



MINISTRY FOR
RESTORATION

Communities, Territories and
Infrastructure Development of Ukraine



Ministry for Communities, Territories and Infrastructure Development of Ukraine

RESTORATION DIGEST

The 41st Issue



*«Concrete crumbles against
our iron» – The new street art
from Kharkiv artist Gamlet
Zinkivskyi at Lyman railway
station, the Donetsk region*



Kyiv, April 29, 2024



Dear friends and partners!

We aim to restore our economic sustainability as much as possible. This means creating export opportunities, supporting critical and social infrastructure for providing services to people and businesses, and ensuring security, housing, and job opportunities. Ukraine’s top restoration priorities include the **energy** sector and critical infrastructure, **housing** compensation programs, **social facilities**, and **transport** infrastructure restoration projects. We are also working to improve Ukrainian legislation to ensure our vital projects are based on transparency, accountability, and trust from Ukrainian citizens and foreign friends.



International Cooperation

+ FINLAND

During the meeting with the Minister for Foreign Trade and Development of Finland **Ville Tavio**, embassy representatives, and Finland’s business community, we discussed the main directions of cooperation

and assistance to Ukraine in its recovery. The priority sectors include energy, construction of shelters, communications, and information technologies. Finland has increased funding for recovery projects in Ukraine by EUR 25 million and actively engages businesses. Thanks to the government and people of the country for un-

wavering and comprehensive support from the first days of the full-scale invasion.

 **GERMANY**

During the meeting with the Mayor of Hamburg, **Peter Cencher**, and the German Ambassador to Ukraine, **Martin Jaeger**, we discussed the priority areas of Ukraine’s recovery and the prospects for attracting German business. The strategic focus is on the energy sector and strengthening logistics routes for economic recovery. They also discussed existing cooperation with Germany at the level of municipalities and regions. These issues will be one of the topics of the URC2024 conference in Berlin.



G7+

I am grateful to U.S. Department of State Assistant Secretary **Geoffrey Pyatt** for the prompt G7+ Coordination Principals Group meeting with the Italian G7 Presidency. I focused the partners’ attention on restoring heating and improving defense for our energy system. This is especially true for Kharkiv, who is in a critical situation. We must meet this challenge before the next winter season. It’s not a day to lose!



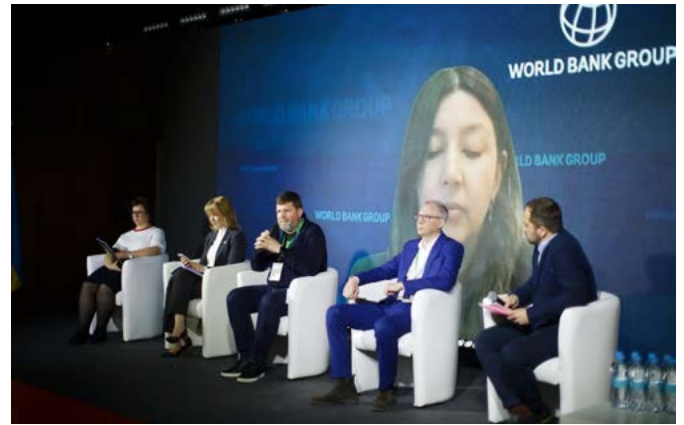
benefited from better learning conditions thanks to the expansion and modernization of their school building. This renovation was made possible by the city’s participation in a €200 million recovery program financed by the EIB to help Ukrainian municipalities rebuild their social infrastructure. This is an excellent example of efficient cooperation. Thanks for your support, **Nadia Calviño, Teresa Czerwińska, Katarina Mathernova**, EU Delegation in Ukraine, and **Jaco Cilliers**, UNDP Ukraine.

Forum “Rebuilding Ukraine: why we shouldn’t wait for the Victory”

Rapid and systematic recovery is one of the components of Ukraine’s economic sustainability and defense capability. We discussed this during the Ukrpravda Forum “Rebuilding Ukraine: Why We Shouldn’t Wait for Victory.” It was essential to listen to the opinion of our partners, the Ambassador of Denmark to Ukraine **Ole Egberg Mikkelsen**, **WorldBank, EIB, EBRD**, and



Almost 300 students in Kamianske, Dnipro region, have



Ukrainian and international businesses, about possible funding sources, including the use of frozen Russian assets. Our reconstruction strategy is gradually showing results - we see this in the growth of exports, new jobs, and the return of Ukrainians to their restored homes. It is based on transparency and accountability to partners and society.

