



REFORMS DELIVERY OFFICE
CABINET OF MINISTERS OF UKRAINE

UKRAINE RECOVERY DIGEST №93

**Weekly overview of media,
legislative acts and statements
on Ukraine Recovery**

23 DECEMBER – 29 DECEMBER 2023

TABLE OF CONTENTS:

1. INTERNATIONAL ASSISTANCE	3
2. RECOVERY PLANS – OFFICIAL	6
3. RECOVERY PLANS – EXPERTS	10
4. PROCESS OF RECOVERY	15



If you want to receive a digest - write to us at:
rdo@kmu.gov.ua

1. INTERNATIONAL ASSISTANCE

UKRAINE RECEIVED USD 1.34 BILLION THROUGH THE WORLD BANK'S PEACE IN UKRAINE MECHANISM FOR SOCIAL SECTOR SUPPORT

Ukraine received USD 1.34 billion as the Sixth Additional Financing under the World Bank's Public Expenditures for Administrative Capacity Endurance in Ukraine (PEACE) project.

The funds will be used to partially compensate for non-security and defence-related expenditures of the Ukrainian State Budget, including old-age social payments and payments to employees of the State Emergency Service (SES).

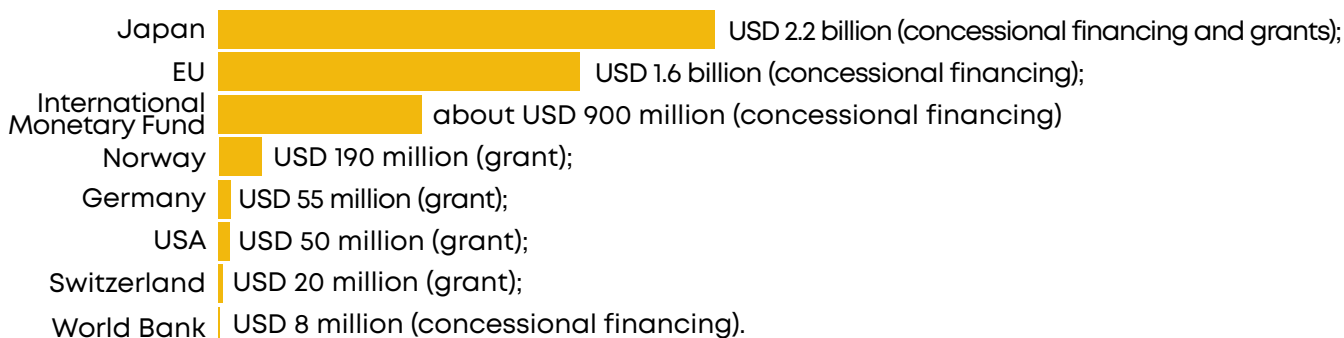
«International financial assistance is a significant contribution to maintaining Ukraine's financial and economic stability and allows us to provide priority social expenditures during the war. Since the beginning of the full-scale invasion, the governments of Japan, the United States, Norway and Switzerland have repeatedly demonstrated their unwavering support and solidarity for Ukraine. I am grateful to our partners for their willingness to cooperate and help us at a crucial time for Ukraine,» said Minister of Finance of Ukraine Sergii Marchenko.

[Source](#)

MINISTRY OF FINANCE ATTRACTED USD 5 BILLION IN GRANTS AND CONCESSIONAL FINANCING FROM INTERNATIONAL PARTNERS IN DECEMBER

In December 2023, the general fund of the State Budget of Ukraine received around USD 5 billion in external financing. Grants provided on a non-refundable basis accounted for over 11% of the total amount of financial assistance.

Among the donors in December 2023 are:



The international assistance is directed to finance priority social expenditures of the State Budget, in particular, to pay salaries of employees of the education and healthcare sectors, humanitarian needs, and social protection of the population.

[Source](#)

IN 2023, JAPAN IS THE THIRD LARGEST DONOR OF FINANCIAL AID TO UKRAINE, WITH USD 3.7 BILLION IN BUDGET SUPPORT

Funding from Japan helped to support the social sector, restore damaged critical infrastructure, healthcare and education.

«In 2023, Japan is one of the largest donors in terms of funding aimed at strengthening the country's budgetary system in times of war. I am grateful to the Government of Japan for its unprecedented and large-scale support, as well as for its leadership in consolidating attention to Ukraine's needs during Japan's G7 presidency in 2023. Since the beginning of the full-scale Russian invasion, Japan has provided financial assistance to the State Budget of Ukraine in the amount of about USD 4.2 billion, including project finance,» said Minister of Finance of Ukraine Sergii Marchenko.

Japan also assured that it is actively working with international partners to provide Ukraine with the necessary financial support for 2024.

[Source](#)

KOREA TO RAMP UP DRIVE TO WIN RECONSTRUCTION PROJECTS IN UKRAINE NEXT YEAR

The Korea Times
Park Jae-hyuk, reporter

The Korean government and companies aim to step up efforts next year to join post-war reconstruction projects in Ukraine, although the ongoing war has made it difficult to commence projects this year. Last Thursday, the Ministry of Land, Infrastructure and Transport announced plans to spend 100 million won (\$77,000) to requisition a six-month study on the current situation in Ukraine regarding reconstruction and strategies to participate in rebuilding works.

“When President Yoon Suk Yeol visited Kyiv in July, he promised that the government and companies will boost cooperation for Ukraine’s reconstruction, and a business delegation led by the land minister came up with more specific ways for the reconstruction (to proceed) during their meeting with Ukrainian President Volodymyr Zelenskyy in Kyiv in September,” the ministry said. “For Korean companies to join the reconstruction projects, it is necessary to draw up strategies based on the understanding of fundraising methods and business structures.”

The ministry said it is also seeking advice on the participation of Korean companies in the reconstruction projects, while researching relevant laws to establish branches in Ukraine.

