



## Ukraine Investment Framework

Recovery – Reconstruction – Modernisation

# Ukraine: War-time economic resilience and reconstruction with a focus on the energy sector

94th East Jour Fixe of the Oesterreichische Nationalbank



*Directorate-General for Eastern neighbourhood and enlargement*

# EU SOLIDARITY WITH UKRAINE – *in numbers (feb. 2026)*

- **€194.9 billion** in overall support to Ukraine and Ukrainians including €3.7 billion from the proceeds of Russian immobilised assets
- The EU has offered temporary protection to **over four million people fleeing the war** and is committed to continue providing strong political, financial, economic, humanitarian, military and diplomatic support to Ukraine and its people for as long as it takes.
- On 29 October 2025 the EU-Ukraine **Deep and Comprehensive Free Trade Area** entered into force.

**“As long as it takes”**



# The **Ukraine Facility** relies on 3 pillars for effective support to UA

## UKRAINE FACILITY ELEMENTS

### Pillar 1

#### Budgetary Support / Ukraine Plan

EU support to Ukraine's Plan through grants and loans to the State budget, to:

- address the **urgent financial needs of the State** to maintain macro-financial stability
- promote investments that foster **recovery, reconstruction and modernisation** (with tracking for green, local)
- encourage reforms needed for **EU accession**

### Pillar 2

#### Ukraine Investment Framework

- **De-risking mechanism available to investors** through International Financial Institutions to scale up investments and crowd in new investors
- **Support to the Ukrainian private sector** (at least 15% to SMEs)
- **Technical assistance** to support preparation and implementation of investments
- Building on success of **EFSD+**

### Pillar 3

#### Assistance programmes

- **Technical assistance to the Government** (EU *acquis*, structural reforms)
- **Capacity building of the UA authorities** at national, regional and local level
- **Support to civil society**
- Coverage of **interest rate subsidies** for loans, including legacy MFA and provisioning

**Ukraine Facility will be implemented**

In partnership with

European Financial institutions (Team Europe), and multilateral development banks

In coordination with

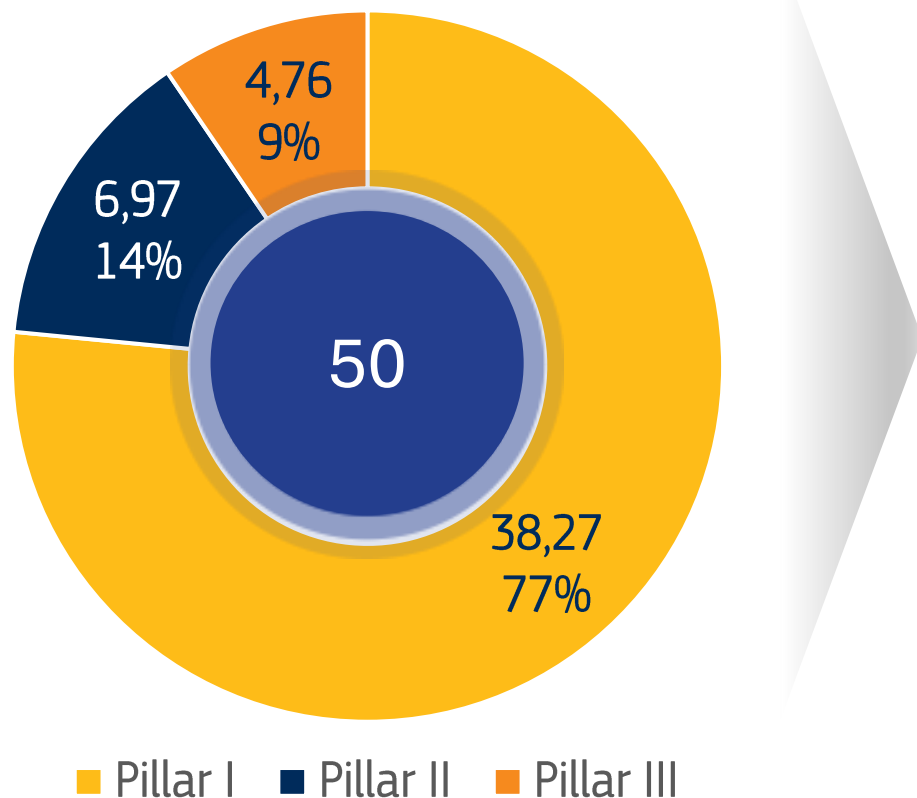
the Ukraine Donor Platform

With key stakeholders

Civil Society, private sector, and local authorities

# Under the Ukraine Facility EUR 50 billion will be distributed between 2024 and 2027

**Budget of the Ukraine Facility [EUR bn, %]**



**1/3** of the Ukraine Facility budget will be disbursed in the form of **grants**, and **2/3** in the form of **concessional loans**.