eVidnovlennia Program progresses

The **eVidnovlennia Program** of compensation for damaged and destroyed housing has been operating for almost a year. Since then, more than 65 thousand Ukrainians

have been approved for payments. During this time, more than 86 thousand Ukrainians have applied for current and significant repairs assistance. Payments have been confirmed to 52.8 thousand applicants for UAH 5.6 billion. Almost 13 thousand more Ukrainians applied for housing certificates for destroyed housing, totaling UAH 10.1 billion. Already, 2488 applicants have successfully realized housing certificates by purchasing new housing to replace the destroyed ones. Most purchases are made in the Kyiv region and the city of Kyiv, with real estate in Kharkiv, Mykolaiv, and Chernihiv regions also

in demand. The total cost of the purchased housing is **UAH 5 billion**.

We are grateful to investors already in Ukraine and plan to expand their presence. Attracting international business and investment is a matter of economic sustainability and our country's defense capability. For our part, we are creating the necessary conditions for developing the private sector.

Oleksandr KUBRAKOV, Deputy Prime Minister for Restoration of Ukraine - Minister for Communities, Territories, and Infrastructure Development of Ukraine

KEY FIGURES OF THE WEEK*

eVIDNOVLENNIA

DAMAGED/ DESTROYED HOUSING COMPENSATION PROGRAM

DAMAGED HOUSING

(repairs and overhauls)
UAH 5.6 billion, according
to 52.8 thousand applica-
tions, have been approved.

TOP-5 regions are:

- Kharkiv
- Kyiv
- Donetsk
- Mykolaiv
- Kherson



An apartment house restoration in Zaporizhzhia

DESTROYED HOUSING

(buying new housing)
5974 certificates were gener-
ated according to applica-
tions, and over UAH 10.2 billion were
approved for payment. 2488
certificates have already been
implemented, with a total of

UAH 5 billion.

TOP-5 regions are:

- Kharkiv
- Kyiv
- Mykolaiv
- Donetsk
- Chernihiv

UKRAINIAN CORRIDOR

TEMPORARY HUMANITARIAN SEA ROUTE

TOTAL: 1477 vessels

- Exported more than **41.5 million** mt freight (**agricultural products – 28.5 million mt**; other cargo – 13 million mt)
- NOW, **43 vessels** are being loaded
for departure – **13 vessels**
for arrival – **7 vessels**
- DECLARED FOR ARRIVAL
119 vessels, almost 4 million
mt of cargo



DESTROYED AND DAMAGED INFRASTRUCTURE

| Facilities | Damaged or destroyed | Restored |
|---|----------------------|---------------|
| TOTAL: | 218 037 | 39 622 |
| Individual houses | 166 451 | 20 894 |
| Energy | - | 9 307 |
| Apartment buildings | 21 842 | 3 956 |
| Life sustenance | 8 797 | 2 949 |
| Education | 3 846 | 761 |
| Social, sports, and cultural facilities | 1 839 | 254 |
| Healthcare | 1 611 | 421 |
| Roads | 1 037 | 194 |
| Administrative and Centres of administrative services | 951 | 159 |
| Others | 11 663 | 727 |



Destroyed apartment building after Russian missile attack in Dnipro

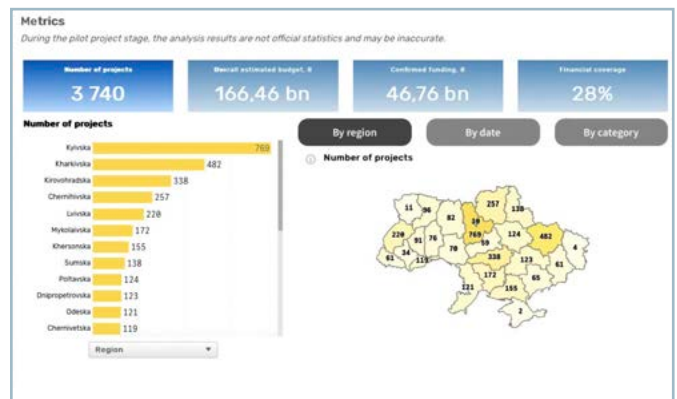
**As of April 25th, 2024, according to regional military administrations since February 24th, 2022*

RESTORATION PROJECTS: DREAM ANALYTICS**

Digital Restoration Ecosystem for Accountable Management—DREAM* is the state digital platform for implementing restoration projects supported by the Ministry for Restoration.

