Progress and challenges in preparation for a green reconstruction of Ukraine

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Overall damage assessment

USD 1.1 trillion - estimate of reconstruction need announced by EIB (June 2022)

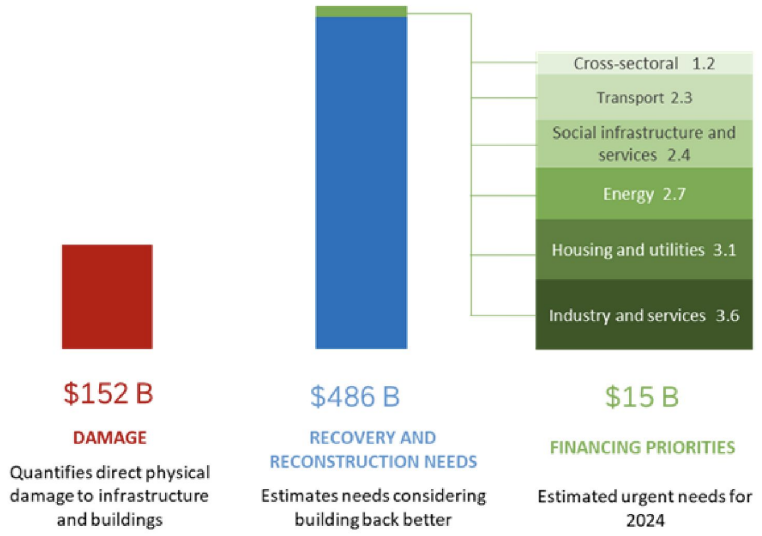
USD 750 billion - initially announced recovery and reconstruction needs (UA government, July 2022)

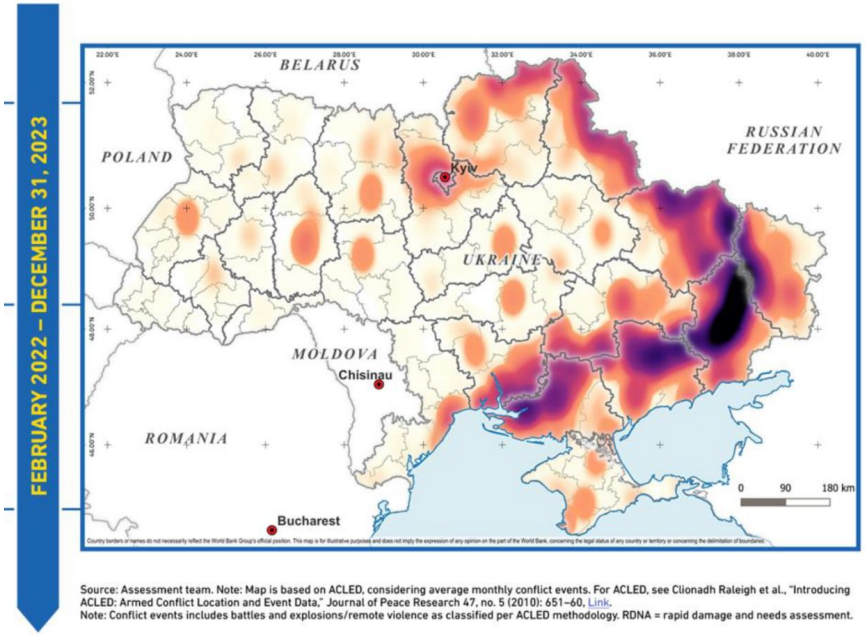
USD 486 billion - recovery and reconstruction needs (RDNA3, World Bank, February 2024)

USD 155 billion - direct damages to infrastructure (KSE, February 2024)

USD 62 billion - environmental damage (State Environmental Inspectorate, March 2024)

RDNA3 key results: damage, needs, and 2024 financing priorities





Source: Assessment team. Note: Map is based on ACLED, considering average monthly conflict events. For ACLED, see Clionadh Raleigh et al., "Introducing ACLED: Armed Conflict Location and Event Data," Journal of Peace Research 47, no. 5 (2010): 651–60, Link.
Note: Conflict events includes battles and explosions/remote violence as classified per ACLED methodology. RDNA = rapid damage and needs assessment.

