outages reported by nearly two-thirds of respondents (62%) is **increased financial costs for purchase of fuel, generators, etc.** Most businesses defined high cost of backup equipment (73%) and insufficient number of backup energy sources (58%) as the key challenges in maintaining business energy resilience.





A small number of companies reported **conflicts with neighbors** (due to noise level violations, inability to install equipment) and **penalties** (for exceeding noise levels, improper equipment installation), highlighting **potential future challenges for other businesses**. Only 5% of companies have experienced **regulatory and bureaucratic hurdles**, including difficulties with obtaining permits, requirements to fuel storage and others. 9% of companies expressed **concerns regarding the insufficient training** and awareness of personnel on the operation of backup energy sources and actions in emergency situations.

Executive summary (2/2)

 Sales (35%), Production (32%) and IT (27%) are the **functions affected the most** during the lasting power outages.

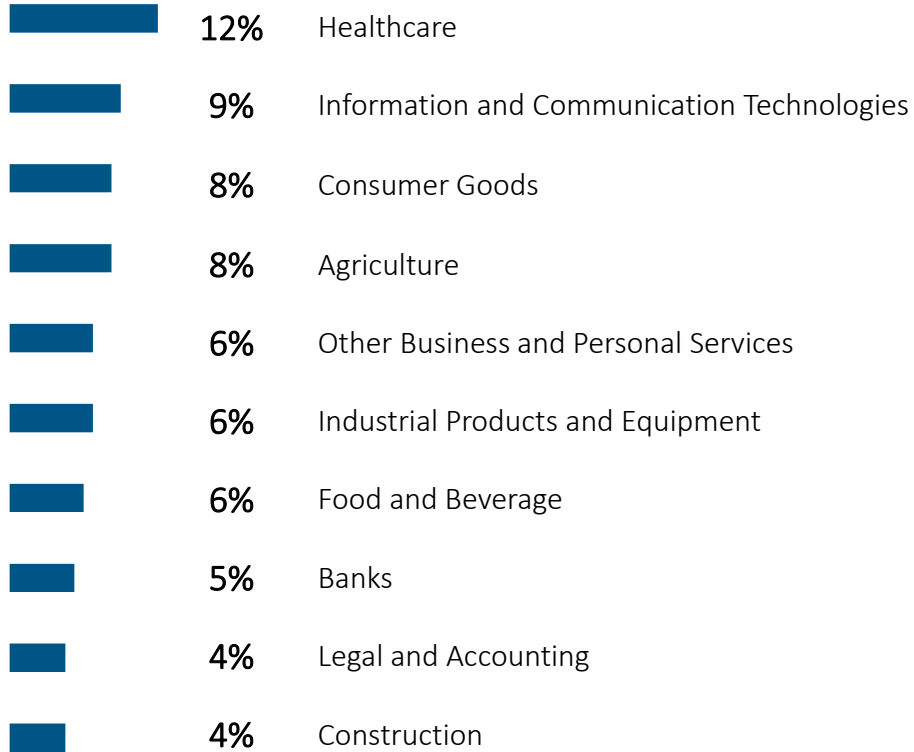
 Only 22% of respondents **implemented changes to their operational/production processes** by suspending, outsourcing, or relocating them in response to power outages. Advertising and production functions were most often suspended, while production along with sales were also among the functions to be relocated most frequently.

 69% of respondents consider **financial support programs** for the installation of backup power supplies and/or additional generation to be the key measures to support their businesses. Also, companies reported that they will benefit from **regulatory changes** to simplify the **implementation of independent energy projects** (53%), as well as **tax relief and tax deferral programs** (46%).

 About half of the companies noted that AmCham Ukraine can play a pivotal role in addressing issues related to lasting power outages by **sharing contacts and information about grant opportunities** (55%) and by **organizing seminars on energy efficiency** (48%). One-fifth of all companies also emphasized the importance of facilitating meetings with other stakeholders, such as the Ministry of Energy, the National Commission for State Regulation of Energy and Public Utilities, banks, as well as with Ukrenergo, DTEK, and energy efficiency experts.