The Ministry of Trade, Industry and Energy is also expected to send a delegation to Ukraine next year to discuss cooperation in the energy and resource development sectors. The ministry had initially tried to send the delegation this year, but postponed the plan due to the continued fighting.

Earlier this month, Deputy Prime Minister and Finance Minister Choo Kyung-ho announced that the government will give \$100 million to the Multilateral Development Bank and provide a \$200 million humanitarian aid package next year for Ukraine’s reconstruction. He also unveiled the government’s plan to form a \$2 billion economic development cooperation fund in the long term, so that Korean companies can contribute to the reconstruction of Ukraine’s infrastructure and modernization of the country’s industries.

[Source](#)

UKRAINE WILL RECEIVE EUR 24 MILLION FOR THE RESTORATION OF THE ENERGY SECTOR FROM THE GERMAN DEVELOPMENT BANK KfW

On December 29, the Minister of Finance of Ukraine Sergii Marchenko signed a Guarantee Agreement with the Credit Institution for Reconstruction (KfW), which will allow to attract credit financing within the framework of the project with National Power Company «Ukrenergo» «Improving the efficiency of electricity transmission (integration of the Ukrainian United energy system into the European unified energy system) III».

The indicated loan funds in the amount of 24 million euros will be directed to the restoration of the energy infrastructure, namely the substation of National Power Company «Ukrenergo», which suffered significant destruction as a result of the armed aggression of the Russian Federation.

«With the beginning of the full-scale armed aggression of the Russian Federation, Ukraine faced serious challenges. However, active cooperation with international partners, in particular with Germany and KfW, contributed to supporting the functioning of state institutions, restoring the energy sector, supporting the liquidity of SMEs and other social projects. Thanks to the implementation of joint initiatives with KfW, from February 2022, about 133 million euros of credit and grant funds were attracted for the restoration of Ukrainian substations», Sergii Marchenko emphasized.

Currently, the volume of KfW’s portfolio of active projects in Ukraine is the largest for all years of cooperation and consists of 7 active investment projects for a total amount of about 295 million euros, of which the sample is 42% as of December 2023.

[Ukrainian source](#)



me.gov.ua

THE USA WILL CONTINUE TO SUPPORT THE UKRAINIAN ENERGY SECTOR: A MEETING BETWEEN GERMAN GALUSHCHENKO AND THE UNITED STATES CHARGÉ D’AFFAIRES IN UKRAINE ROBERT NEEDHAM

Continuation of cooperation in the nuclear industry, the creation of distributed generation and the implementation of joint projects of localization of power equipment production in order to strengthen the stability of the energy system.

This was discussed during the meeting between the Minister of Energy of Ukraine German Galushchenko and the US Chargé d’Affaires in Ukraine Robert Needham. The meeting was also attended by Acting Head of the USAID Mission in Ukraine Teodora Dell, Head of the USAID Critical Infrastructure Office in Ukraine Ryan Knight, as well as Deputy Ministers of Energy Yaroslav Demchenkov and Mykola Kolisnyk.

«We thank the United States for the support and willingness to expand the partnership with Ukraine, in particular under the new program, which provides for the implementation of progressive projects in the energy sector,» German Galushchenko said during the discussion of the features of the new USAID Securing Power, Advancing Resilience & Connectivity (SPARC) Activity project «Electricity protection, increased resilience and connectivity».

The minister also thanked the American side for the contribution to the Energy Support Fund of Ukraine in the amount of 25 million dollars and emphasized the importance of USAID’s assistance in purchasing the necessary equipment for the Ukrainian energy sector, which ensures transparency in the use of Fund funds.

[Ukrainian source](#)

2. RECOVERY PLANS – OFFICIAL

CABINET OF MINISTERS APPROVED THE DRAFT PLAN UKRAINE FACILITY TO PROVIDE THE EUROPEAN COMMISSION

«Today we are approving the draft Ukraine Facility plan for submission to the European Commission. Together with business, the public sector, the deputy corps, the regions have done a great job of its creation. Currently, there are current developments to which the European Commission will still provide its comments and suggestions,» - the Prime Minister said at a government meeting.

The final conditions of the program will be ready after the approval of the Ukraine Facility regulations by the European Council, the meeting of which is scheduled for February 1, 2024.

Approval by the European Commission of the final version of the plan will open for Ukraine access to a financial resource of EUR50 billion for 4 years, of which EUR39 billion will be directed to ensure macro-financial stability.

[Source](#)

GOVERNMENT PROPOSES TO REBOOT THE ESB AND CONTINUES CORPORATISATION OF ENERGOATOM

«We propose that only the ESB and the NABU should have the authority to raise the issue of conducting inspections of financial and economic activities of businesses, regardless of their form of ownership. We also propose to exclude the National Police and the Security Service of Ukraine from the list of state financial control bodies,» the Prime Minister said.

In addition, the Government continues the corporatisation reform at Energoatom. Today, Energoatom was established as a joint-stock company, which is 100% owned by the state.

«The corporatisation of Energoatom in accordance with the best international standards will strengthen the quality of management, transparency and accountability of the company. It also opens up new opportunities for the development of our nuclear power industry and partnership with global companies,» the Prime Minister stressed.

[Source](#)

GOVERNMENT APPROVES ROADMAP FOR REFORMING THE PUBLIC FINANCE MANAGEMENT SYSTEM

This roadmap is a framework document that has been developed taking into account the recommendations of the World Bank and the IMF, leading European practices, as well as the needs for rapid recovery and post-war reconstruction.

The purpose of the Roadmap is to set the context, vision, basic principles and directions for building an integrated, sustainable and effective public investment management system that ensures that investment projects are planned based on strategic priorities and a medium-term budgetary framework, selected in accordance with unified and transparent procedures and clear criteria, and implemented within the planned timeframe and funding.

Subsequently, the Ministry of Finance of Ukraine, with the participation of the Ministry of Economy of Ukraine, the Ministry of Justice of Ukraine, the Ministry of Infrastructure of Ukraine and other stakeholders, was instructed to develop and submit to the Cabinet of Ministers an action plan for the implementation of the Roadmap by 1 June 2024.