Damages and destroyed infrastructure objects of Ukraine total

$ 155 bln

Housing

250 000

Vehicles

211 700

Public transport

16 000

Educational institutions

3 800

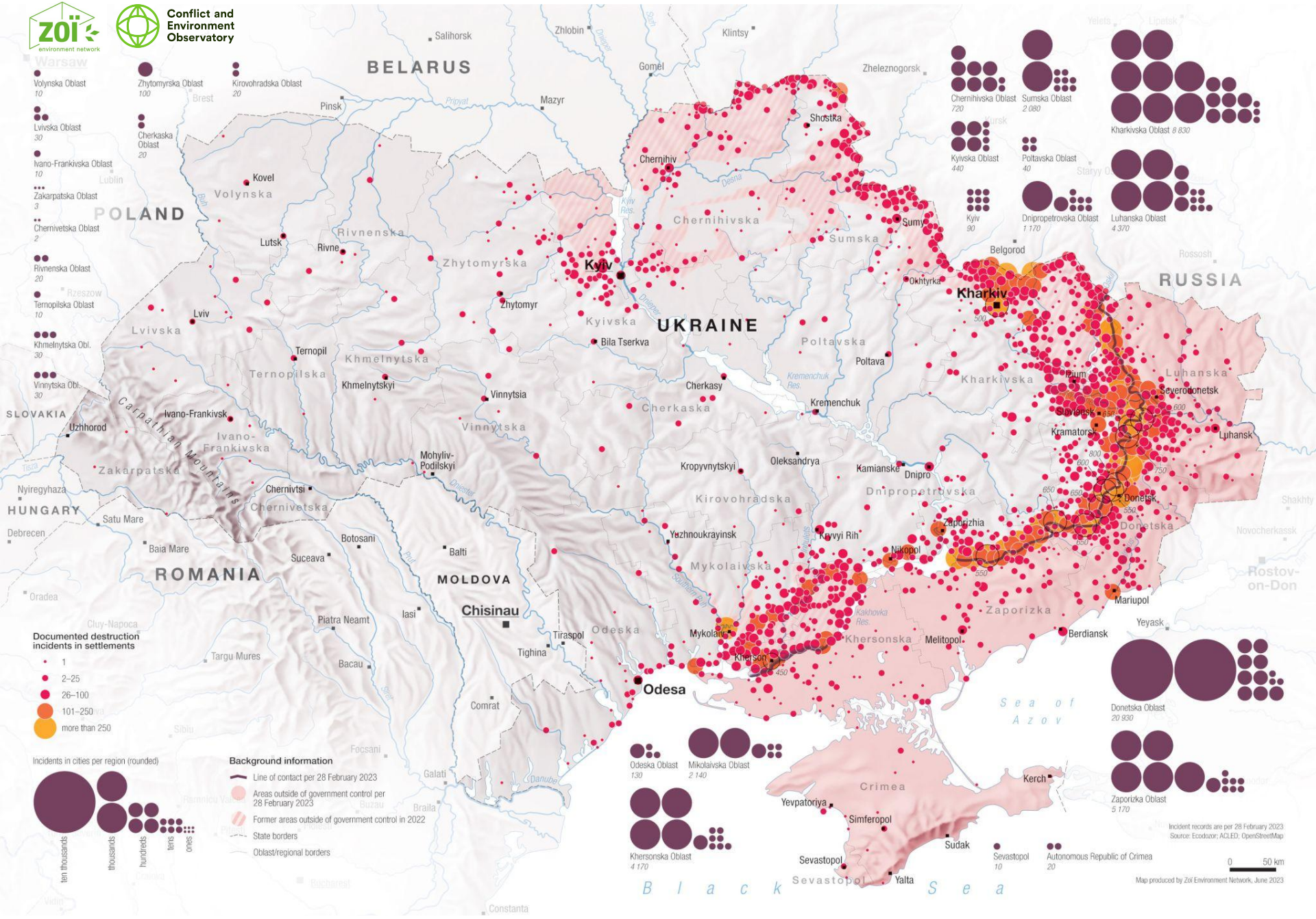
Healthcare institutions

1 300

Private and state enterprises

426

Source: KSE 2024


Conflict and Environment Observatory
BELARUS
POLAND
UKRAINE
RUSSIA
SLOVAKIA
HUNGARY
ROMANIA
MOLDOVA
Kyiv
Kharkiv
Odesa
Chisinau
Lviv
Dnipro
Zaporizhia
Mariupol
Crimea
Sea of Azov
Black Sea
Volynska Oblast 10
Zhytomyrska Oblast 100
Kirovohradska Oblast 20
Lvivska Oblast 30
Cherkaska Oblast 20
Ivano-Frankivska Oblast 10
Zakarpatska Oblast 3
Chernivetska Oblast 2
Rivnenska Oblast 20
Ternopilska Oblast 10
Khmelnytska Obl. 30
Vinnytska Obl. 30
Chernihivska Oblast 720
Sumska Oblast 2 080
Kharkivska Oblast 8 830
Kyivska Oblast 440
Poltavska Oblast 40
Kyiv 90
Dnipropetrovska Oblast 1 170
Luhanska Oblast 4 370
Donetska Oblast 20 930
Zaporizka Oblast 5 170
Odeska Oblast 130
Mykolaivska Oblast 2 140
Khersonska Oblast 4 170
Sevastopol 10
Autonomous Republic of Crimea 20
Documented destruction incidents in settlements
1
2–25
26–100
101–250
more than 250
Incidents in cities per region (rounded)
ten thousands
thousands
hundreds
tens
ones
Background information
Line of contact per 28 February 2023
Areas outside of government control per 28 February 2023
Former areas outside of government control in 2022
State borders
Oblast/regional borders
Incident records are per 28 February 2023
Source: Ecodozor; ACLED; OpenStreetMap
0 50 km
Map produced by Zoï Environment Network, June 2023