Companies and respondents profile

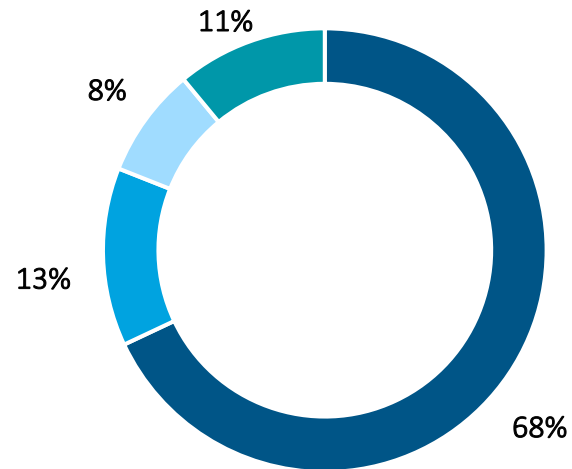
Company industry
(the most represented)



Survey participants also include representatives of the following industries: energy and power, insurance, tobacco products, business consulting, cosmetics and hygiene, retailers, automotive, chemicals, education and training, financial services, household appliances, HR services, logistics, delivery and transport, marketing and advertising, media, renewables, security and defense

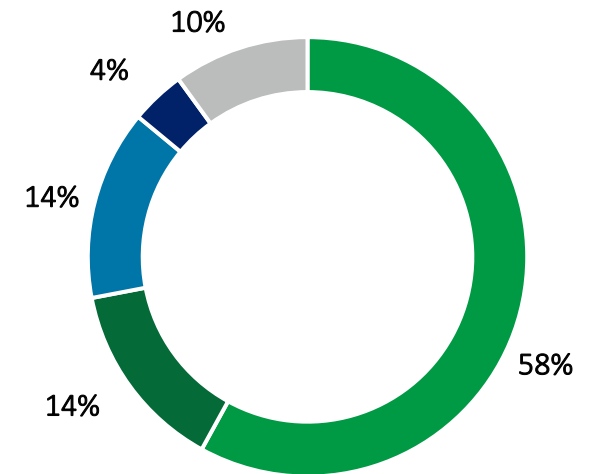
Number of respondents - 139

Company size
(by the number of employees)



- up to 500 employees
- 501 to 1000 employees
- 1001 to 2000 employees
- more than 2000 employees

Respondent's role



- CEO / general manager / managing partner / head of representative office / founder / owner
- Top management
- HR
- GR
- Other

AGENDA

01

The impact of lasting power outages on the companies' operations

02

Actions companies take to ensure business continuity

03

Support measures required by business

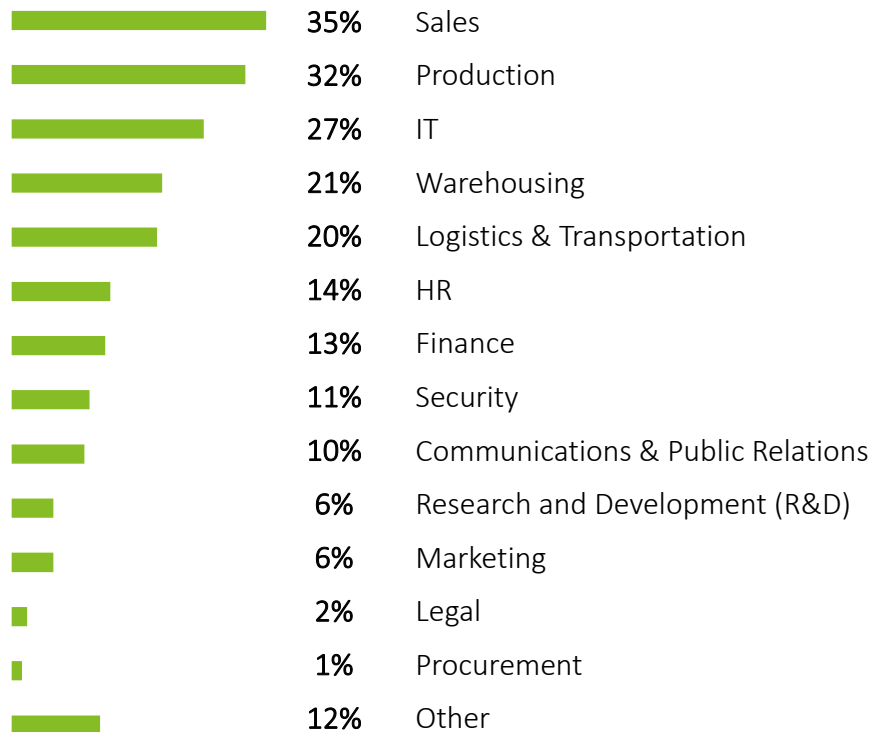
The impact of lasting power outages on the companies' operations (1/2)



Lasting power outages affect operations of **76%** of companies. Absence of any such effect was reported by **24%** of companies