[Source](#)
[Ukrainian source](#)

THE MINISTRY OF ECONOMY INFORMS ABOUT KEY CHANGES IMPLEMENTED FOR BETTER MANAGEMENT OF STATE-OWNED ENTERPRISES IN 2023

For transparent management and effective operation of state-owned enterprises in 2023, the Ministry of Economy continued to introduce the best world practices in their management. It is about corporate governance principles recommended by the Organization for Economic Cooperation and Development (OECD), of which Ukraine plans to become a member.

«Clear and transparent management affects the increase in investment through increasing confidence in state-owned companies. It is important to get financial support in rebuilding the country.

Therefore, a corporate governance system must be fully implemented at enterprises that will remain state-owned. This will allow the state to profit from strategic enterprises that cannot be privatized, and the enterprises themselves to attract finance on more favorable terms,» said Oleksiy Sobolev, Deputy Minister of Economy of Ukraine.

Operator of the gas transportation system of Ukraine: the Supervisory Board of the enterprise has started working this year. Its members were chosen through a transparent competition involving recruiters. The appointment of the supervisory board was one of the important conditions of the memorandum with the IMF for receiving financial assistance. The government implemented it on time and this, among other things, allowed Ukraine to receive in December the third tranche under the new program of cooperation with the IMF in the equivalent of 900 million dollars.

In 2023, the Ministry of Economy joined the formation of supervisory boards of Naftogaz of Ukraine and JSC Ukrposhta. Their composition was approved by the Government at the beginning of the year.

Another important achievement of the year is the improvement of the selection of members of the Supervisory Boards and managers for the largest state-owned enterprises (the issue is regulated by resolutions of the CMU No. 777, No. 142, No. 143). In particular, a check of the business reputation and independence of the candidates for the positions was provided. Such a decision was one of the conditions for the implementation of the Memorandum with the European Union, which includes macro-financial assistance in the amount of up to 18 billion euros.

In 2024, the Ministry of Economy will continue to work on the implementation of corporate governance principles in strategic state enterprises. In particular, it will organize the selection of Supervisory Boards, approve the procedure for evaluating their work and conduct such an assessment at several enterprises.

[Ukrainian source](#)



THE PRINCIPLE OF «HERE AND NOW» BECAME THE MAIN ONE IN THE PROCESSES OF HOUSING RECONSTRUCTION IN 2023.

Nataliia Kozlovska

«In 2023, an innovative law was adopted, which provides for the introduction of a compensation mechanism for those who lost their homes as a result of Russian aggression. We worked together with the World Bank on its development. It was important for us that representatives of local self-government became the main participants in the decision-making process on compensation payments or state aid for housing restoration. Since May, commissions have been working locally to assess damaged and destroyed housing. The commissions inspect the damaged housing, evaluate it according to the relevant checklist and determine the amount of compensation. We have more than 2 billion hryvnias paid for urgent repairs. It was thanks to the synergy of the work of the state and local self-government bodies that it was possible to achieve such a result.

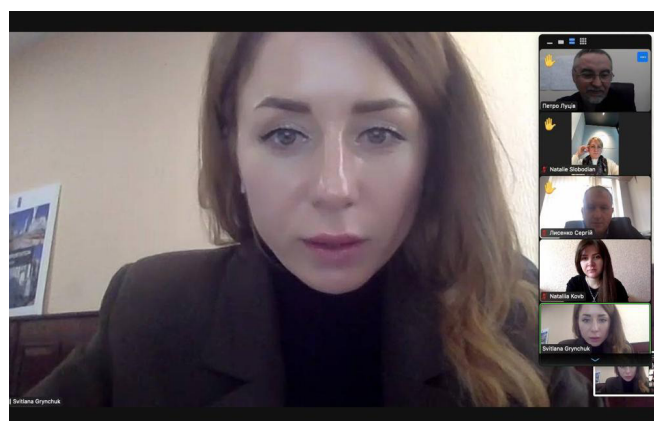
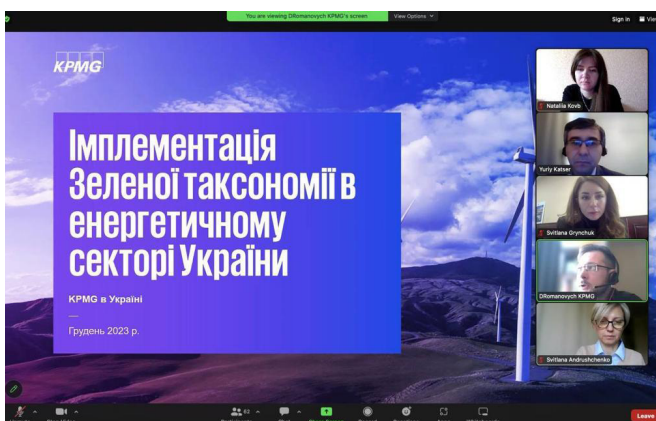
At the same time, we started work on reforming the Housing Code. Currently, it is outdated, there is a lot of Soviet in it - it needs to be changed. Many international partners help us with this - this is unprecedented support. It gives us the opportunity to integrate the best European and world practices into the new housing policy. We set ourselves the task of helping every Ukrainian to solve

their housing issue quickly and efficiently. Housing should be affordable, and all processes should be transparent and digitized.

Another direction we worked with this year is planning for the comprehensive restoration of communities. Even last year, a law was adopted that stipulates that communities should create comprehensive recovery programs. These are documents that allow you to assess the state of the community, determine priorities and plan recovery, taking into account all factors important for the long-term full development of the community. Today, 14 oblasts are developing programs, and in Kyiv the program has already been approved,» commented Nataliia Kozlovska, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine.