**Structure of the Ukraine Facility [EUR bn]**

Pillar	Grants	Loans
<b>Pillar I</b>	5.27	33.0
<b>Pillar II</b>	6.97*	-
<b>Pillar III</b>	4.76	-
<b>SUM</b>	<b>17.0</b>	<b>33.0</b>

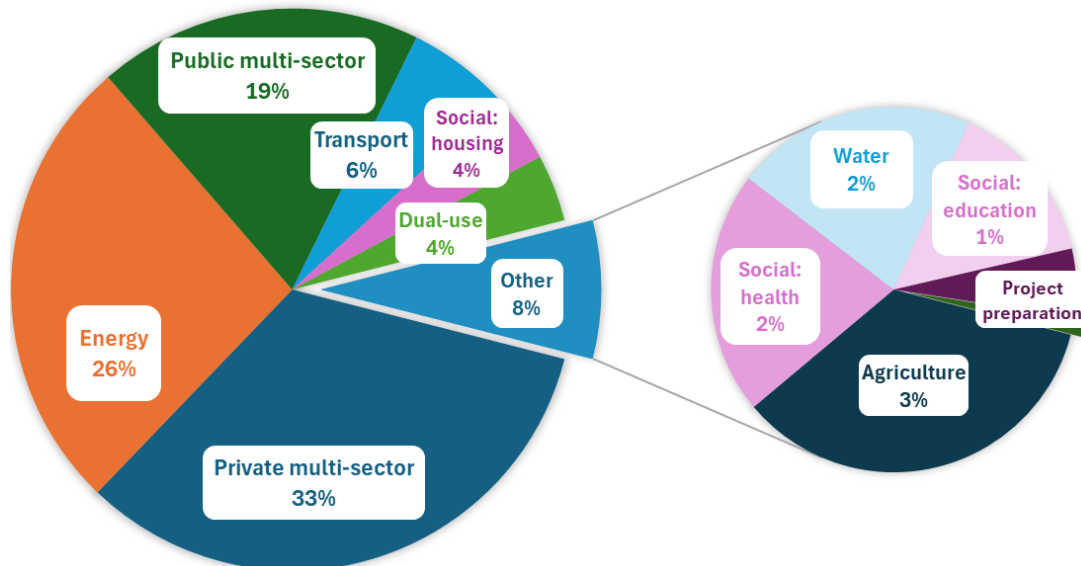
- This amount entails 70% of the total guarantee capacity (EUR 7.8 billion), along with a combination of blending, grants, and technical assistance totaling EUR 1.5 billion.
- **UPDATE:** Increased to EUR 1.7 bn thanks to Norway (EUR 128m) and revenues from immobilized assets (EUR 108m)

# Ukraine Investment Framework: state of play, basic statistics

## UIF funds allocated and expected to be mobilised



## UIF funds per sectors



## UIF funds per implementing partners

EFI	Total	Share %
EIB	3,242,082,000	38.5%
EBRD	1,771,897,600	21.0%
IFC	618,750,000	7.3%
BGK	463,627,280	5.5%
IBRD	441,407,500	5.2%
KfW	394,862,000	4.7%
AFD	276,376,000	3.3%
EDFI MC	239,850,000	2.8%
Finnvera	217,320,000	2.6%
NRB	188,964,800	2.2%
Bpifrance	163,488,000	1.9%
NEFCO	109,030,000	1.3%
CDP & FAO	105,300,000	1.3%
Eximbanka	93,260,000	1.1%
Cardano Dev	78,750,000	0.9%
CEB	16,980,000	0.2%
<b>TOTAL</b>	<b>8,421,945,180</b>	<b>100%</b>

MDB vs. EU DFI vs. EIB		
<b>MDB</b>	€ 3.0 bn	<b>35%</b>
<b>DFI</b>	€ 2.2 bn	<b>26%</b>
<b>EIB</b>	€ 3.2 bn	<b>38%</b>
<b>TOTAL</b>	<b>€ 8.4 bn</b>	<b>100%</b>

