

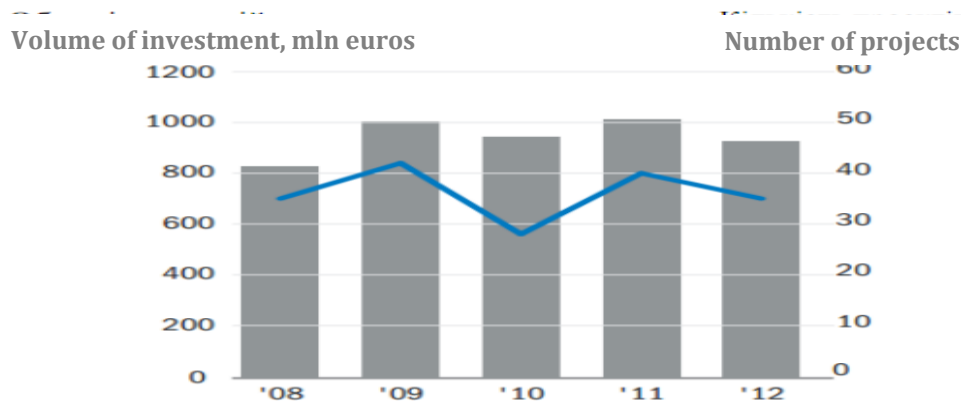


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European Bank for Reconstruction and Development: cooperation with Ukraine

Over the 22-year cooperation, the portfolio of the European Bank for Reconstruction and Development (EBRD) in Ukraine constituted **321 projects**, for the implementation of which the Bank has allocated **8.7 billion euros**. Today, the share of resources in EBRD projects in the public sector is 42%, while the remaining part is in the private sector.



A key tool for organising cooperation between Ukraine and the European Bank for Reconstruction and Development is the strategy for the EBRD activities in Ukraine for the years 2011-2014, approved by the Board of Directors on 12/13 April, 2011.

According to the Strategy, **the main directions of the activities of the EBRD in Ukraine** are: development of the energy sector, the corporate sector, infrastructure, financial system and the capital market.

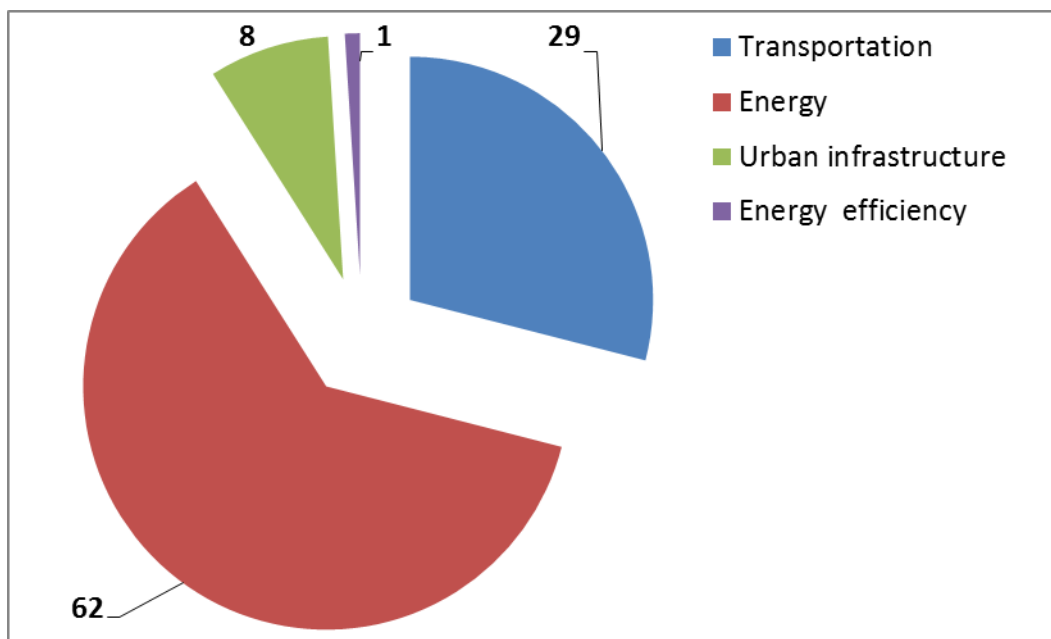
During the period of its implementation, a number of positive changes have been introduced, in particular:

- improvement of the procedure for initiating, preparing and implementing projects which are supported by International Financial Institutions (IFIs), the system of monitoring and performance assessment, ensuring a more transparent and efficient process of procurement planning within the framework of the IFIs projects;
- introduction of a systematic review of the project portfolio of the EBRD in Ukraine, which has improved the monitoring of projects and executive discipline on the part of the vast majority of beneficiaries;
- development and implementation of a plan of measures to improve the institutional capacity of the formation of an effective strategy and procurement plans in order to increase the participation of domestic producers and suppliers in the international competitive bidding events within the projects carried out jointly with IFIs;

- A Memorandum of Understanding was concluded between the Ministry of Economic Development and the EBRD with respect to security cooperation towards improving public policy and procurement procedures in Ukraine;
- training workshops on procurement and management of technically complex contracts under the rules of the Bank are held regularly;
- development of energy-efficient municipal projects under the Eastern European Partnership for Energy Efficiency and the Environment Partnership (E5P), which is administered by the EBRD, have been launched;

In 2014, the project portfolio of the EBRD in Ukraine in the public sector consists of **12 projects** worth around **2.14 billion euros**.

The structure of the project portfolio of the EBRD in 2014



Currently, 9 investment projects worth 1.86 billion euros are at the stage of implementation, with regard to 8 projects, agreements have already entered into force, and 1 project is at the stage of entering into force.

The EBRD projects, for which the agreements have entered into force, include the following:

1. The project 'Introduction of high-speed passenger trains on the railways of Ukraine' (EBRD - 85 million euros).
2. The project 'Improvement of the operating condition of the approach roads to the city of Kiev' (EBRD - 450 million euros and co-financing by EIB - 450 million euros).
3. The project 'Financing of UkrESCO (II stage)' (EBRD - 14.2 million euros).
4. The project 'Construction of the 750 kV overhead line from the Rovenskaya nuclear power plant to the Kievskaya substation' (EBRD - 150 million euros and co-financing by EIB - 150 million euros).
5. The project 'Construction of the 750 kV overhead line from the Zaporozhskaya nuclear power plant to the Kakhovskaya substation' (EBRD - 175 million euros and co-financing by EIB - 175 million euros).
6. The project 'Recovery of hydro-electric power plants' (EBRD - 200 million euros and co-financing from

EIB - 200 million euros).

7. The project 'Modernisation after the completion of the construction of the power unit No.2 in the Khmelnitsky nuclear power plant and power unit No. of the Rovno nuclear power plant' (EBRD - 30 million euros).

8. The project "Completion of the construction of the underground electric railway in Dnepropetrovsk' (EBRD - 152 million euros and co-financing by EIB – 152 million euros).

The EBRD projects for which agreements are in the process of entering into force, include the following:

1. The project 'Implementation of the consolidated programme designed to improve the safety of Ukrainian nuclear power plants' (EBRD (jointly with EURATOM) - 600 million euros).

At the stage of preparation are 3 investment projects worth 284.2 million euros:

1. The project "Reconstruction, overhaul and re-equipment of the main gas pipeline Urengoy – Pomari – Uzhgorod' Stage I (EBRD – 109,7 million euros and EIB – 109,7 million euros).

2. The project 'Modernisation of the heat supply infrastructure in Donetsk Province' (EBRD - 20 million euros).

3. The project 'Extending the third underground electric railway line in Kharkov' (EBRD - 154 million euros and co-financing by EIB - 154 million euros).

Prospects of cooperation between the EBRD and Ukraine

Between 2014-2015, it is planned to begin preparation of new joint projects which will promote the development of energy and transport infrastructure.

1. The project 'Construction of the Kanevskaya hydroelectric power plant' (approximately 200 million euros from the EBRD and the same amount from the EIB).

2. 'The project of expansion of the Kakhovskaya hydroelectric power plant – phase 2' (150 million euros from EBRD and the same amount from EIB).

3. 'The project regarding the modernisation of gas fields' (EBRD - 100 million euros).

4. The project 'Implementation of security measures in the M01-M05 corridor' (EBRD - 150 million euros, co-financing by EIB is expected).

For more detailed information, please contact:

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