[Ukrainian source](#)

мел.gov.ua



SUSTAINABLE FINANCING NEEDED TO REBUILD AND DEVELOP UKRAINE'S ENERGY SECTOR

The Ministry of Energy has prepared Guidelines and recommendations for attracting sustainable financing needed to rebuild and develop Ukraine's energy sector. The elaborated document was presented to more than 60 representatives of the largest energy companies.

The document outlines the key principles, types and instruments of financing, a taxonomy of economic activities to check projects for their sustainability, and contains a set of requirements and recommendations from leading IFIs, development agencies and foundations for allocating sustainable financing needed to rebuild Ukraine's energy sector. «The development of this document is yet another proof that Ukraine is committed to the idea of green recovery. The key to its implementation is to attract green financing,» said Deputy Energy Minister Svitlana Hrynychuk.

[Source](#)

SUMMARY OF PROPOSALS FROM PARTICIPANTS OF THE SECTORAL WORKING GROUP ON «GREEN» METALLURGY AS PART OF THE PREPARATION OF THE PLAN FOR THE UKRAINE FACILITY, – MINISTRY OF ECONOMY

Proposals from the participants of the sectoral working group on «green» metallurgy, working within the framework of the preparation of the plan for the implementation of the Ukraine Facility program and for the development of sectoral development strategies, were discussed.

More than 70 registered participants representing various sectors of the metallurgical complex, as well as associations, reform support offices, consulting companies, and banking institutions joined the work of the sectoral group.

Deputy Minister of Economy of Ukraine Oleksiy Sobolev said that the proposals received from business are important for the development of the metallurgy sector and will be taken into account when preparing the Plan. The deputy minister also said that EUR 39 billion from the EUR 50 billion Ukraine Facility will be aimed at maintaining macro-financial resilience in Ukraine. At the same time, this special investment instrument will allow investors to obtain financing through the EBRD, EIB and other international financial institutions. For these needs, the program provides EUR 8 billion

to cover risks in priority sectors, which should stimulate the attraction of more than EUR 40 billion into the Ukrainian economy.

In total, after three expert discussions, 38 proposals were received from group members, 35 of which were proposed for consideration. In particular, the initiatives relate to reforming the green steel and energy industry (13), steel consumption levels (six), improving the recycling economy (three), improving logistics (eight) and financial resources (five). Based on the results of the development of proposals, 15 proposed policies were recommended for implementation. They are aimed at harmonizing legislation, government support for industry development, improving the investment climate and government regulation. At the same time, 12 proposals require more detailed analysis, and seven initiatives were taken into account in the energy and logistics sectors.

[Source](#)
[Ukrainian source](#)



“TOGETHER WITH INTERNATIONAL PARTNERS, WE HAVE LAID A SOLID FOUNDATION FOR COOPERATION IN DEMINING.”

Yuliia Svyrydenko at meeting with Denise Brown

In 2023, Ukraine’s cooperation with international partners in the field of humanitarian demining has produced concrete results in terms of strengthening the capacities of government institutions and mine-cleared areas. The joint work will continue next year, and the foundation already laid will enable faster progress towards the strategic goals and objectives of mine action. This was discussed during a meeting between Yuliia Svyrydenko, First Deputy Prime Minister and Minister of Economy of Ukraine, and Denise Brown, UN Resident Coordinator in Ukraine.

“In 2023, together with our international partners, we have laid a solid foundation for cooperation on mine action in Ukraine. A strong pool of donors has been established, and a sectoral working group on mine action is working to coordinate the efforts of Ukraine and partners in this area. Our partners have already provided tangible support – financial, organisational and institutional. We have declared even more ambitious intentions for the future. All of this is already yielding practical results – Ukrainian land is being cleared ahead of schedule. I am convinced that this cooperation will only intensify in the coming year. Together we will be able not only to consolidate what has been achieved, but also to make significant progress in creating an effective model for mine clearance on the territory of Ukraine,” said Yuliia Svyrydenko.

[Source](#)

3. RECOVERY PLANS – EXPERTS

EU READIES €20BN PLAN B TO FUND UKRAINE, – FINANCIAL TIMES

According to the Financial Times, the European Union is preparing a backup plan to provide Ukraine with 20 billion euros to bypass Hungarian Prime Minister Viktor Orbán's objection. According to the report, the proposed mechanism could be used if Orbán's veto cannot be overcome at a summit scheduled for February 1.

This scheme would involve the European Commission borrowing up to €20 billion on capital markets for Kyiv next year, made possible by participating member states issuing guarantees to the EU budget. The precise terms are still under discussion and the final amount would be set according to Ukraine's needs, the article states. The scheme is similar to the structure used in 2020, when the European Commission provided up to €100 billion in funding to EU countries during the COVID-19 pandemic.

The Financial Times emphasizes the importance that this option does not require guarantees from all 27 EU member states - that the main participants are countries with the highest credit ratings. This would allow the EU to bypass Hungary's veto – it would not require unanimous support.

[Source 1](#)
[Source 2](#)
[Source 3](#)



UKRAINE WILL NOT BE ABLE TO ATTRACT WESTERN FUNDS FOR RECONSTRUCTION WITHOUT STRENGTHENING THE GUARANTEES OF INVESTORS' RIGHTS.

Lucio Genovese, the Head of Ferrexpo plc

Observing the rule of law and creating equal conditions for doing business in Ukraine are not only requirements for joining the EU, but also a condition for attracting international investors and for the rapid recovery of the country after the end of the war. This was stated by the chairman of the board of directors of Ferrexpo plc, Lucio Genovese.

«It is impossible to ignore the fact that Ukraine will rely on Western financing for its recovery. But these funds will come only if there is confidence that the business environment meets Western investment standards. And this, in particular, is an understanding of what the investor expects to return investments and relies on the availability of fair courts where you can defend your rights,» the chairman of the board of directors emphasized.

He noted that an important guideline for potential investors is whether the Ukrainian authorities treat those international companies fairly that have been already working in the country and help it maintain stability in the face of Russian aggression.