## UIF funds – public vs. private investments

	UIF capacity utilised	Percentage	Total investments	Percentage
<b>Public</b>	4,703,209,420	<b>56%</b>	6,781,970,547	<b>27%</b>
<b>Private</b>	3,718,735,760	<b>44%</b>	18,378,481,486	<b>73%</b>
<b>TOTAL</b>	<b>8,421,945,180</b>		<b>25,160,452,033</b>	

# The Ukraine Investment Framework support to Energy

## A holistic support to energy in the midst of continuous destruction

ONGOING

### Priority 1 New electricity

**EUR ~1bn** UIF allocation with ability for leverage (> 2x), multiplier and (private) co-investment

*Examples:* EBRD HI-BAR & IFC BFP derisking of Volyn 147 MW wind turbines, EIB & EBRD support to UHE, Power One (!)

DISBURSED

### Priority 2 Gas supply

**EUR 977m** fully disbursed w. guarantees (de-risking EUR 500m EBRD & EUR 350m EIB lending) & Grants (EUR 127m NOR)

*Update:* Price-sensitive procurement conducted in record time with EU/CH/UK traders and suppliers. Critical for NAK

SIGNED

### Priority 3 Heat supply

**EUR 350m** UIF action with EIB District heating as key enabler for action in this field – EIB Jumbo allocation of EUR 200m

*Update:* Recent E5P allocation for EBRD action with KYIVTEPLOENERGO, active outreach by IFIs and EC for ppl-building

ONGOING

### Priority 4 Stability & Imp.

**EUR 270m** UIF allocation necessity for blended finance as commercial viability is absent

*Examples:* KfW Ukrenergo EUR 100m support (10% disbursed in Jan '26 !), role of TSO/DSO for wider stability

ONGOING

### Priority 5 Energy Effic.

**EUR 300m** allocation with predominant role of EIB for modernization of residential and public buildings

*Update:* energy efficiency considerations distilled in all CapEx actions through “build back better” principle

## Repair, Rebuild, Restart

President von der Leyen (24/02)

Extra EUR 100m of Humanitarian help with DG ECHO

### Total allocation

Estimated **EUR 2.8 bn** allocation (guarantees & blending) in all approved & SB-presented programs

### With '26 disbursements

Estimated at > **EUR 800m** with main expectations on Electricity Generation and Heat Supply

### Included in

a package of EUR 920 million including Ukraine Energy Support Fund (EUR 120m from UF Pillar III)

# Ukrhydroenergo – Hydro Power Plants Restoration



European Bank  
for Reconstruction and Development



Ukrhydroenergo

## Background

- The Project will enhance Ukraine's energy security by financing **the replacement of the damaged and worn-out critical equipment within selected hydro power plants**, leading to notable increase in their operational efficiency and green energy production volumes.
- Successful completion of the Project will result, inter alia, in **production of c. 223 GWh of renewable energy per year**, reducing Ukraine's reliance on electricity import and strengthening the energy system's ability to absorb high peak demand.

## Key information on the operation

Partners	EBRD & Ukrhydroenergo
Guarantee	EBRD Hi Bar
Operation sector	Energy
EU Guarantee	EUR 67.5 million
Amount of the transaction	EUR 75 million
Timeframe	2026 – 2040

# Horizon Capital Fund to help rebuild Ukraine's critical infrastructure



## Background

- IFC equity investment of **up to €50 million in the Horizon Capital Catalyst Fund**, one of the first private equity platforms mobilizing capital for Ukraine's critical infrastructure – including energy, construction, and digital networks.
- It is expected **to boost economic activity and jobs** at a time when public resources remain severely constrained.

## Key information on the operation

<b>Partners</b>	IFC & Horizon Capital
<b>Guarantee</b>	IFC Hi-Equity
<b>Operation sector</b>	Critical infrastructure
<b>EU Guarantee</b>	EUR 22.5 million
<b>Amount of the transaction</b>	EUR 50 million
<b>Total Fund Size</b>	EUR 300 million
<b>Timeframe</b>	2026 – 2036

# Power One – Battery Energy Storage System facilities and power generation support



## Background

- EUR 22.3 loan in favour of Power One LLC (Ukraine) to construct in Ukraine **private power generation and storage capacities**, consisting of gas-fired peakers for 36.8MW and Battery Energy Storage System (BESS) facilities for 31.5MW.
- The objective of this operation is to **provide fast-response generation and storage capacities to stabilise the grid**, support wartime energy security, enable renewable integration, and supply ancillary services (peaking, frequency response).