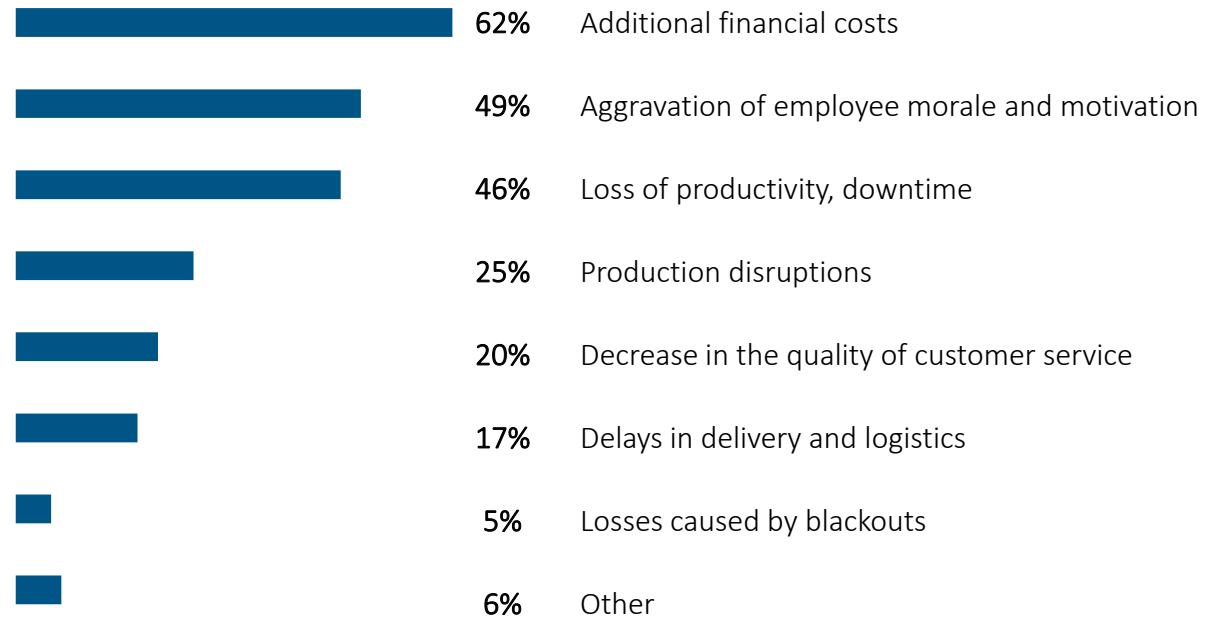
Which company's **functions** are **affected most** by the lasting power outages?

(multiple choice)



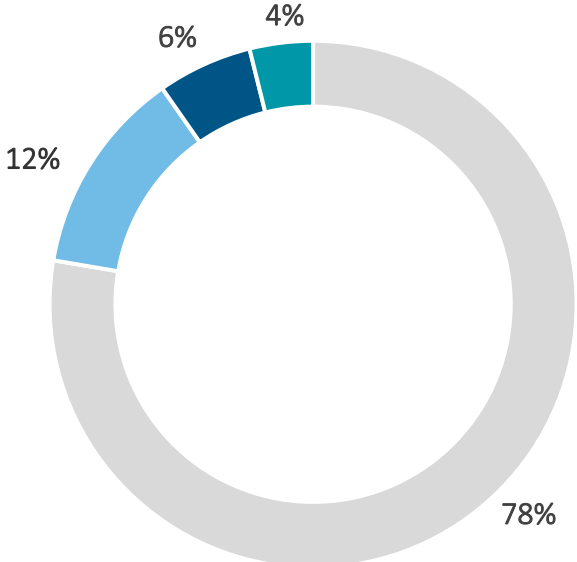
What are the most **tangible consequences** of lasting power outages for the companies?

(multiple choice)



The impact of lasting power outages on the companies' operations (2/2)

How have the companies **adjusted** their **operational / production processes** in response to power outages?
(single choice, n=103)



- No changes have been made
- Relocated some of the operational/production functions abroad
- Suspended some operational/production functions
- Outsourced some operational/production functions

Which **functions** have been **suspended / relocated/outsourced**:
(open-ended question)

<i>suspended</i>	<i>relocated</i>	
Outdoor ads	Production	Service delivery
Production	Servers	Data storage/centers
Lighting in premises reduced	Procurement	IT
Office premises	Sales	Engineering
<i>outsourced</i>		
Packaging	Accounting	
Advertising	Employees	