3740 projects have been added to DREAM since the launch of its beta testing in September 2023. The number of projects by sector includes **the education sector** — 1411 projects; **housing** — 608 projects; **the healthcare sector** — 429 projects; **the water supply, sanitation, and waste management sector** — 385 projects; **the transport sector** — 296 projects.

| | | |
|---|--------------|-------------|
| Top 10 regions according to the number of projects in the DREAM: | ● Kyiv | ● Chernihiv |
| | ● Kharkiv | ● Lviv |
| | ● Kirovohrad | ● Mykolaiv |
| | | ● Kherson |
| | | ● Sumy |
| | | ● Poltava |
| | | ● Dnipro |
| | | |
| | | |
| | | |



**Digital Restoration Ecosystem for Accountable Management (DREAM) is the state digital platform for implementing restoration projects. DREAM collects, organizes, and publishes open data across all stages of reconstruction projects in real time, implementing the highest standards of transparency and accountability.*

*** DREAM collects, organizes, and publishes open data across all stages of restoration projects in real time, implementing the highest standards of transparency and accountability. As of now, DREAM contains only a part of restoration projects. The legislation ensuring all restoration projects are included in DREAM mandatory is being developed.*

All the data on projects in DREAM is available on the public [portal](#) and via the business intelligence [module](#). At the pilot project stage, the analysis results are not official statistics and may need more accuracy. Join the DREAM and find more information concerning investment projects on dream.gov.ua or write to info@dream-office.org

G7 JOIN RESTORATION AND MODERNIZATION

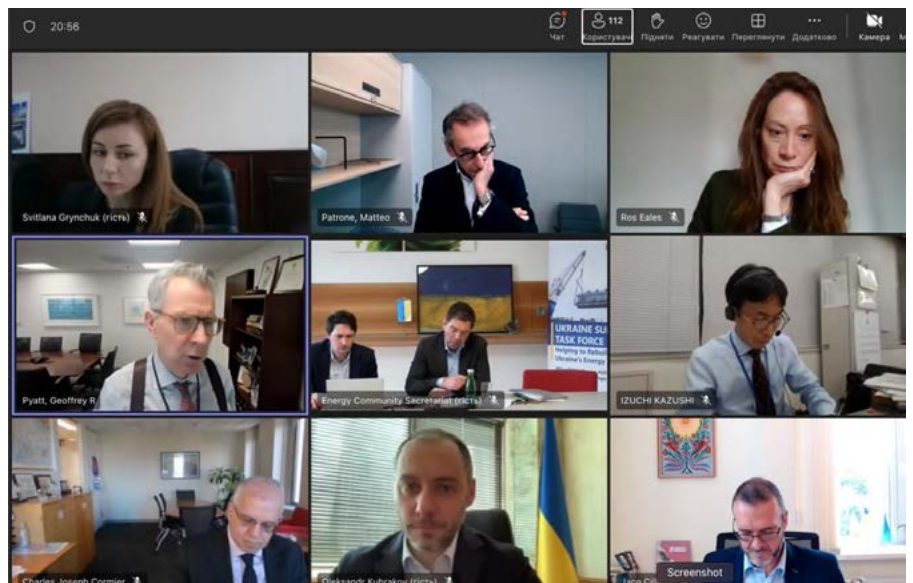
G7 countries to join restoration and modernization of Ukraine’s energy sector

Deputy Prime Minister for Restoration of Ukraine — Minister for Communities, Territories and Infrastructure Development of Ukraine Oleksandr Kubrakov, took part in a G7+ Coordination Principal Group meeting to support Ukraine’s energy sector.

During the meeting, updated data on Ukraine’s damage and needs in connection with Russia’s attacks on energy infrastructure were presented, as well as a plan to modernize and protect generating facilities for consumers in preparation for the heating season.

Representatives of the G7 countries noted that, given Russia’s attacks on Ukraine’s energy system, it is critical to respond quickly to the situation. To this end, representatives of the G7+ Coordination Principal Group with the Italian G7 Presidency agreed to identify available and new funding sources, options for redistributing existing resources, and an immediate search for available equipment to restore electricity generation. They also recognized the need to engage private sector experts to advise on the repair and transition to distributed energy production solutions.

