

The World Bank Group - Ukraine

June 2024



IBRD

International Bank
for Reconstruction
and Development

IDA

International
Development
Association

IFC

International
Finance
Corporation

MIGA

Multilateral
Investment
Guarantee Agency

ICSID

International Centre
for Settlement of
Investment Disputes

Loans to middle-income
and creditworthy low-
income country governments

Interest-free loans and
grants to governments
of the poorest countries

Solutions in private
sector development

Guarantees of foreign
direct investment's
non-commercial risks

Conciliation and
arbitration of
investment disputes

World Bank

MISSION: END EXTREME POVERTY AND BOOST SHARED PROSPERITY ON A LIVEABLE PLANET

Donor Support

- The World Bank is a global leader in providing economic support since Russia's invasion in February 2022.
- The World Bank has mobilized over \$42 bn since the war, \$32bn has been disbursed **More than 90%** of this mobilized capital comes from donor countries.
- Reached more than **15 million Ukrainians** (wages, pensions, social assistance programs)
- Overall broad support from US, EU and other partners but possibility of donor fatigue as the war continues, and the political tide changes.

Donors' innovative instruments

- The World Bank Group is uniquely positioned to provide a fast and flexible platform for donor contributions.
- Donors' commitments and pledges leverage innovative instruments - IBRD and IDA loans, IBRD loans guaranteed by partners, donor grants and equity, IFC blended finance and MIGA guarantees.
- Without this support, it would be much more expensive to rebuild the economy and more people would have fallen into poverty.

Multi-Donor Coordination Platform

- The World Bank Group participates in the Steering Committee of the MDCP, created in January 2023.
- The last meeting of the MDCP took place on the sidelines of the Ukraine Recovery Conference in Berlin on June 9-10, 2024.
- At the meeting, the MDCP agreed to develop a new Project Preparation Framework to boost Ukraine's project preparation capacity, in cooperation with the WBG, EIB and EBRD.

Rapid Damage Needs Assessment

- The WBG and its partners conducted crucial analytical work to inform coordinated reconstruction efforts among the donor community.
- An annual Rapid Damage and Needs Assessment (RDNA3) with the Government of Ukraine, the EC and the UN issued in Feb. 2024.
- The total cost of reconstruction and recovery over the next decade in Ukraine as of end 2023 to have increased to \$486bn (€452.8bn) from last year's \$411bn (€383bn).

The World Bank Areas

- The World Bank primarily works in areas where others are not present such as in Ukraine's **social sectors** including health, social protection, and soon in education.
- The World Bank brings strong oversight practices and its expertise in reconstruction, particularly in agriculture, energy, infrastructure/transport and social sectors, as well as its global experience in supporting development-oriented reforms.
- The World Bank supports Ukraine, in close collaboration with bilateral partners and multilateral development banks, including the IMF and EU (on reforms), EBRD and EIB (on investment).

World Bank in 2024

- FY24 disbursements through the Bank to Ukraine in calendar 2024 will total approximately **\$11.4 bn**, including IBRD, IDA and Trust Funds.
- This includes: \$6.1bn in IBRD loans (most backed by partner guarantees) + \$5.3bn in Trust Funds (including \$4.7bn from the US for the PEACE Project).
- These (using the US, Japan and UK contributions through the World Bank) support critical budgetary expenditures including social payments and critical government functions. They also support key reforms and infrastructure repairs in public investment management (critical for repairs and reconstruction) and in education, health, social services, energy, transport and housing.

The World Bank and Parliamentarians

- The Parliamentary Network on the World Bank and IMF is the primary parliamentary interlocutor of the World Bank Group.
- It provides a platform for parliamentarians from over 140 World Bank and IMF member countries to advocate for increased accountability and transparency in development cooperation, share the best practices as representatives of the people.
- The World Bank actively cooperates with the Ukrainian Chapter of the Parliamentary Network since 2000.