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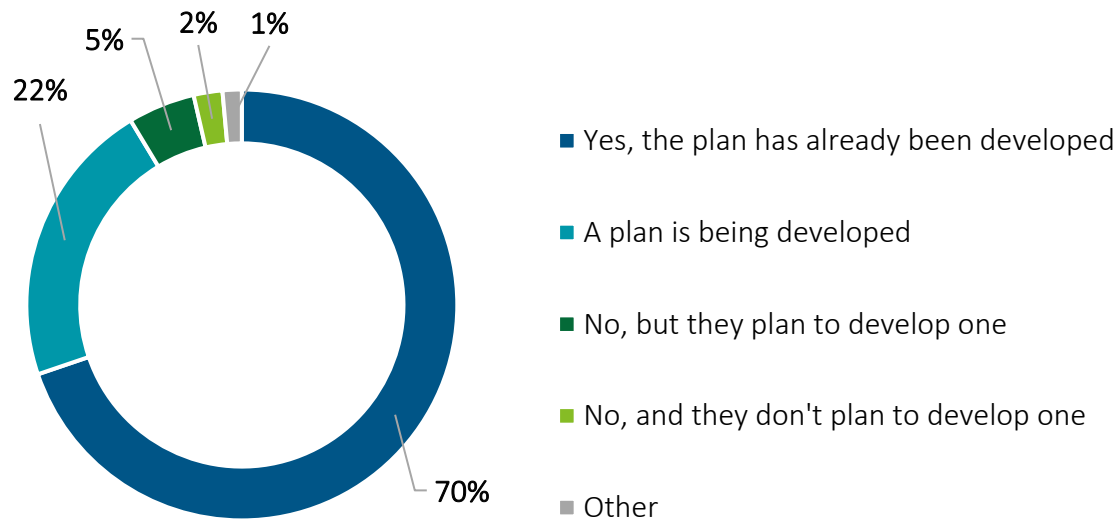
Support measures required by businesses

Actions companies take to ensure business continuity (1/4)

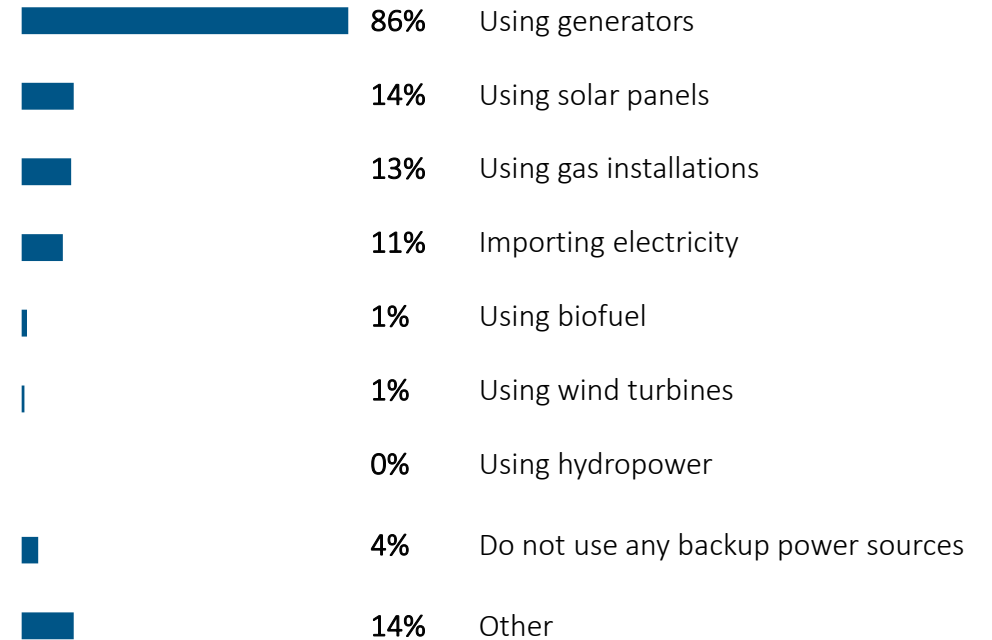


88% of companies say they are prepared for lasting power outages

Have the companies **developed an action plan** in response to lasting power outages?
(single choice)