Deputy Prime Minister Kubrakov focused Ukrainian partners’



attention on the need to restore heating and improve the security of our energy system. It’s crucial for Kharkiv, who is becoming critical in the situation. During a working visit to Kharkiv with UNDP, the embassies of Denmark, Estonia,

France, Poland, and Sweden inspected the city’s preparation for the next heating season. The local and regional authorities and the government summarized the needs of the city and the region and passed them on to the partners.

GERMANY AND UKRAINE STRENGTHEN STRATEGIC PARTNERSHIP

Germany and Ukraine strengthen municipal and interregional strategic partnership



At a meeting between the team of the Ministry of Communities, Territories and Infrastructure Development and Hamburg Mayor Peter Cenchera, the

priority areas of Ukraine's recovery and the possibility of involving German business in the reconstruction were presented.



The key focus now is on the energy sector, mainly replacing destroyed generating equipment with modern ones and protecting energy facilities. Another priority is strengthening logistics routes for economic recovery.

Germany cooperates with Ukraine at the municipal and regional levels. This model has

proven effective in humanitarian aid, reconstruction, investment, and regional development. Since the beginning of Russia's large-scale invasion, municipal partnerships have helped establish operational channels for the supply of necessary aid from Germany to the affected cities.

Since February 2022, the number

of interregional associations has increased to 200. In particular, active cooperation continues with Dnipro, Chernihiv, Kharkiv, Mykolaiv, and Kyiv.

The development of Ukrainian municipalities and regions will be one of the topics of the annual Ukraine Recovery Conference, which will be held in Berlin in June.

EXPANDING COOPERATION BETWEEN DENMARK AND UKRAINE

Denmark – Ukraine: expanding cooperation with businesses in export logistics, restoration of critical infrastructure, and development of decentralized energy



The Ministry for Restoration team met with Danish government officials and businesses. The meeting focused on priority recovery projects to attract Danish business in key sectors: energy, port infrastructure, and export logistics development.

Deputy Minister for European Integration Anna Yurchenko presented to the Danish side the areas of work that require priority attention from inves-

tors and are vital for Ukraine. First and foremost, it is about restoring and protecting energy infrastructure facilities and developing decentralized energy – purchasing and installing cogeneration units and gas turbine stations.

Yuriy Vaskov, the deputy minister, focused on export logistics, particularly the possibility of attracting investment in Ukraine's port infrastructure.

We must invest in our ports, continue their modernization, and strengthen their resilience. In particular, since August 2023, when the Ukrainian Corridor, a temporary export route through the Black Sea, was launched, more than 40 million tons of cargo of various types have been transhipped from the deep-water ports of the Odesa region. The ports of the Danube cluster maintain consistently high export indicators.



The road sector remains a priority for military logistics and ensures the country's economic stability. Mustafa Nayyem, head of Ukraine's State Agency for Restoration and Infrastructure Development, spoke about the need to maintain critical roads supporting military logistics and medical evacuation. At the same time, work is underway to modernize access roads and border crossing points to enhance export capacity.

Deputy Minister Olexandra Azarkhina noted that Denmark is a reliable partner of Ukraine and that cooperation in the reconstruction of Mykolaiv is an exemplary form of work at the government and regional levels.

The Ministry's team also presented the BAG platform to the Danish private sector, a business advisory group for engaging

business and private capital in recovery processes, particularly at the regional and local levels. Currently, BAG unites more than 440 business representatives. We invite business partners from Denmark who are interested in participating in Ukraine's recovery to join this platform.

To join the initiative, please email BAGR@mtu.gov.ua or fill out the [form](#).



JAPANESE BUSINESSES ARE INTERESTED IN INVESTMENT IN TRANSPORT SECTOR RESTORATION

Japanese business is interested in investing in the restoration of Ukraine’s transport sector of Ukraine



The team for the Ministry for Communities, Territories and Infrastructure Development of Ukraine met with representa-

tives of the Ministry of Economy, Trade and Industry of Japan, the Ministry of Land, Infrastructure, Transport and Tourism of Japan,

and the Embassy of Japan to Ukraine to discuss joint restoration projects in the aviation and road sectors.



The relevant agreements on restoring Ukraine’s transport infrastructure are set out in the Memorandum of Cooperation between the governments of both countries, signed during the Japan-Ukraine Conference on Economic Development and Reconstruction in Tokyo in February 2024. Deputy Minister for European Integration Anna Yurchenko noted the importance of Japan-Ukraine cooperation and thanked the government and people of Japan for their significant contribution to the reconstruction projects currently being implemented in Ukraine.