Portfolio Management

All projects supported by the World Bank:

- meet the Bank's Environmental and Social Framework and incorporate beneficiary feedback.
- rated in progress towards achievement of projects development objectives and overall implementation progress.
- coordinated with development partners through the Multi-Donor Coordination Platform for Ukraine.
- narrow the identified gender gaps and/or prevent gender-based violence.
- enhance climate change resilience and manage climate-related vulnerabilities.

Transparency

- We routinely monitor our Ukraine portfolio for evidence of fraud and corruption and have robust mechanisms in place to swiftly deal with any reports.
- In October 2023, in Morocco, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank and the World Bank agreed to harmonize procurement practices for public sector investment financed by the multilateral development banks (MDBs) in Ukraine.
- The MDBs agreed on common approaches in supporting usage of electronic procurement systems together with adequate procurement monitoring mechanisms to support the needs of the Ukrainian authorities.

IFC's Economic Resilience Action (ERA) Program for Ukraine



IFC: A MEMBER OF THE WORLD BANK GROUP



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← SOLUTIONS IN PRIVATE SECTOR DEVELOPMENT →

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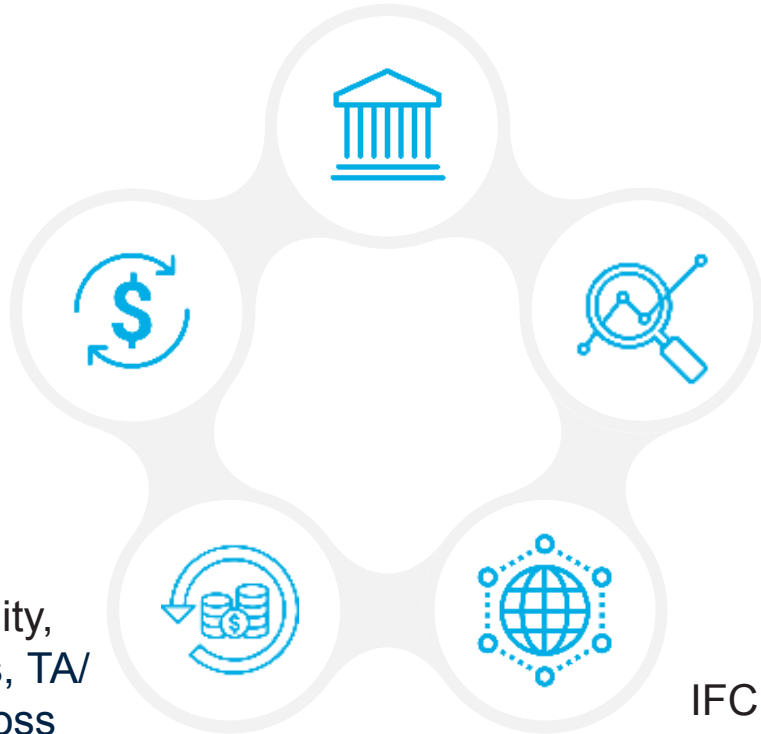
MISSION: END EXTREME POVERTY AND BOOST SHARED PROSPERITY ON A LIVEABLE PLANET

INTERNATIONAL FINANCE CORPORATION

68 years experience in over 120 emerging markets and developing economies

Leveraging the full range of
World Bank Group (WBG)
capabilities

More than **US\$350 Billion** invested in Emerging Markets worldwide since 1956



Provider of equity, loans, guarantees, TA/ consultancy across industry sectors in over 70 currencies

IFC's value addition:
*Risk Mitigation,
Sector and Local Knowledge,
Assistance on Reforms, Standard Setting and Best Practices, Credibility*

AAA Credit Rating;

Owned by **186** countries

IFC offices in **100** countries

IFC is the largest global development institution focused on the private sector in emerging markets.