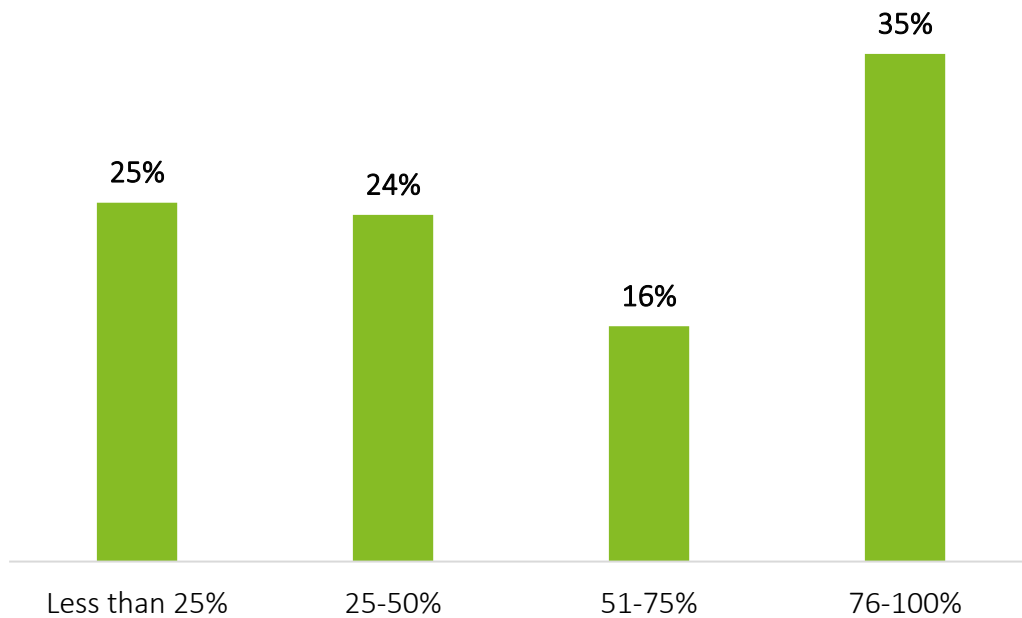
How do the companies **address the problem of power outages?**
(multiple choice)



Actions companies take to ensure business continuity (2/4)

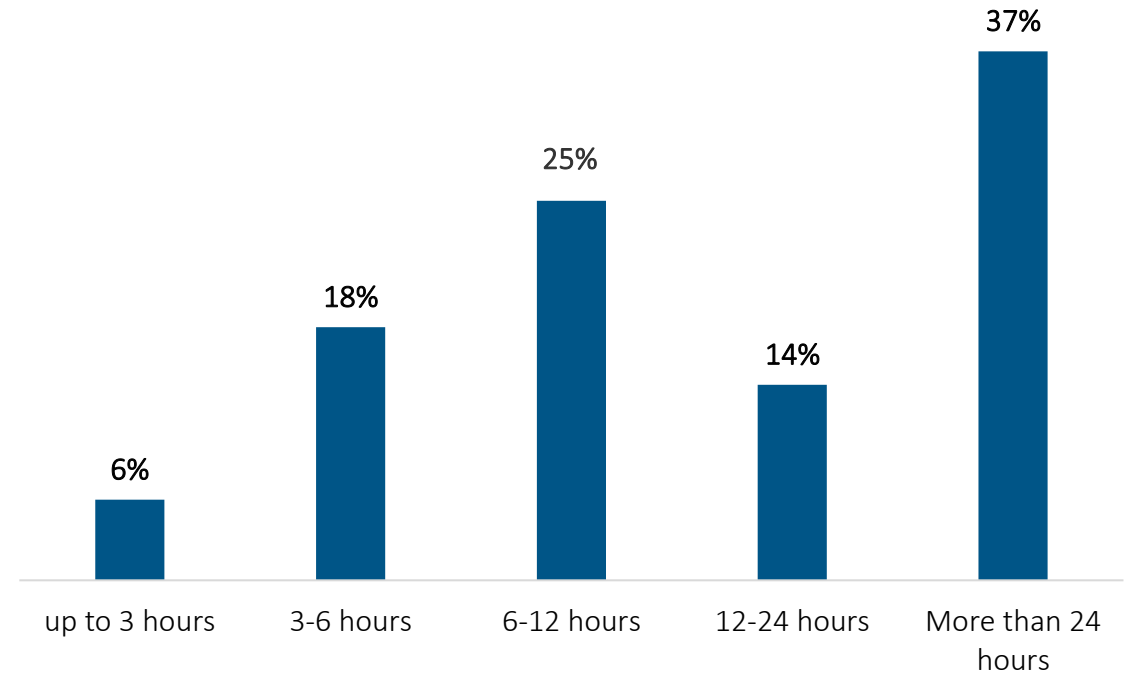
What **percentage** of the companies' total **electricity needs** do the companies manage to **cover on their own**?

(single choice, n=117)



In the absence of a centralized electricity supply, for how long can the **companies procure an independent electricity supply** to maintain operations?