In particular, Ferrexpo AG, which in Ukraine owns the Poltava, Yeristiv and Bilaniv mining and processing plants, plans to invest up to \$3 billion in increasing the production capacity of its Ukrainian enterprises.

«However, in addition to the disruption of production due to the war, we have faced interference in our activities by Ukrainian law enforcement agencies. For example, Ukrainian courts have frozen the shares of our subsidiaries and imposed restrictions on some of our physical assets,» Genovese states.

[Ukrainian source](#)

WAYS TO RETURN CHILDREN FROM ABROAD AFTER THE WAR: ISRAEL'S EXPERIENCE

Interfax

Oleg Vyshnyakov, businessman, Honorary Consul of the State of Israel in the Western region of Ukraine

With the beginning of the war in Ukraine, many Ukrainians with children were forced to seek shelter in safe places, trying to ensure safety for themselves and their families. According to the United Nations Children's Fund (UNICEF), due to the armed aggression against Ukraine, starting from February 24, 2022, 4.8 million Ukrainian children changed their place of residence, of which: 2.5 million children moved within Ukraine, the rest went abroad.

Israel's success in returning its citizens after the war is largely due to the creation of a centralized mechanism to manage this process. How did the Ministry specially created for this in Israel work and why was it so effective?

First, the Ministry of Aliyah and Integration actively studied the needs of returning citizens, determining the circumstances of their departure and needs in order to create an effective return strategy.

Second, the Ministry provided comprehensive support, including social and economic measures. Returnees who arrived in Israel and have lived there for less than 15 years receive the status of *ole hadash* (for men) and *ola hadash* (for women). Thanks to this status, people receive many government benefits, subsidies and advantages that facilitate adaptation in new conditions.

Third, the Ministry implemented vocational rehabilitation programs, helping immigrants update their skills and adapt to the demands of the labor market.

It is important for Ukraine to take into account these key aspects of Israel's experience. It is necessary to create a state structure that will coordinate the struggle for the right to repatriation of Ukrainians. Of course, this is a complex process and many details must be thought through: where to get money for repatriation, how to economically support repatriates, how to give them a start that will allow them to integrate back into society.

[Ukrainian source](#)

THE CONSTRUCTION MARKET WILL NEED UP TO 1.5 MILLION WORKERS AFTER THE WAR, – EXPERTS

Ukraine needs to train at least 500,000 new workers for the construction industry. Ivan Nazarenko, president of the Academy of Construction of Ukraine, Doctor of Technical Sciences, said about this during the press conference in Ukrinform «Why construction science and education are the key to the successful recovery of Ukraine».

«If we use the terminology of our time, then we will need an army of builders. Based on the state of the industry in which we are today, we will need to train at least 500,000 specialists in the construction industry. It is education that is the powerful engine of future recovery, which will enable us to start this process as soon as possible,» Nazarenko said.

And according to the head of the Dnipropetrovsk regional branch of the Academy of Construction of Ukraine, Doctor of Technical Sciences Mykola Savytskyi, the shortage of personnel in the construction industry is even more significant. And taking into account the future volume of work on the reconstruction of the country, it is necessary to train at least 1 million new personnel.

[Ukrainian source](#)



ukrinform.ua

THE MAIN TRENDS OF THE ECONOMIC RECOVERY OF UKRAINE. AEQUO'S VIEW

NV

Anna Babich, executive partner of the innovative law firm Aequo

The priority task, at least until 2030, will be the development of defense capabilities. In the 2024 budget, expenditures for this increased to 22.1% of GDP. Thanks to military aid, Ukraine became one of the top three importers of weapons, but having its own production is better for many reasons.

In 2024, the official start of negotiations on joining the EU will begin. In practical terms, this means that work will be carried out on the results of the European Commission's report on Ukraine's progress within the EU enlargement package, an action plan will be developed to implement the report's recommendations, and a national program of adaptation to the *acquis* (EU legislation) will be created.

So far, the socio-demographic changes caused by the war are difficult to fully comprehend, they are so large in scale. Now the government is trying to do everything in its power to return to Ukraine part of the population that left. Soon we will see many social programs to launch women's entrepreneurship, retraining programs for professions that were not in demand for women before. A mechanism for observing equal working conditions for men and women will be developed.

According to preliminary and optimistic estimates, veterans and civilians directly affected in war zones will make up 10% of the population of Ukraine. They will need care and reintegration into society with all the respect and comfort we can offer. Therefore, in terms of regulation, Ukraine will finally receive a major positive change – a comprehensive update of labor legislation.

Reconstruction has a lot of meaning for us Ukrainians, it is our mission to revive what the war took from us. But international investors, even with the goal of supporting democratic values and the foundations of peaceful coexistence, are very practical in assessing business prospects. We note their interest in our industry and desire to deeply understand the context, so Aequo created a detailed guide on the reconstruction of Ukraine, which includes an overview of the potential of the country's main industries and their current regulation.

In general, the «supertask» of economic recovery will undoubtedly face several generations. However, here and now we have to work for victory in several dimensions - by force of arms on the fronts, and by socio-economic tools to lay the foundations for «restarting» the country after the victory.

[Ukrainian source](#)

UKRAINIAN EDUCATION IN 2023: HOW THE RUSSIANS DESTROYED IT AND HOW WE RESTORED IT

Ukrainska Pravda

Anna Novosad, co-founder of the savED charitable foundation, Minister of Education and Science of Ukraine 2019-2020

Children cannot wait for the war to end and their schools to be rebuilt. They just now need training, live communication with peers and teachers. Such are the real requests of children, such is the philosophy of savED - a charitable foundation that restores the educational infrastructure of Ukraine.

We at the foundation are sure: it is necessary to restore Ukrainian education and make up for what has been lost right now. Moreover, it is about the physical reconstruction of educational institutions, and about reloading their content.

In June 2023, as part of the Ministry of Education and Culture initiative, we launched the summer campaign #To_school_again. This is a large-scale collection for shelters and educational facilities for schools and kindergartens that were damaged by Russia. This year, we focused on helping institutions in the Mykolaiv, Chernihiv and Kyiv regions.