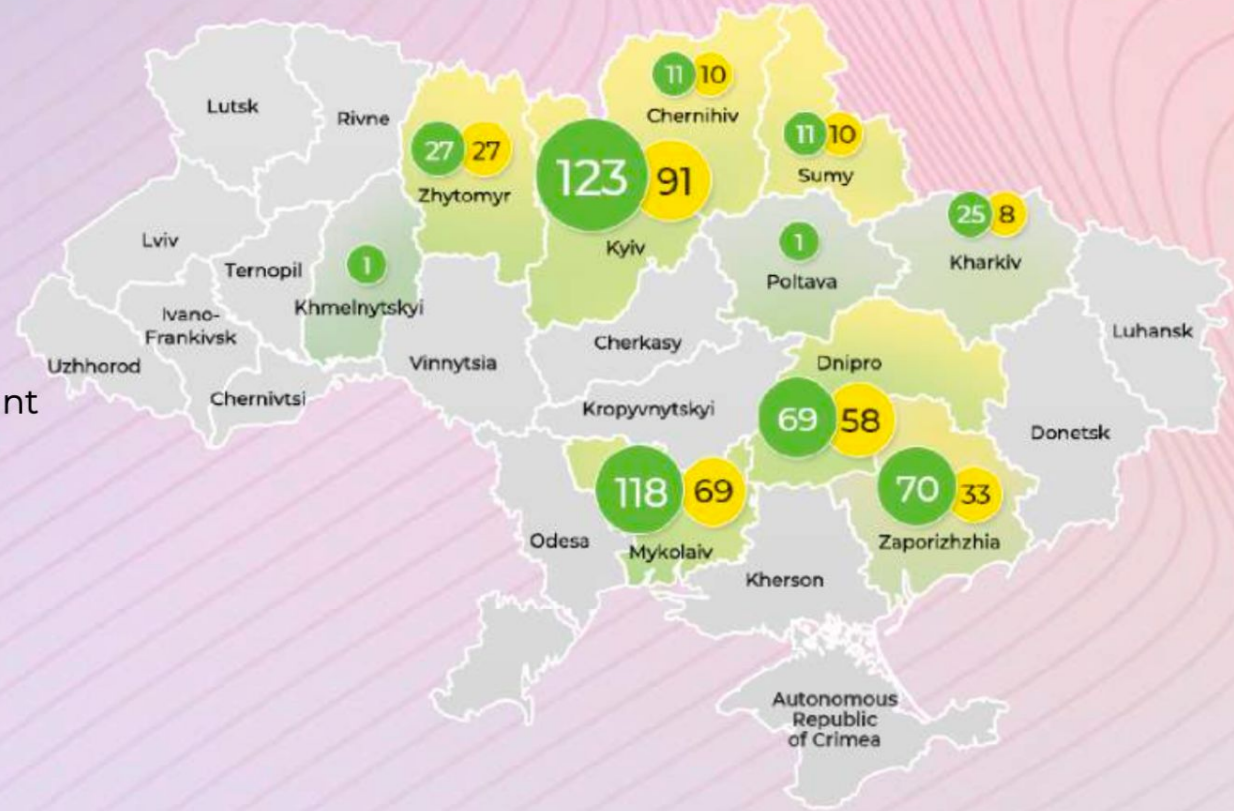
Energy Efficiency Fund

Results of the VidnovyDIM Program

VIDNOVY DIM

EUR ≈ 22,5 million — total amount of the grant and **EUR ≈ 10,1 million** have already paid by tha EEF

40 466 households



456 Applications received for participation

306 Fully or partially completed projects

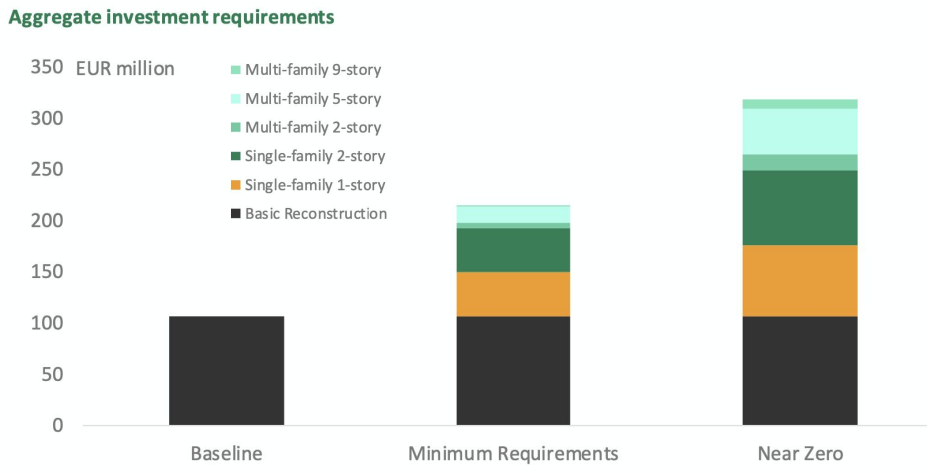
Main challenge: initial high cost of building back better

How much is needed to rebuild the damaged residential buildings in Bucha, Kyiv region?

- EUR 106 million: Baseline (required in any case to repair the damaged 562,470 sqm of buildings to a baseline state)
- EUR 214 million: Minimum Requirements scenario (Energy Efficiency Class D and C)
- EUR 318 million: Near Zero scenario (Energy Efficiency Class A with renewables)

In the most ambitious scenarios, physical energy savings of >70% are possible, leading to decreased CO2 emissions and annual monetary savings of over EUR 10 million.

