



UKRAINE FACILITY

**Recovery - Reconstruction -
Modernisation of Ukraine**



**This presentation is based on the Commission's proposal,
It does not prejudice the outcome of the legislative process!**

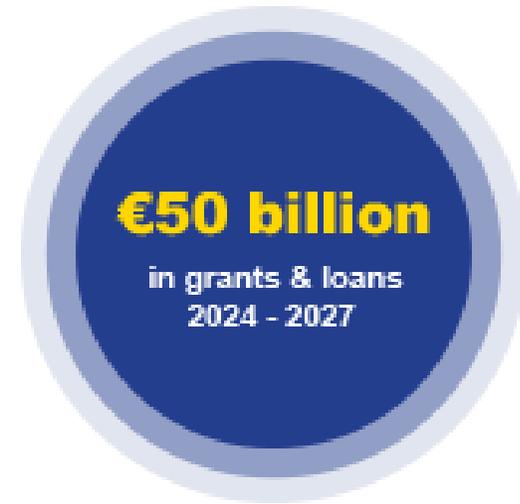
- **In partnership with** States & European Financial institutions (Team Europe), and other international Financial Institutions
- **In coordination with** the Multi-Agency Donor Coordination Platform
- **Key stakeholders** Civil Society Private Sector Local authorities

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Pillar 1 Support to Ukraine Plan	Pillar 2 Ukraine Investment Framework	Pillar 3 Assistance programmes
<p>EU support to Ukraine’s Plan through grants and loans to the State budget</p> <p>Support to address the urgent financial needs of the State to maintain macro-financial stability</p> <p>Support to investments to foster recovery, reconstruction and modernisation</p> <p>Support to reforms needed for EU accession</p>	<p>De-risking mechanism available to investors through International Financial Institutions to scale up investments and crowd in new investors</p> <p>Support to the Ukrainian private sector</p>	<p>Technical assistance to the Government (EU acquis, structural reforms)</p> <p>Capacity building of the authorities at national, regional and local level</p> <p>Support to civil society</p> <p>(Coverage of interest rate subsidies for loans)</p>

Proposed budget of the Ukraine Facility

- **Up to €50 billion** over 2024-2027
(1/3 grants and 2/3 loans)
- Indicative and preliminary distribution:
 - ✓ First Pillar (Ukraine Plan): **€39 bn** (grants and loans) support to the State budget
 - ✓ Second Pillar (provisioning for guarantees and blending): **€8 bn**
 - ✓ Third Pillar (grants): **€3 bn** for technical assistance, loan interests and others forms of support (figure including also technical and administrative assistance incurred by the Commission)



Pillar 2

Ukraine Investment Framework

- **Objective:** mobilise investments for the reconstruction and modernisation of Ukraine → *Examples: private investment projects, support to Ukrainian SMEs to invest, support to municipalities or to SOEs.*
- Builds on the experience of **EFSD+** open architecture and the **NIP** (Neighbourhood Investment Platform).
- **Strategic orientations** for the UIF given by the **Ukraine Plan**.
- **Implementation:** based on EFSD+ – indirect management by pillar-assessed entities, i.e. European Financing Institutions (EBRD, EIB, KfW, AFD, BGK, etc.).
- **Type of support:** combination of blending grants and guarantees.
- Possibility to use up to 30% of the guarantee to **top up existing guarantees** during the first 4 months to ensure timely deployment.



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