



### Ministry for Communities, Territories and Infrastructure Development of Ukraine

# **RESTORATION DIGEST**

The 50<sup>th</sup> Issue

The EU Council adopted the general EU positions for accession negotiations with Ukraine



Kyiv, July 1st, 2024



# **KEY FIGURES OF THE WEEK**

#### **eVIDNOVLENNIA**

DAMAGED/ DESTROYED HOUSING COMPENSATION PROGRAM



Restoring a residential building in Makariv, the Kyiv region

#### DAMAGED HOUSING

(repairs and overhauls) UAH 6.5 billion, according to 60.2 thousand applications, have been approved. **TOP-5 regions:** 

- Kharkiv
- Kyiv
- Donetsk
- Mykolaiv
- Kherson

#### **UKRAINIAN CORRIDOR**

TEMPORARY HUMANITARIAN SEA ROUTE

In total, since the beginning of the corridor functioning:

- Arrived: **1954 vessels**;
- Loading in progress: **33 vessels.** Exported:
- grain cargo 37,4 mt;
- other cargo 17,6 mt;

TOTAL – 55 mt Declared for arrival: 68 vessels 2 mt

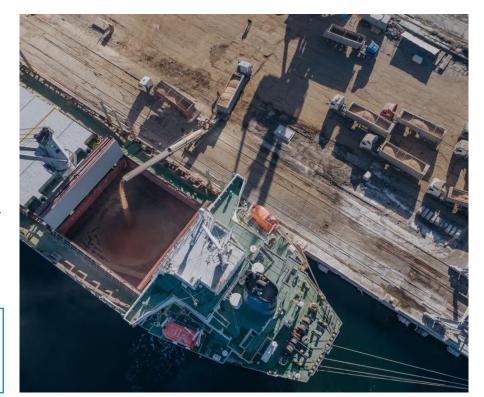
#### **DESTROYED HOUSING**

(buying new housing) 7966 certificates were generated according to applications, and UAH 13 billion was approved for payment. 2945 certificates have already been implemented, with a total of

#### UAH 5.8 billion.

#### **TOP-5 regions:**

- Kharkiv
- Kyiv
- Donetsk
- Mykolaiv
- Chernihiv





#### DESTROYED AND DAMAGED INFRASTRUCTURE\*

Facilities	Damaged or destroyed	Restored
TOTAL:	219 463	40 567
Individual houses	167 293	21 659
Energy	-	9 422
Apartment buildings	22 038	3 987
Life sustenance	8 830	2 956
Education	3 864	771
Social, sports, and cultural facilities	1 857	258
Healthcare	1 638	427
Roads	1045	194
Administrative and Centres of administrative services	962	159
Others	11 936	734



Restoring the kindergarten "Forest Fairy Tale" in Honcharivske, the Chernihiv region

\*As of June 28th, 2024, according to regional military administrations since February 24th, 2022

#### **RESTORATION PROJECTS: DREAM ANALYTICS\*\***

The Digital Restoration Ecosystem for Accountable Management (DREAM) is a significant milestone in our restoration efforts. It's not just a state digital platform for implementing restoration projects but a powerful tool that underscores our unwavering commitment to transparency and accountability.

#### 5206 projects have been added to DREAM since

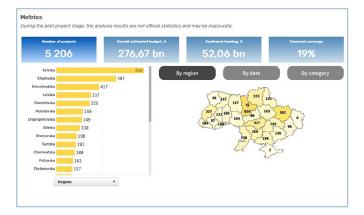
the launch of its beta testing in September 2023.
The number of projects by sector includes **2280 projects** created in the Education sector **639 projects** created in the Housing sector **561 projects** created in the Healthcare sector **524 projects** created in the Water, Sanitation, and
Waste management sector

361 projects created in the Transportation sector

#### Top 10 regions according to the number of projects in the DREAM:

- Lviv
- Chernihiv
- Mykolaiv
- Dnipro

- Kyiv
- Odesa
- Kharkiv
  Kirovohrad
- Kherson
- Sumy



\*Digital Restoration Ecosystem for Accountable Management (DREAM) is the state digital platform for implanting 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. Legislation ensuring all restoration projects are included in DREAM is being developed.

All the data on projects in DREAM is available on the public <u>portal</u> and via the business intelligence <u>module</u>. 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 <u>dream.gov.ua</u> or write to <u>info@dream-office.org</u>



# **UKRAINE FACILITY PLAN**

The Ministry for Communities, Territories and Infrastructure Development will implement the second component of the EU's Ukraine Facility assistance program

The Ukraine Facility is a macro-financial assistance program for Ukraine from 2024 to 2027, with a budget of EUR 50 billion. The European Commission approved the program in June 2023.