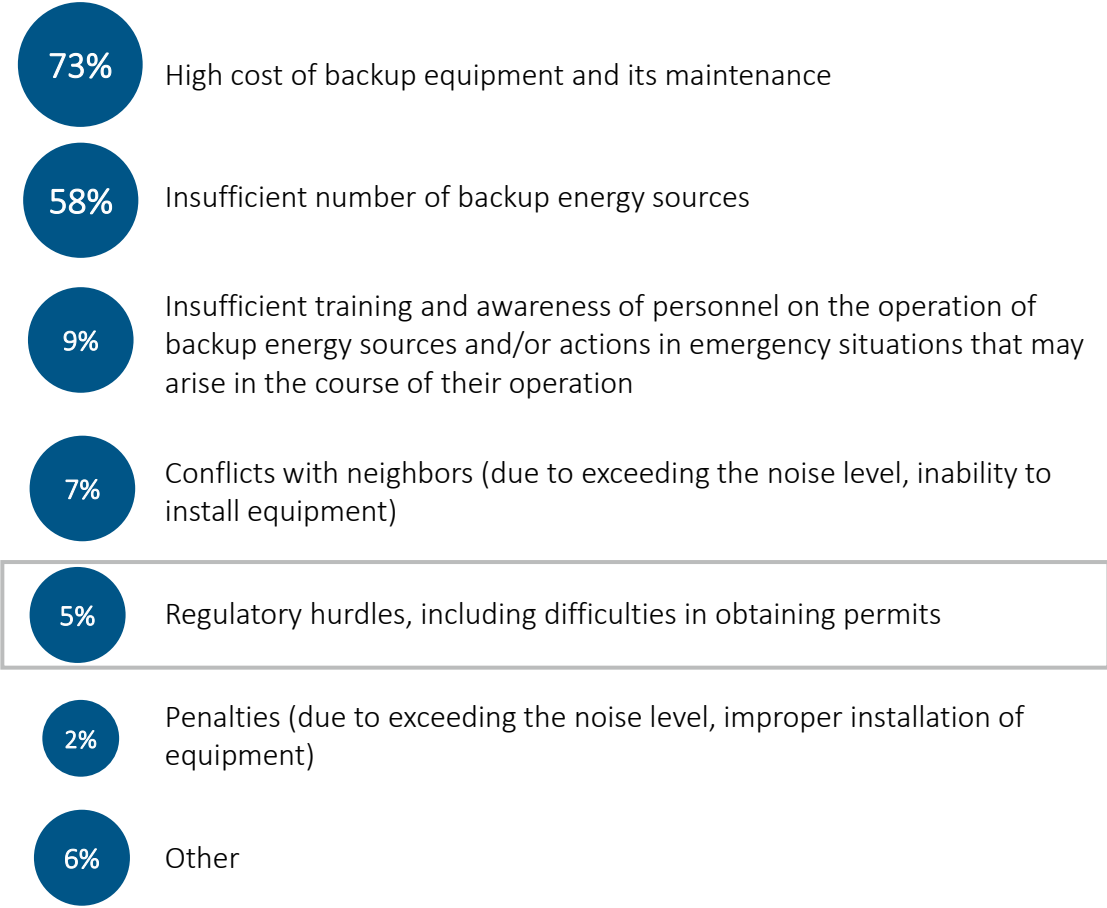
(single choice, n=125)



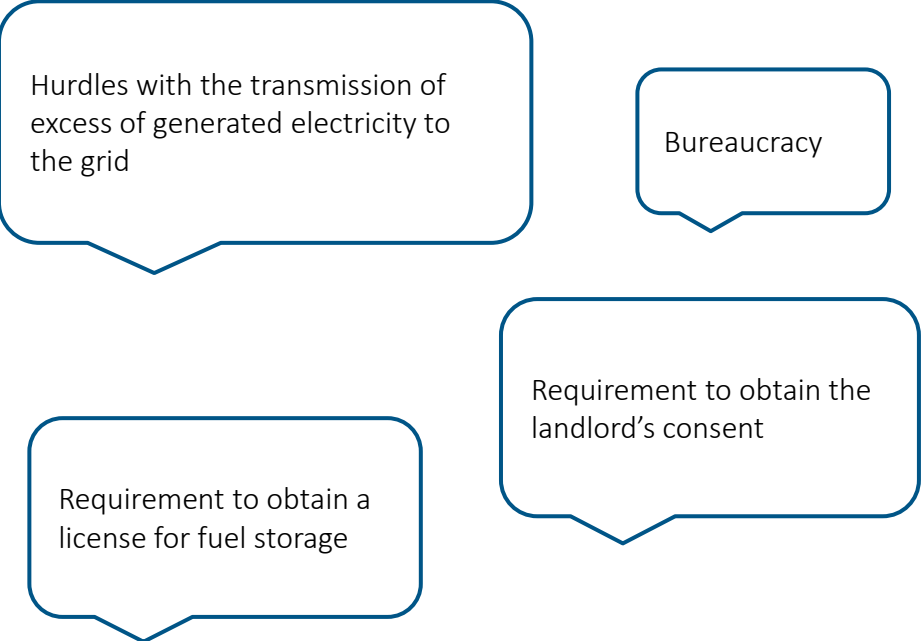
Actions companies take to ensure business continuity (3/4)

What **challenges** have the companies faced in ensuring business continuity during power outages?