Representatives of the Japanese government noted that Japanese businesses are interested in investing in restoring Ukraine’s aviation industry. So far, nine Japanese companies have announced their willingness to participate in the restoration of Ukraine’s civil aviation. Japan is ready to share its experience rebuilding aviation infrastructure in terms of technology, legislation, and financial mechanisms.

The participants also discussed partnerships in rebuilding Ukraine’s road sector, which

has suffered significant damage due to Russia’s brutal aggression. These projects involve reconstructing and constructing national roads, bridges, and communication routes between Ukraine and the EU. The development and proper maintenance of roads are significant in times of war to ensure the stable movement of goods, including humanitarian and passenger transportation, as well as exports and imports. Deputy Minister Oleksandra Azarkhina emphasized the importance of involving private business in Ukraine’s restoration.



Anna YURCHENKO, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine for European Integration:

We are implementing the idea of creating working groups to cooperate to achieve practical results under the Memorandum.

Practical meetings and discussions will clearly outline these working groups’ activities and main goals and help form a roadmap for restoring Ukraine’s transport infrastructure. Joint work is underway with all stakeholders to exchange information and find standard solutions.



Oleksandra AZARKHINA, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine:

Ukraine’s high-quality and effective recovery is possible only with the involvement of private businesses. Japan has extensive experience in both

post-war reconstruction and recovery from artificial and natural disasters. Therefore, Ukraine is counting on the participation of Japanese companies in reconstructing our country, which will allow us to apply relevant experience and advanced knowledge to implement our crucial principle, Build Back Better.

CONNECTING EUROPE FACILITIES

Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine Serhiy Derkach participated in the Steering Committee meeting at the CEF – Connecting Europe Facilities program.



This program allows co-financing infrastructure projects with EU funds to improve transport and logistics. A feature of the CEF is developing and submitting joint project applications with neighboring countries. Therefore, the meeting synchronized joint projects with Romania, Moldova, Slovakia, Hungary, and Poland to prepare applications for 2024.

Ukraine presented several projects to develop checkpoints and road and rail connections. First, these are

projects related to the TEN-T network, such as developing the Yahodyn-Dorohusk checkpoint, including constructing another bridge. We are also prioritizing the development of the Dyakove-Halmeu checkpoint and constructing the Bila Tserkva-Sighetu Marmatiei and Bila Krynytsia-Climeuc checkpoints.

Much attention has been paid to railroad communication, including electrification of sections, reconstruction of tracks, and expansion of the railway network.



THE LEGAL REGULATION OF THE INSTITUTE OF STAROSTAS

Draft Law of Ukraine “On Local Self-Government in Ukraine” to improve the legal regulation of the Institute of Starostas and its activities under martial law was adopted as a basic in the first reading

The Draft Law simplifies the mechanism for appointing and dismissing starostas and their activities under martial law.

In addition, the draft law provides for a simplified procedure for dismissing starostas from office at their request in case of occupation/surrounding the respective district. In case of starostas mobilization, it allows village, town, and city mayors to appoint an acting starosta.

In general, the Law ensures the proper functioning of the starosta institution as an integral part of local self-government in Ukraine, both during the legal regime of martial law and after its termination following the procedure established by law.



These changes ensure the continuity of the martial law governance process and will also strengthen democratic processes in communities.

The Draft Law covers:

- Defining an additional criterion for the formation of districts’ starosta (head of districts in communities), taking into account the population density in the respective territory and reducing the limit of the number of residents of the district to 200 people;
- ensuring the continuity of the starosta’s activity until their election to the position, by the procedure established by law, of a new starosta by the newly elected local council;
- introduces a mechanism for the sole appointment of starostas by the village, town, or city head in case of incapacity of the village, town, or city council;
- For martial law, a tool for remote public discussions aimed at approving the starosta’s candidacy by the local community and a digitalized procedure for starosta reporting to the community and local council is being introduced.

DATA-BASED POLICY FOR COMMUNITIES RECOVERY

The GIS system will become the basis for local statistics



The Ministry for Restoration, with the support of USAID Governance and Local Accountability (HOVERLA) Activity, held a forum on local statistics entitled "Formation of a Data-Driven Policy for the Recovery and Development of Territories and Communities." The event aimed to exchange views and experiences between central and local executive authorities, local governments and their associations, the donor and expert community, as well as civil society on the formation of a modern system of statistics at the level of territorial communities and the preparation of the Concept for the Formation of Local Statistics in Ukraine.