The EU macro-financial assistance program "Ukraine Facility" consists of 3 components:

- Pillar 1 grants and loans for the implementation of the Ukraine Recovery Plan;
- Pillar 2 attracting private and public investments under budget guarantees;
- **Pillar 3** technical assistance to support reforms and approximating Ukrainian legislation to EU legislation.

The Ministry for Communities, Territories, and Infrastructure Development plays a crucial role in implementing the second component of the 'Ukraine Facility '—the Ukraine Investment Framework. This component, which provides guarantees and grants worth EUR 8 billion, is expected to attract up to EUR 40 billion of public and private investment to Ukraine over the next few years, significantly boosting our restoration and development efforts.

The attracted investments will be used to develop small and medi-

The Cabinet of Ministers approved the 'Ukraine Plan 'as part of the' Ukraine Facility' mechanism. This plan, which includes recovery objectives, reforms, and indicators for their implementation, is an official document that defines the conditions for receiving assistance. The EU Council's final approval of this plan is a significant step towards our recovery and European integration.



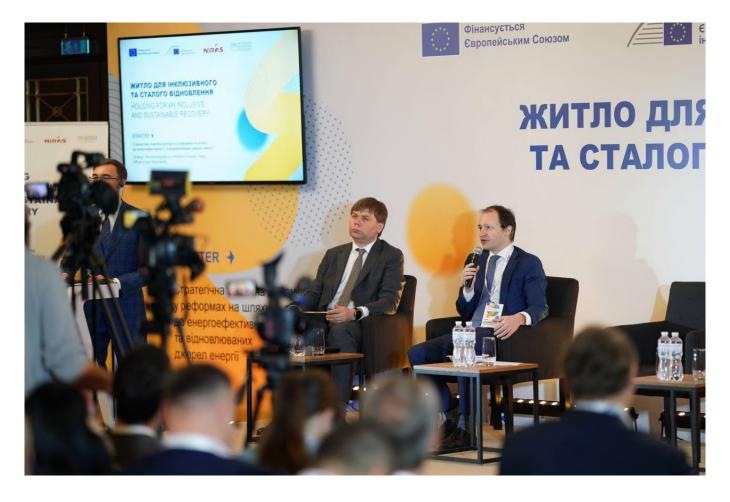
um-sized enterprises, rebuild and develop critical infrastructure, implement the updated State Strategy for Regional Development, which provides for comprehensive community restoration and capacity building, and reform housing policy, in particular through the development of the Law of Ukraine "On the Basic Principles of Housing Policy" and the elaboration of the National Housing Strategy.

According to the acting Minister for Communities, Territories and Infrastructure Development of Ukraine, Vasyl Shkurakov, the Ukraine Facility was designed to be a flexible instrument adapted to the unprecedented challenges of supporting Ukraine at war and ensures predictability, transparency, and accountability of funds. The implementation of this program and the implementation of the Ukraine Plan, which is an integral part of the Ukraine Facility, should lay the foundation for Ukraine's recovery and European integration, as well as ensure the internal transformation of the state, the implementation of economic reforms and stimulate the development of priority sectors of the economy,



# **EU SUPPORTS THE HOUSING POLICY REFORM IN UKRAINE**

Ukrainian high-level politicians, municipal officials, and civil society representatives met with EU and international financing institutions representatives to discuss the ongoing reforms in the Ukrainian housing sector.



The event was organized by the EU-funded project "Strategic Technical Assistance in Reforms Towards Energy Efficiency and Renewables (STARTER)," supported by the European Union in cooperation with the Ministry for Restoration of Ukraine and the European Investment Bank.

The Government of Ukraine is adopting new housing legislation in line with the best European practices, signaling comprehensive reforms in this sector.

The development of a comprehensive strategy and framework for housing in Ukraine aims to ensure an inclusive and energyefficient approach that meets the substantial needs of the Ukrainian people and aligns with the EU's trajectory. At the same time, it is also essential to meet the short—and longterm needs of all Ukrainians for sustainable and affordable housing.

Therefore, the event discussed the challenges and opportunities related to ongoing reforms in the Ukrainian housing sector. It provided a platform to share experiences on practical aspects of housing reform and lessons learned from implementing housing programs. It also created an opportunity to discuss cooperation between national, local, and civil society actors, international donors, and IFIs.





The panel discussions focused on the challenges and opportunities associated with Ukraine's housing sector reforms. Experts involved in developing the new housing policy also had the chance to share experiences and discuss practical aspects of the reform and cooperation at various levels, from the national to the community level, as well as with international donors and financial institutions.