(multiple choice)



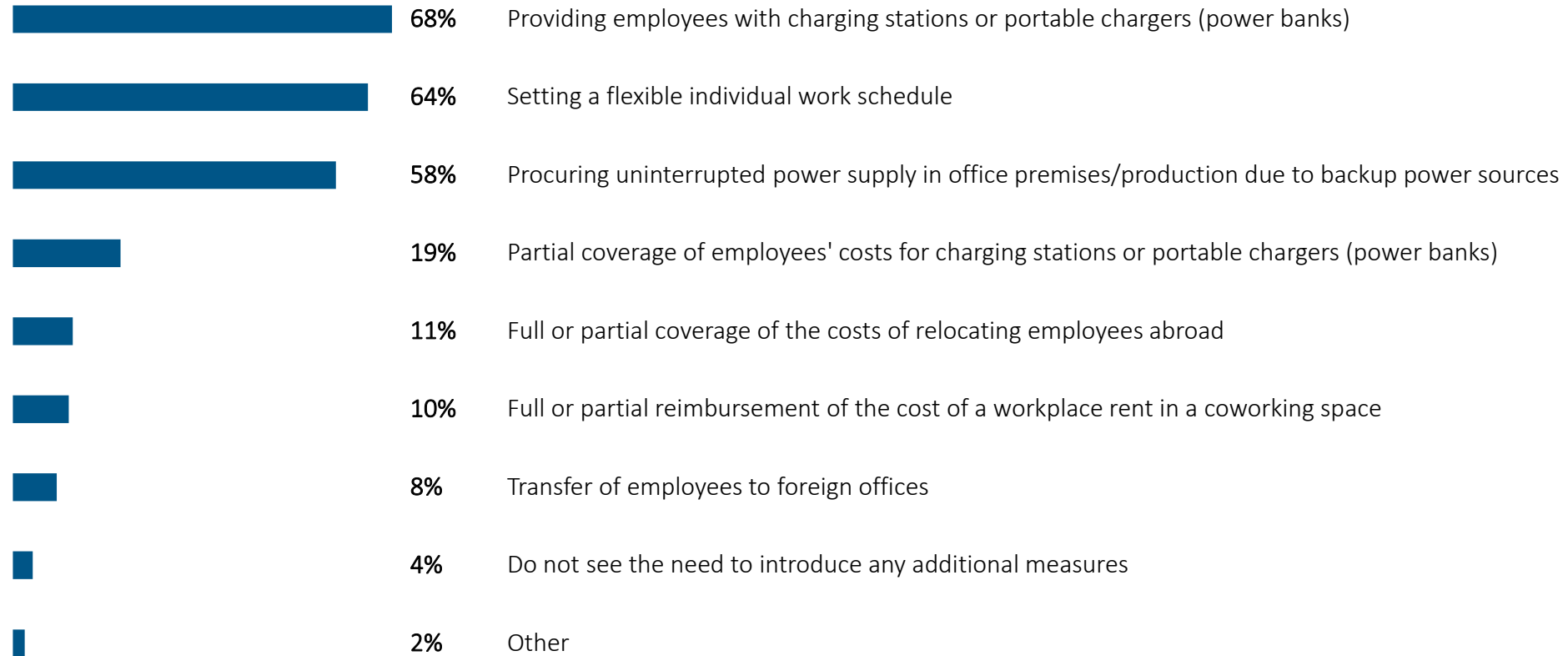
Regulatory hurdles and difficulties include:
(open-ended question)



Actions companies take to ensure business continuity (4/4)

How do the companies ensure that **employees** can **continue working** during lasting power outages?

(multiple choice)