It is important to restore not only buildings, but also the filling of Ukrainian educational institutions. Zhytomyr Lyceum No. 25 - one of the city's most powerful institutions, which was destroyed by the Russians with a rocket on March 4, 2022 - is already becoming a vivid example of this. We realized

that it is not enough to just rebuild the walls - we need to restore the content of education as well. So they set themselves an ambitious goal to make the Zhytomyr Lyceum an even more powerful scientific institution, reworking the educational program, training educators and offering them new teaching concepts.

While we make plans and rebuild institutions, a new challenge arises: where can children whose schools are destroyed learn and socialize right now? We cannot leave them at a distance for an indefinite number of years and wait for the end of shelling, the end of the war and the complete reconstruction of educational institutions. This is how we came up with the idea of multifunctional educational centers «Beehives». These are spaces where children can attend classes, participate in extracurricular activities and meet with classmates and teachers.

Teenagers are a special group of schoolchildren that should definitely be paid attention to. We understand that they already have serious plans for the future and want to consciously change their environment for the better. To help them with this, we launched UActive - a civics education program for students in grades 8-11. Schools apply to the program, and among them we choose the most active high school students, whose ideas we help to implement.

In order to develop education, it is necessary to train educators, as well as closely cooperate with the administrations of educational institutions. For this purpose, we have launched the program «Effective solutions for an educational manager in times of war». The project unites proactive principals and principals, as well as teams of managers who have fresh and relevant ideas for changes for their institutions..

[Ukrainian source](#)

ukrinform.ua



LESSONS FROM THE KYIV INTERNATIONAL ECONOMIC FORUM: STEPS UKRAINIAN BUSINESS NEEDS TO SURVIVE AND DEVELOP

Today, it is extremely important to create conditions for the stable existence and further development of Ukrainian entrepreneurship, emphasized the participants of the Kyiv International Economic Forum (KIEF).

This year, for the umpteenth time, KIEF has become a discussion platform for representatives of Ukrainian business, the state, society and international institutions

with the aim of discussing effective strategies for the development of the Ukrainian economy, sharing experience and creating a space of trust between key stakeholders.

According to Volodymyr Lavrenchuk, regional director of NEQSOL Holding Ukraine, Ukrainian business, which is developing by overcoming difficulties within the country, is a powerful driver of reconstruction. Foreign investors see him as a reliable partner with valuable experience.

To ensure the economic recovery of Ukraine, it is necessary to unite the efforts of the state, international institutions, governments of partner countries, as well as Ukrainian and foreign businesses, Oleksiy Filatov, senior partner, head of the dispute resolution practice of the law firm Aequo, noted at the KIEF. At the same time, the contribution of the Ukrainian private sector will be very significant and it will be impossible to make it without the involvement of investors. According to him, throughout the history of Independent Ukraine, one of the biggest challenges for Ukrainian business was the availability of capital. The situation certainly did not improve during the war, and today this challenge can compete with the issue of the need for human capital. At the same time, both debt and equity capital are currently available for Ukrainian business, although large-scale lending or investment during the war is unlikely. «At the same time, some international sources of financing may become available with a reasonable economic policy and diplomatic efforts of the state,» Filatov emphasized.

[Source](#)



STRENGTHENING EXPORT CAPACITY IS THE MAIN TOOL OF ECONOMIC RECOVERY OF UKRAINE.

Yurii Vaskov

Yurii Vaskov, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine, during the final meeting of the Ministry's team with heads of diplomatic missions and the public, spoke about the main achievements in the direction of increasing the turnover of Ukrainian exports.

«Increasing exports is one of the main components of Ukraine's economic recovery. Today, the Ukrainian Corridor - a temporary sea route through the Black Sea - is systematically operating. Almost 250 vessels have already used it since August. These are more than 10 million cargoes, of which 6 million are agricultural products. Currently, the growth rate of exports through the Ukrainian Corridor has already significantly exaggerated the growth rate of exports within the framework of the Grain Initiative. In addition to this, we continue to develop alternative export routes. We focused on the seaports of the Danube cluster. Before the war, exports through this direction amounted to 1.5% of the total volume, at the same time, thanks to the development of ports on the Danube, this indicator increased to 30%,» Yurii Vaskov noted.

According to Yurii Vaskov, the significant reorientation of exports through the Danube ports and the measures taken to develop them led to a record number of cargo transshipments in this direction - 120,000 tons per day. Despite the functioning of the Ukrainian corridor, the development of the ports of the Danube cluster remains one of the priorities of the Ministry for Restoration for 2024. Also, among the main achievements of 2023, Yuriy Vaskov singled out progress in reforming legislation, further development of logistics routes, and cooperation with international partners.

[Ukrainian source](#)

4. PROCESS OF RECOVERY

PREPARING FOR EU ACCESSION NEGOTIATIONS: MINISTRY OF FINANCE HAS FULLY IMPLEMENTED 742 ACTS OF EU LAW, 46% OF ALL ACTS IMPLEMENTED BY UKRAINE

In December 2023, a report was presented on the initial assessment of the progress in the implementation of the EU legal acts (EU acquis).

The Ministry of Finance of Ukraine has fully implemented 742 acts, 46% of the total number of EU acts implemented by Ukraine to prepare for the EU accession negotiations. Also, 25 acts are in the process of implementation.

The parties reviewed more than 28,000 acts of EU law.

Thus, it was determined that:



[Source](#)

GOVERNMENT APPROVED NATIONAL REVENUE STRATEGY 2024-2030

Ukraine has fulfilled another structural beacon of the IMF cooperation programme.

The Government approved the National Revenue Strategy for 2024-2030, which is expected to become a key element for strengthening the economy and financial system in Ukraine.

The Strategy was prepared by the Ministry of Finance jointly with other ministries and agencies, with the participation of business representatives, as well as following consultations with international development partners, including the IMF, the World Bank and the OECD.