## Key information on the operation

<b>Partners</b>	<b>EBRD &amp; Power One LLC</b>
<b>Guarantee</b>	EBRD Hi Bar
<b>Operation sector</b>	Energy
<b>EU Guarantee</b>	~ EUR 6 million
<b>Amount of the transaction</b>	EUR 41.8 million
<b>Timeframe</b>	2025 – 2033

# Galnaftogaz Wind – strengthening Ukraine’s energy resilience

## Contracted partners



## Key information on the operation

<b>Partners</b>	EBRD & EBRD + IFC & OKKO Group (Galnaftogaz Wind)
<b>Guarantee</b>	EBRD Hi Bar IFC Better Futures Programme
<b>Operation sector</b>	Energy
<b>EU Guarantee</b>	EUR 16.2 million (EBRD) + EUR 22.5 million (IFC)
<b>Amount of the transaction</b>	EUR 250 million
<b>Timeframe</b>	2025 – 2041

## Background of the operation

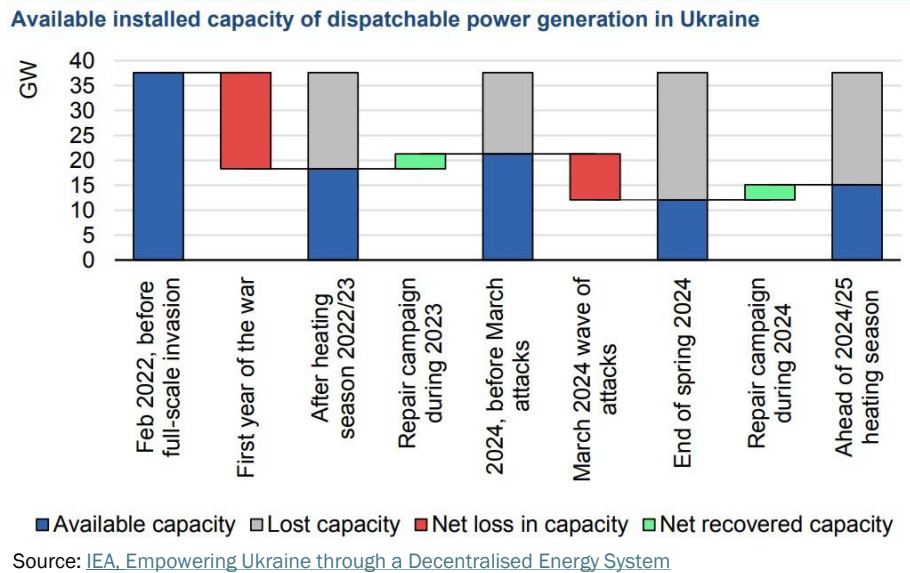
- The Project will **strengthen Ukraine's energy resilience** by constructing a **147 MW wind power plant**, expecting to generate at least 380 GWh of renewable zero carbon electricity annually.
- This investment is **crucial to address the severe energy shortfall**, support Ukraine's **decarbonization goals**, and boost the **private sector's role** in further development of the renewable energy sector in the country.