AGENDA

01

The impact of lasting power outages on the companies' operations

02

Actions companies take to ensure business continuity

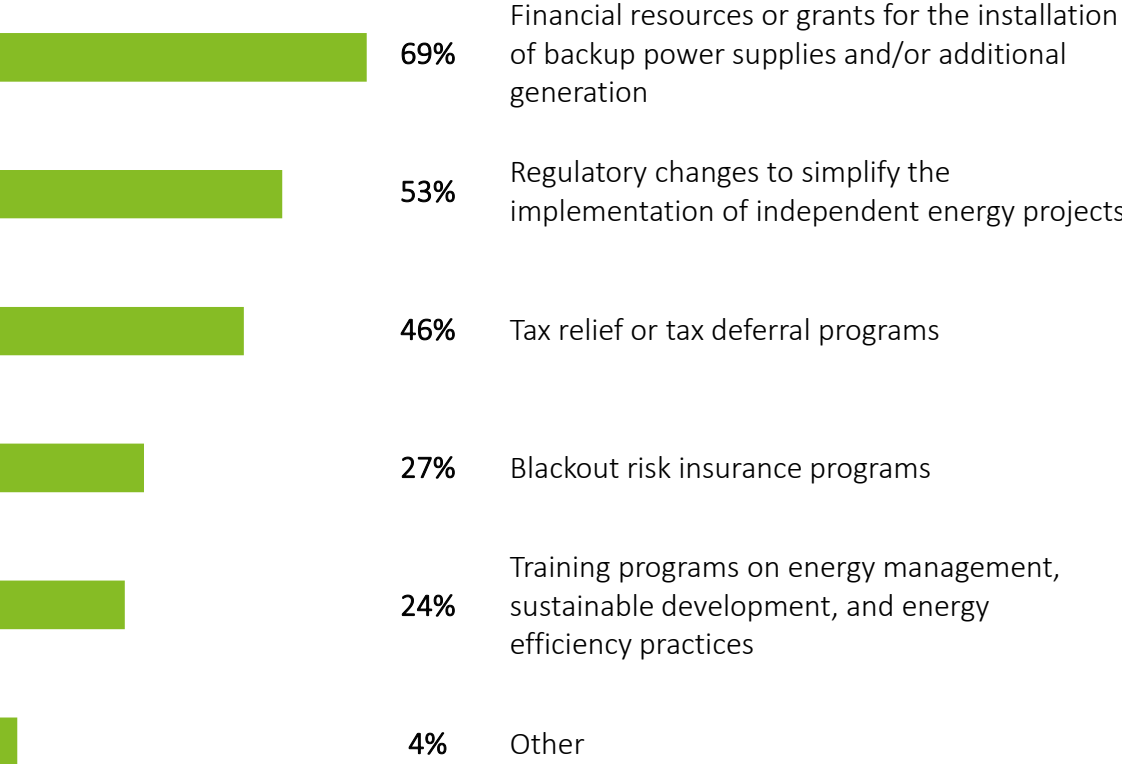
03

Support measures required by businesses

Support measures required by businesses

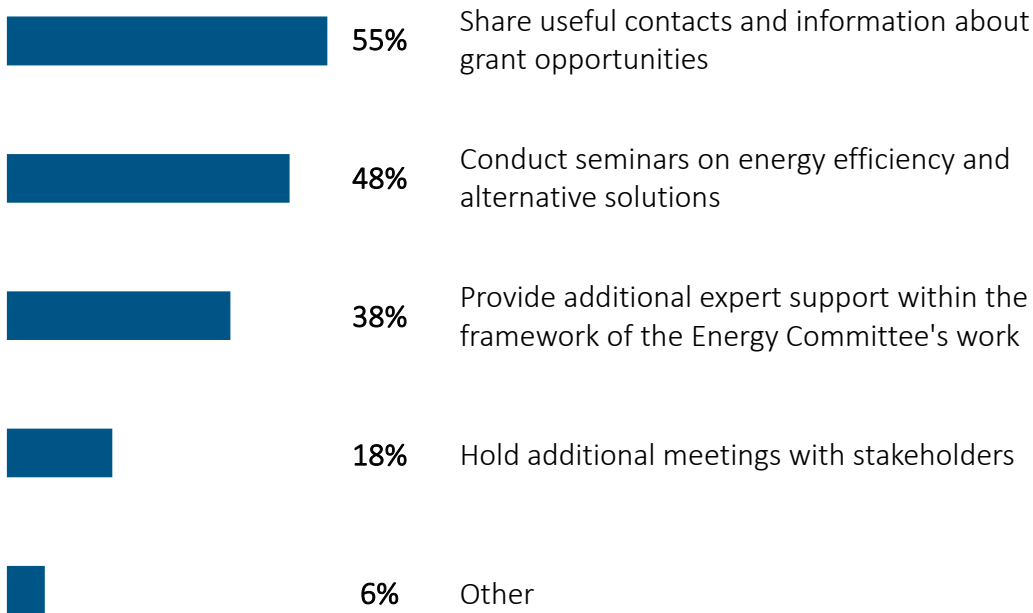
What **support measures** may **businesses need** in anticipation of lasting power outages in 2024-2025?

(multiple choice)



How can the **American Chamber of Commerce help companies** solve issues related to electricity shortages?

(multiple choice)



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About AmCham Ukraine:

The American Chamber of Commerce is Ukraine's most influential international business association that has been serving 600+ members in Ukraine since 1992, delivering the shared voice of US, international, and Ukrainian companies, who invested over \$50 billion in Ukraine and remain committed to the country. For more information, please visit AmCham's [website](#).