Oleksandra AZARKHINA, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine:

One of the critical principles for the restoration of regions and communities should be management decisions based on high-quality verified data. The Ministry's team is systematically working to implement digital solutions and improve information collection processes. Therefore, since last year, work has already begun on introducing a digital tool for implementing the state policy of regional development - the Geographic Information System for Regional Development (GIS), which is based on the European experience of collecting indicators of socio-economic development. The updated indicators of the system are harmonized with those of European countries, allowing Ukraine to access the best EU policies and funding programs.

According to Deputy Prime Minister Kubrakov, Together with the Ministry of Digital Transformation and the State Statistics Service, the Ministry for Restoration has

launched a significant reform that will allow us to introduce local statistics in Ukraine in history. This is another crucial stage in state digital transformation that covers the regional and local levels. Local statistics will make it possible to improve the efficiency of management and monitoring of the development of territories. A clear understanding of local problems, strengths, and weaknesses of the socio-economic development of regions and communities will facilitate rapid recovery and ensure transparent use of financial resources.

The development of the conceptual framework for the introduction of local statistics is envisaged by the Roadmap for Decentralization Reform (Action Plan for Reforming Local Self-Government and Territorial Organization of Power in Ukraine until 2027), which was approved by the Government in March 2024.

Through decentralization reform, we are strengthening the resilience of Ukrainian communities. At the same time, decentralization should go further - to the citizens. Every community resident has the right to look at a strategic document at the local or national level and evaluate the success of the mayor, the head of the region, or the central government based on specific indicators and financial performance. Or the head of the region or the central government. We need to provide a transparent framework and the ability to make informed and balanced decisions more efficiently and quickly to improve residents' quality of life and ensure territories' development.

EIB SUPPORTED A SCHOOL RESTORATION IN THE DNIPRO REGION

The school opened in Kamianske, Dnipro region, after reconstruction with EIB support



Due to the expansion and modernization of Lyceum No. 11 in Kamianske, the Dnipropetrovsk region, almost 300 students have improved learning conditions. The large-scale reconstruction was carried out under the EUR 200 million Emergency Credit Program for Ukraine's recovery from the European Investment Bank (EIB). The program aims to help Ukrainian cities reconstruct their social infrastructure.



The school building was expanded to include additional classrooms, restrooms, new playgrounds, and green areas on the grounds. The recon-

struction project also included modernizing the building's thermal insulation, installing energy-efficient doors and windows, replacing all utilities and

communications, and improving accessibility for people with disabilities. These upgrades have enhanced the school's inclusiveness and safety.



The reconstruction of the lyceum is a joint initiative of the European Union and its bank, the European Investment Bank, in partnership with the Ministry for Communities, Territories and Infrastructure Development of Ukraine, the Ministry of Finance of Ukraine, and the Dnipetro-

vs'k Regional State Administration with technical support from the UNDP Ukraine.

The total cost of the reconstruction of the lyceum in Kamianske is more than EUR 4 million. The EIB has allocated €3.4 million, and the local budget will pro-

vide the rest. This project is one of 26 EIB recovery projects in the Dnipropetrovsk region: 3 sub-projects have been completed, and 10 schools, 12 hospitals, one administrative building, and three water supply and sewage facilities are currently at various stages of construction.



Teresa CZERWINSKA, EIB Vice-President:

The EIB remains committed to local projects, such as the reconstruction of the safe school in Kamianske that we reopened today. By investing

in Ukraine's municipal infrastructure, energy, transport and small businesses, we aim to enhance daily life and strengthen economic and social resilience. We will continue supporting Ukraine as long as it takes.



Katarína MATERNOVA, EU Ambassador to Ukraine:

The reopening of the school in Kamianske is yet another indication that the EU is committed to supporting Ukrainian cities in rebuilding and improv-

ing the quality of life for their residents. A vital element of this development is creating a better learning environment for children. Ukraine's Emergency Recovery Loan Program is crucial in empowering small Ukrainian communities.



Jaco CILLIERS, UNDP Resident Representative to Ukraine:

We're proud to witness the renovation of Lyceum No. 11 in Kamianske, which is a demonstration of the collaborative efforts being made under the Ukraine Early Recovery Programme.

WE BUILD UKRAINE

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DREAM

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