



World Bank Group Support to Ukraine

CONTEXT

Russia's invasion of Ukraine is a tragedy that is having far-reaching human and economic impacts. To support the continuation of essential government services, **the World Bank has mobilized more than \$20.6 billion** in emergency financing, including commitments and pledges, which includes grants, guarantees, and linked parallel financing from the US, UK, European countries, and Japan. As of February 24, 2023, **more than \$18.5 billion has been disbursed through World Bank projects and trust funds**, as well as additional funds through parallel disbursements. In total, half of all the economic assistance committed to supporting Ukraine has been mobilized through the World Bank. This **support has reached more than 12 million Ukrainians**, and is helping to provide wages for hospital workers, government and school employees, pensions for the elderly, salaries for public servants, and social programs for the vulnerable.



Keeping government capabilities and functions intact is critical to the success of recovery and reconstruction. Without adequate support to keep the government running and to provide minimal essential services, it will become much more expensive to rebuild and recover the economy and more people could fall into poverty.

Recovery (emergency repairs) must run simultaneously with continued support for essential services, and this is a big part of our current focus. In addition to budget support,

Ukraine needs urgent investment for pressing repairs – to energy infrastructure, roads, bridges, housing, schools, and clinics – to ensure that services can be delivered, and the population can have heat.

Ukraine In Numbers

- **GDP decreased by 30% in 2022** (Gov't of Ukraine estimates).
- **8 million** additional Ukrainians estimated to live in poverty by the end of 2022.
- **15-year** setback in poverty reduction goals.
- Ukraine needs about **\$3-4bn/month** for essential services in CY23.

Recovery & Reconstruction

The September Rapid Damage and Needs Assessment (RDNA report), a rigorous evaluation of the impacts of Russia's invasion across the social, productive, and infrastructure sectors of Ukraine's economy, **assessed recovery and reconstructing needs at \$349b**. This figure has substantially risen since then. The next assessment will come out in Spring 2023.

This analysis will help the Government of Ukraine and donors to identify the priorities for recovery while continuing to support the continuation of essential core services like health, education and social protection. It is based on an internationally accepted and standardized methodology used by the World Bank, EC and UN to assess damages and needs after natural disasters and conflict situations.

WORLD BANK FINANCING

[Ukraine's current and future financing needs are staggering](#). Keeping government capabilities and functions intact is critical to the success of recovery and reconstruction.

The World Bank has introduced **Framework Projects** to support recovery and build capacity for reconstruction in [health](#), energy and [transport](#) sectors. The World Bank is working with the government and other partners to set up broad vehicles for each sector, which have the overall parameters of fiduciary safeguards, as well as environmental and social safeguards, and also the project planning and privatization that's needed.

To swiftly mobilize efforts for reconstruction, the World Bank has established the **Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund (URTF)**, a multi-donor fund to channel grant contributions from donor partners to the most critical sectors of the economy (health, energy, transport) to assist the government to sustain the country's administrative and service delivery capacity, conduct relief efforts, and support the planning and implementation of Ukraine's recovery, resilient reconstruction, and reform agenda.

The URTF is part of the World Bank Group's innovative



financing mechanism under **the Multi-Donor Resources for Institutions and Infrastructure (MRII - MPII) for Ukraine Facility**, an umbrella platform that works in coordination with broader international support.

So that money goes where it is intended, we have deployed a range of mechanisms, including expenditure verification, beneficiary complaint monitoring, procedure reviews, and surveys.

[IFC](#) is providing working capital to businesses and helping to keep Ukraine's trade lines open. IFC has made investments totaling \$95m, including injection of capital, to help create jobs, accelerate the growth of Ukraine's technology sector and contribute to food security through sourcing and exporting grains from Ukraine. IFC and the EU are also channeling €50m in grants to provide temporary accommodations for internally displaced people and to restore war-damaged residential buildings. In December, IFC announced a \$2b package to support Ukraine's private sector focusing on agribusiness and on the provision of essential goods and services. IFC is also supporting the government to develop an approach to attract private investment and know-how for the reconstruction.

[MIGA](#) is providing guarantees to important sectors of the economy, including the financial sector. MIGA is also working to address the impacts of the war on the private sector through a donor-supported guarantee issuance. Japan's critical contribution of \$23m is the first to MIGA's Support for Ukraine's Reconstruction and Economy (SURE) Trust Fund. The fund, which MIGA expects to grow to \$300m through contributions from additional donors, will allow MIGA to provide trade finance guarantees, insurance on bank reserves during the conflict, and political risk insurance to support reconstruction after the war.

PARTNERS

Donor governments: The [United States](#), [Austria](#), [Belgium](#), [Denmark](#), [Finland](#), [Germany](#), [Italy](#), [Japan](#), [Latvia](#), [Lithuania](#), [Iceland](#), [Netherlands](#), [Norway](#), [Sweden](#), [Switzerland](#), [Spain](#), and [United Kingdom](#).

IFIs: [EIB](#), [EBRD](#), [EC](#), [IMF](#), [CEB](#)

Learn more: [World Bank Financing Support to Ukraine](#)

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