



UKRAINE

Support to labour and skills reforms under the Ukraine Facility



3 March 2025

Key objectives of the Ukraine Facility:



Support **recovery, reconstruction & modernisation**



Support **Ukraine's reforms on the way to EU accession**



Support **Ukraine's financing needs for the State to deliver uninterrupted public services** (schools, hospitals, social benefits, etc.)

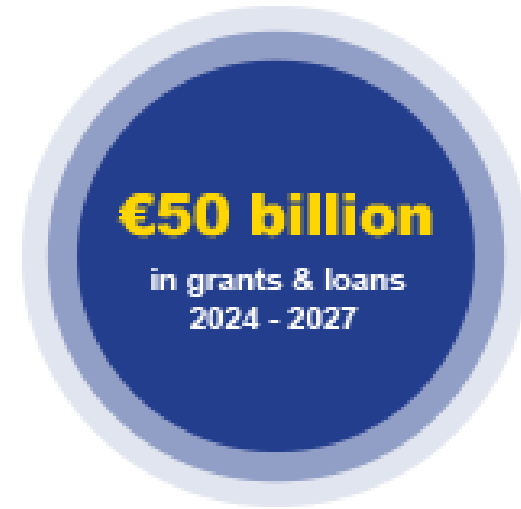


Mobilise investments in Ukraine's private sector for economic recovery and reconstruction



Broaden **support to Ukrainian society**, including helping address the social consequences of the war

Budget of the Facility



- **Amount for the Facility: up to €50 billion** over 2024-2027 (1/3 grants and 2/3 loans)
- Indicative distribution:
 - ✓ First Pillar (Ukraine Plan): **€38.27 bn** (grants and loans) support to the State budget
 - ✓ Second Pillar (provisioning for guarantees and blending): **€6.97 bn**
 - ✓ Third Pillar (grants): **€4.76 bn** for technical assistance



Pillar I:

Ukraine Plan



Ukraine Facility: Pillar 1

Support to Ukraine's state budget with policy conditionality (Ukraine Plan)

- **Budget support to the Ukrainian state budget in the form of loans and grants**
- Support is linked to the fulfillment of the **Ukraine Plan**:
 - Plan elaborated by the Government of Ukraine.
 - Sets out reforms that will lay the foundation for further economic recovery and development as well as Ukraine's integration into the EU.
 - Contains 69 reforms and 10 investments, 146 qualitative and quantitative steps (conditionalities) over 4 years.
- Grants and loans are paid quarterly to the Ukraine state budget based on the fulfillment of the relevant conditionalities (steps) in the Ukraine Plan.

The Ukraine Plan – a comprehensive approach

The chapters of the plan

1. Public Administration Reform

2. Public Financial Management

3. Judicial System

4. Fight Against Corruption and Money Laundering

5. Financial Markets

6. Management of Public Assets

7. Human Capital

8. Business Environment

9. Decentralisation and Regional Policy

10. Energy Sector

11. Transport

12. Agri-food sector

13. Management of Critical Raw Materials

14. Digital Transformation

15. Green Transition and Environmental Protection

Chapter 7: Human capital (1)

- Improved **vocational education and training**
- Improved pre-school education
- Improving the rehabilitation system for people with disabilities
- Transition from military service to civilian life
- Improving social infrastructure and de-institutionalisation
- Improved **functioning of the labour market**
- Ensuring access to housing for people in need
- Improved **social security**
- Investments in healthcare, education, social infrastructure and housing

Chapter 7: Human capital (2)

- Reform employment and social policies in line with EU and international labour standards
- Improve functioning of labour market (employment strategy, labour and occupational health and safety legislation, social dialogue, build capacity of social partners)
- Adapt social protection and social service systems to encourage return to labour market but also overcome poverty
- Improve skills, re-skilling and upskilling
- Ensure social and labour market integration of veterans, persons with disabilities, women, youth, internally and externally displaced people
- Social partners are closely involved in the implementation of the Plan



Pillar II: Ukraine Investment Framework



Ukraine Facility: Pillar 2

Ukraine Investment Framework

1 Objective

Mobilise investments for the reconstruction and modernisation of Ukraine, which will be consistent with the Ukraine Plan and will contribute to its implementation.

Examples: private investment projects, support to Ukrainian SMEs to invest, support to municipalities having borrowing capacities or to SOEs.

2 Types of support

Combination of **blending / grants / technical assistance** for EUR 1.5 billion and loan guarantees with a guaranteed capacity of EUR 7.8 billion directed to both public and private sectors - for a total capacity of **EUR 9.3 billion**.

Objective: **EUR 40 billion in investments**

3 Implementation

Indirect management by pillar-assessed entities, i.e. European Financial Institutions (EBRD, EIB, KfW, AFD,, etc.) and multilateral Financial Institutions (IFC).

Pillar III: Union accession assistance and support measures

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- **Support under Pillar III:**
 - ✓ **Technical assistance** to the Government of Ukraine regarding EU acquis, structural reforms
 - ✓ **Capacity building of the authorities** at national, regional and local level, social partners
 - ✓ **Support to civil society**
 - ✓ **Contributing to the implementation of the Ukraine Plan**
 - **Implementation through traditional means:**
 - ✓ direct management (**grant – e.g. twinning, procurement**);
 - ✓ indirect management with **pillar-assessed entities** including Member States agencies
 - ✓ Skills4Recovery: vocational education and training (ongoing)
 - ✓ Women's economic empowerment (ongoing)
 - ✓ Alignment with EU and international labour standards/requirements (planned)
 - ✓ Employment (planned)

**Thank you for your
attention!**

Fernando Fonseca

Policy Officer, Ukraine Service

DG Enlargement and Eastern

Neighbourhood

Fernando.fonseca@ec.europa.eu