Energy efficient reconstruction of damaged residential buildings gives boost to local economy, new 350 to 690 jobs



Berlin Economics
Economic Consultancy

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In cooperation with:
iC UKRAINE

Green reconstruction projects are already taking place

Regional Children's Hospital, Chernihiv

Energy Act for Ukraine

Hospital No 1, Zhytomyr

NGO Ecoclub

Medical centre in Horenka, Kyiv region

Greenpeace, Ecoaction

Kindergarten, Chernivtsi

NEFCO

Guiding principles for a green reconstruction

Integration of climate and environmental policy into all sectors, European Green Deal priorities

Reconstruction should serve the needs of Ukrainians and promote sustainable development

Development of the green economy

Adherence to European environmental planning tools for Ukraine's restoration

Important role of local self-government, transparency, and involvement of public and communities in decision-making

Ensuring safe state of the environment

Effective functioning and use of targeted/donor funds for post-war recovery and green economic development.

Ukrainian communities are the drivers of change

- Decentralisation reform in 2015-2020 is a powerful example of building trust in local government by empowering local communities
- Resilience through decentralisation
- Today there is a big regional difference and different challenges faced by Ukraine's 1470 communities
- Some of the challenges: lack of available financing for development projects (low-interest loans in UAH), lack of resources and institutional capacity, emergency vs development, weak understanding of importance of climate/environmental issues, etc

Trostyanets, Sumy region now ⬆️
right after Russia's occupation ⬇️

Important role of local self-government, transparency, and involvement of public and communities in decision-making

Ukraine's climate policy

Some of the key targets and policies

- Climate neutrality by 2060 (National Economic Strategy)
- Energy sector decarbonisation by 2050 (Energy Strategy)
- Coal phase-out in state-owned power sector by 2035 (PPCA member since 2021)
- Second NDC to Paris Agreement (climate target adopted in 2021):
    - 65 % net reductions by 2030 compared to 1990
    - EUR 102 billion were required to achieve the target (focus on energy, buildings, waste)
    - NDC implementation plan prepared (2023)
- National Energy and Climate Plan under development
- Pioneering global initiative on accountability for military and conflict-related greenhouse gas emissions and damages to environment

Integration of climate and environmental policy into all sectors, European Green Deal priorities

Ownership of reconstruction

Examples:

Ukraine's own building materials sector could provide up to 90% of construction materials needed to rebuild residential, non-residential and infrastructure sites destroyed by Russia (USAID 2023)

Production of "green" technologies and materials not only for export, but also for own energy transition

Critical minerals: sustainability standards, production of higher value chain products in Ukraine

Reconstruction should serve the needs of Ukrainians and promote sustainable development

DREAM Digital Restoration Ecosystem for Accountable Management

Home | Challenge | Response | What is DREAM | Top Sectors | What's new | Business Opportunities

Digital Restoration EcoSystem for Accountable Management

DREAM collects, organizes and publishes open data across all stages of reconstruction projects in real time, implementing the highest standards of transparency, and accountability. Anyone, anywhere, can monitor the effectiveness and efficiency of project delivery, and use these insights to mitigate risks, conduct accurate reporting and improve overall project performance.

Learn more about DREAM | See it in action

We build Ukraine

Projects

Communities

Center of excellence

Sustainability

Participation

The ecosystem is meant to implement integrity, accountability, efficiency, and transparency standards in Ukraine's recovery to build trust between the government, citizens, businesses, and financial institutions.

Effective functioning and use of targeted/donor funds for post-war recovery and green economic development.