**2026** | **Key deliverable RAMP-UP**

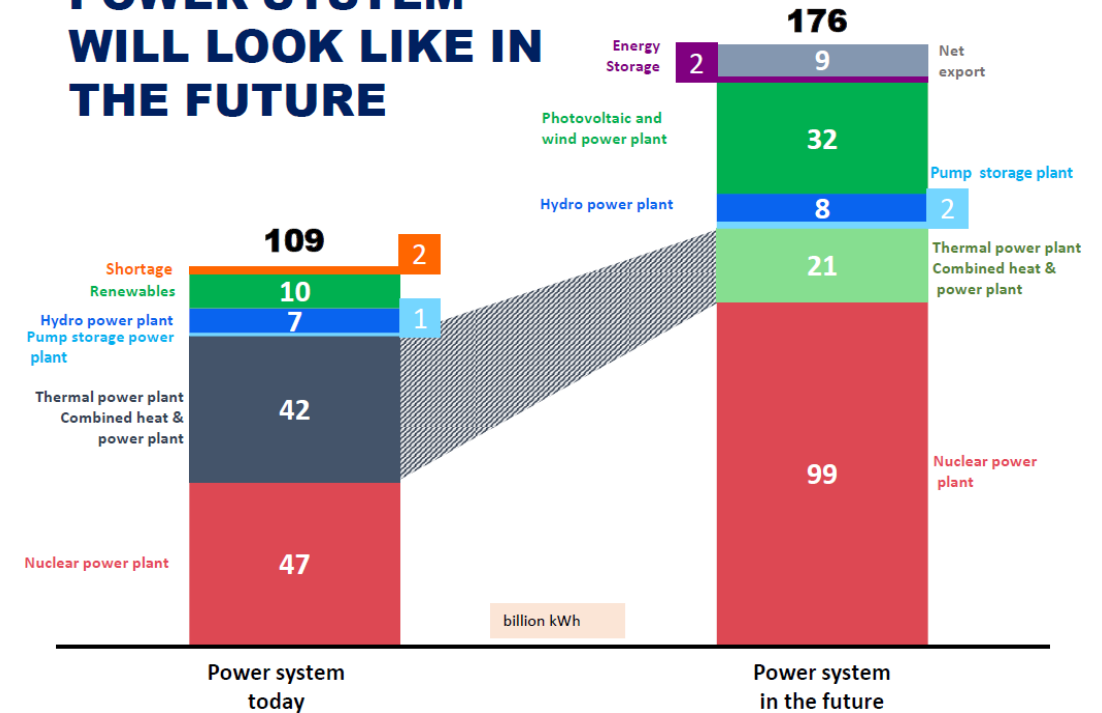
# Substantial additions in wind and solar capacity are required for a clean and resilient energy system in Ukraine

- Levels of destruction and damage require a large-scale effort to rebuild.



- GoU is committed to building back better. The energy strategy shows the need to add over 22 GW of renewables.
- Ukraine needs to develop around 1.5-2 GW of battery storage by 2030 to enhance the power system flexibility for integration of variable renewable energy, even based on pre-invasion estimates.

## WHAT UKRAINE'S POWER SYSTEM WILL LOOK LIKE IN THE FUTURE

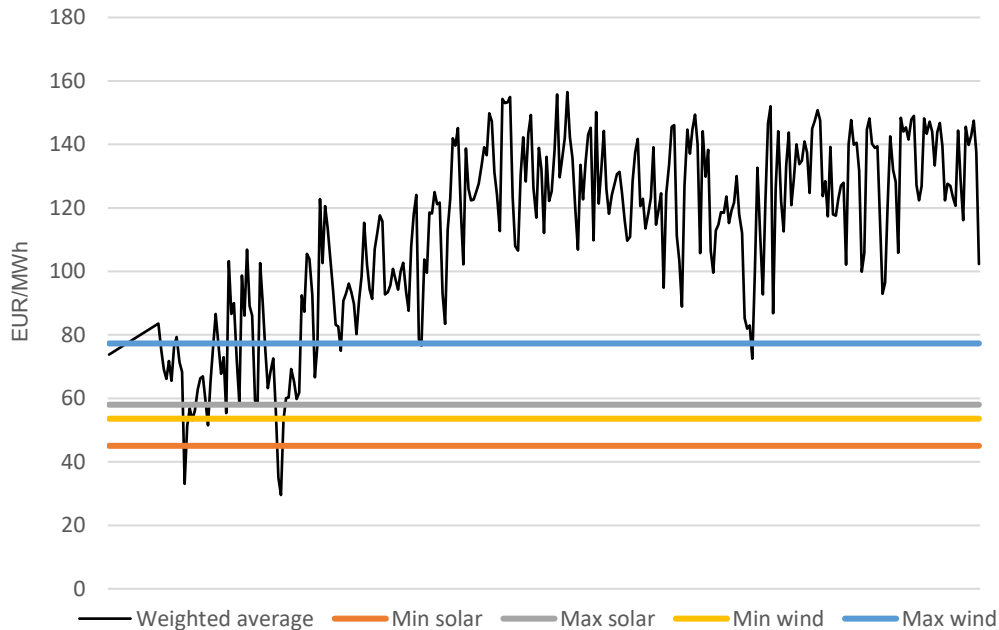


Source: Ministry of Energy of Ukraine

- In order to reach 80 percent emission reductions by 2040, solar capacity installed would need to reach around 17 GW (from 8 GW), and wind would need to increase to 25 GW of capacity installed (from current 1.8 GW) by 2040.