The development of the National Housing Strategy,

by the provisions of the Law of Ukraine "On the Basic Principles of Housing Policy," aims to ensure an inclusive and energy-efficient approach that meets the essential needs of Ukrainian citizens and is in line with the EU's policy. This strategy seeks to meet Ukrainians' current and longterm needs for sustainable and affordable housing.

The Draft Law of Ukraine, "On the Basic Principles of Housing Policy," is focused on the citizens. His housing rights, opportunities, and interests are his priority. Legislation in the housing sector is being developed by the best European practices, which is why the support of the Ministry of Communities, Territories, and Infrastructure as the main initiator and implementer of changes is crucially important from a wide range of international partners.

Watch the full video of the <u>Conference</u>.





Vasyl SHKURAKOV, Acting Minister for Communities, Territories and Infrastructure Development of Ukraine:

The process of rapprochement with the EU will help overcome Ukraine's housing policy challenges. The instrument provides for improving national legislation in this area, which will further facilitate the attraction of funding, including from European funds. Adopting the draft law "On the Basic Principles of Housing Policy" is one of the conditions in the Ukraine Facility.



Natalia KOZLOVSKA, Deputy Minister for Communities, Territories and Infrastructure Development of Ukraine:

The housing policy reform we are launching is the first time such a wide range of international organizations and partners have supported it. I am very grateful to the representatives of the European Union in Ukraine, the European Investment Bank, the European Commission, the World Bank, the Norwegian Refugee Council, the Office of the United Nations High Commissioner for Refugees, the International Organization for Migration and the Council of Europe Office in Ukraine. I am confident that such increased attention, a deep understanding of the need and direction of housing policy reforms, and the involvement of international partners in the development of draft legislation, including the Law of Ukraine "On the Basic Principles of Housing Policy," will allow us to implement housing policy reform quickly, responsibly and, most importantly, effectively. According to the Plan of Ukraine, creating an appropriate legal framework is necessary. However, the development of the draft law is more than just an initiative of the Ministry of Reconstruction as a central executive body; it is not just a task of the Plan of Ukraine but also a response to public demand.



Jocelyn CORNET, Head of the Reconstruction, Energy, Infrastructure, and Environment Section of the EU Delegation to Ukraine:

The systematic russian shelling of civilian infrastructure, including multi-apartment buildings, has dramatically enhanced the need for housing for the Ukrainians. The EU is addressing this topic in different ways, both by providing support to reforms in the housing sector that are included in the Ukraine Plan of the Ukrainian Government and by offering guarantees and blended finance to investments financed by IFIs like EIB for the renovation of war-damaged buildings and construction of new affordable housing. The Ukrainian Government must strengthen the role of Homeowners Associations in the planning and implementing of these future projects, ensuring that the voices of individual homeowners are heard and prioritized.



# **INTERNATIONAL COOPERATION**

The Ministry for Communities, Territories and Infrastructure Development of Ukraine and Spain will launch a pilot project to develop Ukrainian railways to EU standards.

The Ministry of Communities, Territories, and Infrastructure Development team met with the Spanish delegation headed by Carlos Cuerpo Caballero, the Spanish Minister of Economy, Trade, and Business. This year, Ukraine began constructing the 1435 mm Chop-Lviv European gauge railway, part of the renewed TEN-T Mediterranean Corridor. Implementing this project will be one of the first steps of the Strategy for the European Integration of the Transport Systems of Ukraine and Moldova and the development of TEN-T in Ukraine.



The Spanish side is ready to support the development of the railroad financially and has the relevant companies, experience, and ready-made solutions.

The parties also discussed attracting direct investment in production in Ukraine, developing Ukrainian seaports, patronage of Ukrainian cities and regions, energy needs, establishing direct links between entrepreneurs of the two countries, and, when security conditions are favorable, the revival of tourism and air travel. According to the Acting Minister for Communities, Territories and Infrastructure Development of Ukraine, Vasyl Shkurakov, we need to modernize the railway system, including upgrading corridors to TEN-T standards and renewing rolling stock. Ukraine, like Spain, uses a railroad gauge that has a different width from the European standard gauge. Therefore, we are interested in your help in developing a system for automatically changing the train track gauge in motion. The Ministry team seeks your technical and financial support to build our railroad.

Carlos Cuerpo Caballero, the Minister of Economy, Trade, and Business of Spain, noted that cooperation with Ukraine is promising, given the Spanish experience, and will benefit both countries. According to him, developing the European gauge railroad will be necessary. Ukraine will not just be physically connected to Europe; it will be a political movement toward Europe.



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