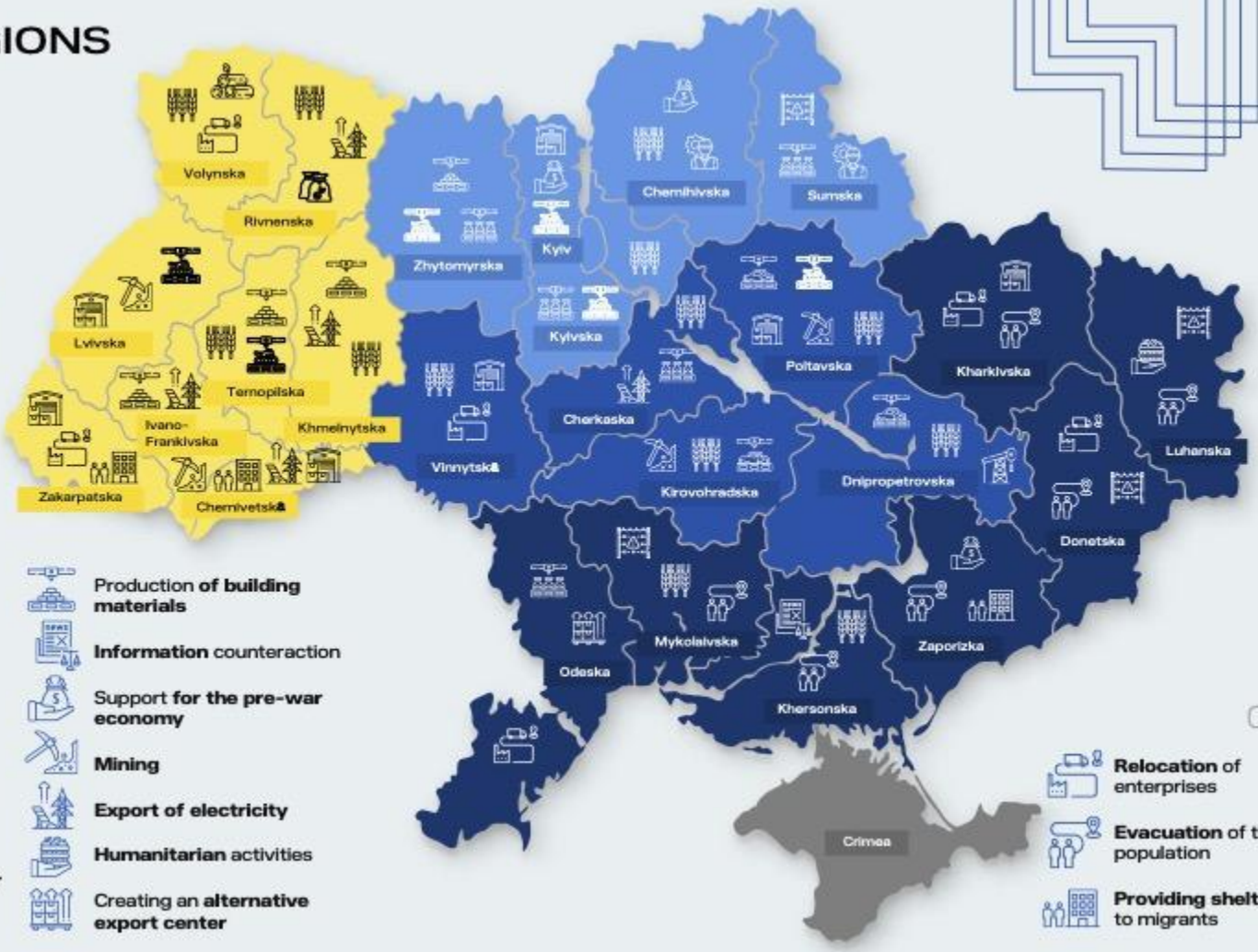
GROUPS OF REGIONS

Group I | Frontline regions

Group II | Support regions

Group III | Backline regions

Group IV | De-occupied regions



- **Agro-industrial** complex
- **Logistics** center
- Provision of **mineral fertilizers**
- Provision **of wood**
- **Mining and metallurgical** complex
- **Engineering**
- **Elimination of the consequences** of the occupation
- Defense of **Ukraine's borders**
- **Food** production
- Re-equipment of enterprises **for the needs of the military-industrial complex**

- Production **of building materials**
- **Information** counteraction
- Support **for the pre-war economy**
- **Mining**
- **Export of electricity**
- **Humanitarian** activities
- Creating an **alternative export center**

- **Relocation** of enterprises
- **Evacuation** of the population
- **Providing shelter** to migrants

Thank you!

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