The main goal of the Strategy is to strengthen the state's fiscal capacity, adapt tax and customs legislation to EU standards, and create incentives for post-war recovery and economic growth.

To achieve this comprehensive goal, the Strategy provides for the creation of a reliable, transparent and customer-oriented tax and customs system that can ensure the trust of citizens and businesses in state institutions.

The Strategy will be implemented in a consistent manner. The first step is the internal reform of the tax and customs authorities, which is crucial to preparing for further changes. The reform is aimed at limiting the interference of regulatory authorities in business activities by consolidating data and switching to impersonal information.

[Source](#)
[Ukrainian source](#)

SINCE THE BEGINNING OF 2023, BUSINESSES HAVE GAINED ACCESS TO AFFORDABLE LOANS TOTALING OVER 97 BILLION UAH

Since the beginning of 2023, banks have issued 25,4 thousand loans to businesses under the 'Affordable Loans 5-7-9%' programme, totaling over 97 billion UAH.

Entrepreneurs predominantly sought crisis-related loans (60 billion UAH) and loans for anti-war purposes (54 billion UAH). Refinancing of previously obtained loans accounted for 28 billion UAH, working capital replenishment received 47.8 billion UAH, and loans for investment purposes reached 22.2 billion UAH.

Businesses in the following sectors received the most loans under the program:



agriculture
(49%);



wholesale and retail trade
(26%);



manufacturing industry
(16%).

[Ukrainian source](#)

THE GOVERNMENT ADOPTED A NUMBER OF REGULATIONS FOR ADDITIONAL SOCIAL SUPPORT OF CITIZENS DURING THE WAR

The government has adopted a number of resolutions that strengthen opportunities for social support for pensioners; the military who are in the combat zone, critical infrastructure workers, and other categories of citizens during the war. In particular:

- The Procedure for appointment and payment of one-time financial assistance to employees of critical infrastructure, civil servants, officials of local self-government bodies for damage to life and health received as a result of the war of Russian against Ukraine was adopted
- An order that will simplify the appointment of benefits for payment of housing and communal services for war veterans (persons with disabilities due to the war, combatants, war veterans) and their families has been adopted.
- If a person belonging to these categories cannot independently apply for the appointment of benefits for housing and communal services, from May 2024, members of his family will be able to do this.

[Ukrainian sources](#)
[Source](#)

THE GOVERNMENT HAS APPROVED A DOCUMENT ON A NEW SYSTEM OF REMUNERATION FOR CIVIL SERVANTS BASED ON THE QUALIFICATIONS OF POSITIONS AND GRADES

«This is primarily about justice. None of the managers will now be able to charge exorbitant bonuses, allowances and surcharges at will. From now on, 70% of a civil servant's salary will be a salary, and only 30% will be bonuses,» the Head of Government said.

The new system, according to the Prime Minister, will cover both state bodies with jurisdiction over the whole of Ukraine (ministries, the Secretariat of the Cabinet of Ministers, the Office of the President) and regional bodies (regional and district administrations).

At the same time, the number of civil service vacancies will be reduced by almost 20,000 starting from 1 January.

According to Denys Shmyhal, the new remuneration system and the reduction of vacancies, according to the Ministry of Finance, will allow Ukraine to save about UAH 8 billion of budget funds and allocate them for security and defence needs in 2024.

[Source](#)

EOSELIA: OVER 6,000 UKRAINIAN FAMILIES RECEIVED LOANS TO PURCHASE HOUSING

A total of 6,073 families received loans under the eOselia (eHousing) programme totalling more than UAH 9 billion. This was announced by Deputy Minister of Economy of Ukraine Nadiya Bihun.

“Thanks to the eOselia affordable lending programme, even more Ukrainian families have been

able to improve their living conditions. As of today, mortgage agreements have already been concluded for more than UAH 9 billion. In particular, 262 loans worth UAH 422.1 million were disbursed last week,” Nadiya Bihun noted.

Most often, loans were taken to purchase housing on the secondary market (204 loans) and from a developer (50 loans). In addition, 8 Ukrainians took out loans to purchase housing in newly constructed buildings.

[Source](#)



GOVERNMENT LAUNCHES PAYMENTS TO UKRAINIANS WHOSE HOMES WERE DESTROYED BY RUSSIANS.

Denys Shmyhal

Under the eVidnovlennia programme, the Government embarks on payments to Ukrainians whose homes were destroyed by russians. This includes the use of housing certificates for the purchase of real estate. This was announced by Prime Minister Denys Shmyhal.

«We have already generated 1,600 such certificates. And now the holders of these certificates can use Diia to reserve funds for the purchase of housing. All the details will be communicated by the Ministry of Restoration (Ministry for Communities, Territories and Infrastructure Development) and the Ministry of Digital Transformation,» the Head of Government noted.

«Book funds» is necessary so that the system knows that you are planning to make a home purchase. Within 5 working days you will receive a confirmation in the Action application that the funds are booked. After that, you have 30 days to complete the purchase and sale of new housing. If you do not have time during this time, you will need to re-apply for booking funds in Actions. As of today, 1636 certificates worth more than 3 billion hryvnias have been formed. Compensation will be made within the available amount of funds on the non-budget account of the Ministry of Infrastructure until its closure.

It is necessary to «reserve funds» so that the system knows that you plan to buy a home. Within 5 working days, you will receive a confirmation in the Diia application that the funds have been reserved. After that, you have 30 days to complete the purchase and sale of new housing. If you do not have time during this time, you will need to re-apply for booking funds in Diia.

As of today, 1 636 certificates worth more than 3 billion hryvnias have been issued. Compensation will be made within the available amount of funds on the non-budget account of the Ministry of Infrastructure until its closure.

[Source](#)
[Ukrainian source](#)

DOING BUSINESS IN UKRAINE FOR FOREIGNERS: URESIDENCY BETA TESTING LAUNCHED

The Ministry of Digital Transformation is launching a closed beta testing of the uResidency electronic residency programme. This programme will allow citizens of other countries to register, run a business and pay taxes in Ukraine.