# Price uncertainty is a key barrier inhibiting investment into renewables

Daily weighted average Ukrainian DAM price in 2024 vs regional auction results



Wind and solar prices based on the most recent contract-for-difference auctions in Romania (December 2024) and Serbia (February 2025)

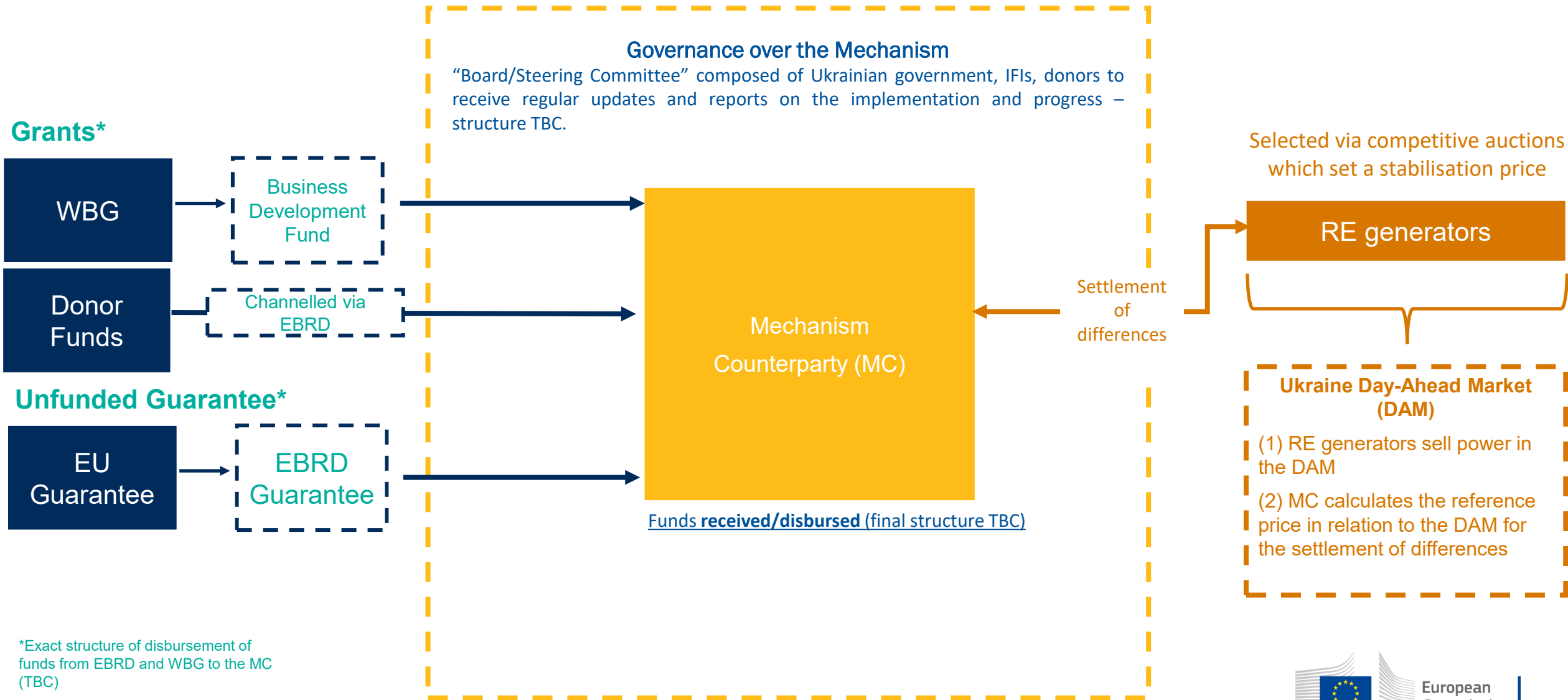
Ukrainian day-ahead-market (DAM) prices have been much higher than prices in recent regional auctions.

This suggests a sound underlying commercial basis for renewable energy investments.

**Price volatility risk prevents investments from securing long-term debt finance.**

Market mechanisms to provide price stability (credible support schemes, long-term PPAs) have not been feasible to develop RES at the scale required.

# Price Stabilisation Mechanism: Flow of Funds



\*Exact structure of disbursement of funds from EBRD and WBG to the MC (TBC)



# Let's work on empowering UA's energy sector together !

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