\$2 BILLION ERA PROGRAM TO SAFEGUARD RESILIENCE OF UKRAINE'S PRIVATE SECTOR

Phase 1: Resilience during the invasion and preparation for reconstruction

1 Sustaining economic activity and supply of essential goods

- Preservation of businesses via access to risk & working capital
- Trade finance for critical goods
- Food security & agribusiness
- Supporting companies and suppliers of construction materials

2 Supporting essential infrastructure

- Transport & logistics bottlenecks
- Emergency energy stability and supply
- Critical telecom infrastructure and services

3 Supporting displaced people and affected municipalities

- Restoration of municipal infrastructure and provision of essential services
- Access to finance for forcibly displaced

Phase 2: Reconstruction & Recovery

Economic Recovery

Finance & Banking | Technology | Agriculture, industry and commerce



Infrastructure Rebuild

Housing & Municipal services | Transport | Energy and extractives | Telecommunications



IFC'S SUPPORT FOR PRIVATE SECTOR SINCE INVASION

Investment

- Risk-sharing facilities with financial intermediaries to support SMEs
- Guarantees & working capital across sectors
- Capex support to support corporates
- Long-term financing and equity investments

Priority sectors

Agriculture
Transport

Finance & Banking

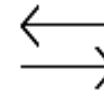
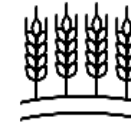
Tech

Trade

■ SMEs

Advisory

- Improving access to finance for SMEs and forcibly displaced/refugees
- Developing regulatory framework for Fintech market
- Improving alternative trading routes for food commodities
- Recovery of agribusiness value chains & developing value-added agri processing
- Preparing modular solar energy solutions
- Modernization of river transport fleet
- Work with municipalities on housing for internally displaced people and residential stock repairs
- PPPs in infrastructure and healthcare



Analytical work

- Comprehensive analytical work to identify key policy measures to unlock private sector opportunities for Ukraine's reconstruction

CURRENT PROGRAM INVESTMENT

Over \$1.4 billion, incl. own commitments & mobilization

- Since Russia's invasion of Ukraine, IFC has financed \$800m and mobilized a further \$600m from private partners and other DFIs. In 2023 alone, IFC financed 500 million, more than twice the average level of financing in years preceding the invasion.
- IFC partners in Ukraine investments include the UK/FCDO, DFC, BII, MIGA, Canada FRFS, Netherlands, Switzerland, the EC, and more.



Agriculture

\$130 mn to help MHP sustain productivity and expand its waste-to-energy plant

\$69m to support global agri trader for Ukraine's operations

\$5 mn to support reconstruction of the food processing plant



Trade Finance (via banks)

\$320m+ in guarantees to ensure imports to Ukraine of essential goods, agricultural inputs and equipment, and other staples.

\$70m+ guarantees to importers of Ukrainian grain.



Technology

\$60m equity investment in Horizon to support fast-growing tech companies in Ukraine and Moldova

\$5.5m investment in Preply, on-line language school

\$5m investment in Miratech, software producer



Finance & Banking

\$50m investment in three RSFs with the Ukrainian FIs to support SMEs (incl. farmers and women-owned companies).

\$145m investment to bolster leasing market in Ukraine

CURRENT PROGRAM | ADVISORY

Agriculture



Agri Resilience Program

Comprehensive analysis of agrifood value chains | Assistance in developing bankable investment projects in sustainable farming, value-added food processing and agri commodities trade

Agriculture Capital Markets Project

Promotion of Electronic Crop Receipts to improve smaller farmers' access to finance and provide a secure asset class for investors

Energy & Extractives



Work with Scatec to introduce the containerized **solar panels and battery solutions**

Financing & Banking

Digital Financial Services

Support with reforms implementation in digital finance and FinTech

Transport



Private sector engagement for **modernization of the Danube Shipping Company**

Key advisory role in PPP project for **modernization of the Chornomorsk port**

Social sectors

Development of the **PPP** model for modernization of the specialized children's medical rehabilitation center

IFC HAS A MATURE PIPELINE BY MID-2025

*Over \$1.4 billion,
incl. own commitments & mobilization, by June 2025*