The programme is aimed at small business owners from Asia and Europe. The focus is on IT professionals and specialists providing online services in the creative industries. Following the beta test, the programme will be available to citizens of the first four countries – India, Pakistan, Thailand and Slovenia. This list will be gradually extended.

“The full-scale invasion has had a significant impact on the Ukrainian economy. Now we not only need to restore it to 2021 levels, but also ensure that the state has the resources to pay for the army and future reconstruction. uResidency is exactly the solution that will help systematically attract cash flows to Ukraine. This programme has a huge potential to restore our economy both during the war and after its end,” said Oleksandr Borniakov, Deputy Minister of Digital Transformation of Ukraine.

The programme will also boost the banking sector by extending digital products to foreign markets, create additional opportunities to attract investment and strengthen Ukraine's brand as a digital state.

[Source](#)

THE GOVERNMENT HAS EXPANDED OPPORTUNITIES FOR ENTREPRENEURS TO RECEIVE STATE SUPPORT

The government adopted a resolution on amendments to the Rules governing the provision of financial state support to business entities. Thus, the procedures for the implementation of the «Affordable loans 5-7-9%», «Affordable financial leasing 5-7-9%» and «Affordable factoring» programs have been improved. First of all, restrictions on receiving state support for entrepreneurs have been removed:

who have re-registered on the controlled territory of Ukraine, but are unable to relocate their business, but timely fulfill their obligations under credit agreements and pay taxes, fees and mandatory payments to the state budget of Ukraine;

which are registered, in particular, in the territories of Kherson (including the city of Kherson), Mykolaiv and Dnipropetrovsk regions, for which the date of the end of hostilities and temporary occupation has already been determined, but the date has not yet been entered into the List of territories of active hostilities, where state electronic information resources.

In addition, in order to fulfill the agreements with the IMF, it is planned to focus the 5-7-9% Program exclusively on micro, small and medium-sized enterprises.

[Source](#)

AGENCY FOR RESTORATION CONCLUDED MORE THAN 60 CONTRACTS FOR THE RECONSTRUCTION OF DESTROYED OBJECTS: THE COST OF THE WORKS DECREASED BY UAH 245 MILLION

The Agency for Restoration has already concluded 62 agreements with contractors. These are residential buildings, hospitals, educational institutions, railway stations, restoration of communications in the most affected settlements. In total, agreements have already been concluded for 233 residential objects, 3 objects of infrastructure and medicine each, and 2 objects of education and housing and communal services..

The total amount of contracts is UAH 3 billion. Thanks to transparent procurement, the expected cost of the works for them decreased by UAH 245 million, and this is an additional resource for reconstruction.

Among the most recently concluded agreements is the reconstruction of housing in Posad-Pokrovsky, Kherson Region, and Yagidny, Chernihiv Region. The Agency for Restoration is carrying out comprehensive reconstruction here. These settlements are among the most affected by constant shelling and destruction. First of all, we are rebuilding housing and communications so that people can return to their homes.

Practically each of the conducted tenders results in a reduction of the expected cost by several million hryvnias.

[Ukrainian source](#)

PUBLIC PROCUREMENT RESULTS: PROCUREMENT VOLUMES TRIPLED TO UAH 480 BILLION IN 2023

In 2023, the volume of procurement conducted through the Prozorro system tripled to UAH 480 billion compared to the previous year. As of recent months, more than 80% of procurement funds are spent through the Prozorro system. This was announced by Yuliia Svyrydenko, First Deputy Prime Minister of Ukraine and Minister of Economy of Ukraine, in her address at the Prozorro Awards event.

«Ukraine sets the trend in the world that 'everyone should see everything' in procurement. And this is true even in the context of a full-scale war. I would like to thank everyone who uses the

Prozorro system. We plan to make sure that the public procurement system becomes the basis for Ukraine's recovery. The fact that the World Bank has already recognised the compliance of the Prozorro system with its rules is a very important sign of trust. The UKaid TAPAS project was the first to conduct its tenders in the Prozorro system for procurement with donor funds. We expect that they will soon be joined by the EBRD and other international partners who will also use the Prozorro system to rebuild Ukraine.», - said Yuliia Svyrydenko

[Source](#)

MORE THAN 77,800 UKRAINIANS WERE INVOLVED IN THE «RECOVERY ARMY» PROJECT

The State Employment Service has already issued 77,838 referrals for community service. According to the published data, as of December 25, 2023, starting from October 1 of last year, the State Employment Service issued 77,838 referrals for the performance of community service, the most in Kharkiv region (15,214 referrals).

Also, Poltava (9,666 referrals), Donetsk (9,625), Kyiv (9,219) and Chernihiv (8,777) regions are among the regions with the largest number of involved unemployed. In total, 19 regions are involved in the «Recovery Army» project.

[Ukrainian source](#)

457 MEDICAL FACILITIES WERE FULLY OR PARTIALLY RESTORED IN UKRAINE IN 2023

In 2023, 457 medical facilities damaged by the Russian army during the full-scale war were fully or partially restored in Ukraine. In particular, during the current year, 307 medical facilities were fully restored in various regions of Ukraine, and another 150 facilities were partially restored. Most of them are in Mykolaiv, Dnipropetrovsk, Kyiv, Kharkiv, Chernihiv and Kherson regions.

During almost two years of full-scale war, Russian shells and rockets destroyed a total of 195 medical facilities that cannot be restored, and damaged 1,487 medical facilities. In addition, during this time, the Russian army damaged 103 emergency medical aid vehicles, destroyed another 253 vehicles and seized 125 vehicles..

Today, one of the priorities for the state remains providing Ukrainians with high-quality, affordable and necessary medical services. That is why work on the restoration of the Ukrainian medical infrastructure will continue in the future, so that, despite the war, the necessary medical assistance is available to everyone who needs it.

[Ukrainian source](#)