Economic Recovery
The National Recovery Council
Forum Presentation
Ukraine’s Recovery Plan has 3 stated objectives

1. Strengthening **Resilience** during war time
2. Preparing for the rapid **Recovery** immediately after the war
3. Setting foundation for long-term **Modernization and Growth**
The National Recovery Council was set-up by the President of Ukraine to coordinate Recovery Plan development.

- Verifying and discuss working hypotheses
- Providing experts support on selected priority topics
- Endorsing key decisions

Advisory Board (reputable international experts):
- >2,500 experts, business and civil society representatives
- Providing inputs for respective working groups
- Validating hypothesis based on practical experience

Ministers and Deputy Ministers
Parliament Representative
OPU Representative

24 Working Groups
- Coordinating content development for respective programs
- Aligning the programs with the priorities of branches of power
- Synthesizing final program blueprint

Secretary of the National Recovery Council

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The President of Ukraine

Co-head: Head of the OPU
Co-head: Head of the Parliament
Co-head: Prime Minister

National Recovery Council

Secretariat of Cabinet of Ministers and Reforms Delivery Office - technical, organizational, analytical and information support
The National Recovery Council has defined a set of principles and implementation approach for the Recovery Plan

**Guiding principles**

1. Start now, ramp up gradually
2. Grow prosperity in equitable way
3. Integration into EU
4. Build back better (for the future)
5. Enable private investment & entrepreneurship

**Implementation approach**

- Region-focused
- Parameter-based
The National Recovery Council has set up an inclusive and structured process to start preparing the Plan

24 working groups

>2.500 of experts

Business and civil society engagement
Ukraine's Recovery is aimed to accelerate sustainable economic growth

2032 targets

- **Annual GDP growth rate**: >7%
- **Accumulated investments**: >$750bn\(^1\)
- **Economic Complexity Index**: TOP 25
- **World Bank Human Capital Index**: TOP 25
- **CO2 reduction from 1990**: -65\(^3\)

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1. New total investments for 2022-2032
3. According to current NDC-2
Strengthening institutional capacity is a fundamental pre-requisite for the Recovery Plan

**Priority initiatives (non-exhaustive)**

- **Public data transparency**
  - Centralization and digitalization of public registers
  - Strengthen transparency and accountability

- **Rule of law reform**
  - Implementation of anti-oligarchs law
  - Strengthening anti-corruption system
  - Implementing court system reform
  - Implementing law-enforcement agencies reform
  - Strengthening anti-monopoly committee to secure competitiveness

- **Corporate governance**
  - Implementing new corporate governance legislature
  - Finalization of corporatization of SOEs
  - Centralization of public wealth management function
  - Privatization of non-critical enterprises

- **Public service reform**
  - Streamlining of the public services organizational structure
  - Digitization of all key public services
  - Architecture for climate governance
  - Professionalization of the public servants
The Recovery Plan has 3 layers

**“National Programs”**
- 15 National Programs
- >100 “catalytic” projects

**Working Groups deep-dives**
- 24 detailed documents by the Working Groups
- “Long list” of projects and reforms proposal

**“Bank of initiatives”**
- Database of the “ideas” to be validated and prioritized
- Established process for generation of the new projects

All projects and ideas will be transparent and tracked online.
The National Recovery Council has identified 15 “National Programs” to boost Ukraine’s Recovery and achieve growth targets.

**Total funding assessment**
>$750bn

Up to 2/3rd to be supported by partners (grants, debt, equity, and aid in kind)

Confiscated Russian assets to be considered as funding option
~$60-65bn immediate needs for 2022 Resilience Phase

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### “Strategic imperative”

1. Strengthen defense and security
2. Strive for further EU integration
3. (Re-)build clean and safe environment
4A. Strengthen integrated energy system resilience
4B. Support EU’s zero-carbon energy transition

### Enablers

5. Boost business environment
6A. Provide access to emergency funding
6B. Provide access to funding with competitive cost of capital
7. Ensure macro-financial stability

### Transformation engines

8. Grow value adding sectors of economy
9A. De-bottleneck logistics with EU
9B. Strengthen interconnectivity of Ukraine by upgrading logistics
10A. Modernize regions: launch housing upgrade program
10B. Ramp-up housing new-build and infrastructure upgrade
11. Modernize social infrastructure
12. Improve education with focus on basic skills and innovation
13. Upgrade HealthCare system
14. Modernize Culture and Sport systems to enable human capital growth
15. Secure targeted and effective social support and attractive migration policy

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1. Excl. Security and Defense
Funding needs for the immediate priorities are ~$60-65bn (excl. Security and Defense)

<table>
<thead>
<tr>
<th>Immediate priorities</th>
<th>Critical projects (selected examples)</th>
<th>Funding needs, $bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense and security</td>
<td>Secure critical military supplies and needs</td>
<td>TBD</td>
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<tr>
<td>EU integration</td>
<td>Continue systematic effort on synchronization of Ukraine’s legislature with Copenhagen criteria</td>
<td>n/a</td>
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<tr>
<td>Environment and sustainability</td>
<td>Launch demining effort</td>
<td>1-2</td>
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<tr>
<td>Energy</td>
<td>Power: prepare blocks for max. availability during winter</td>
<td>~5-10</td>
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<tr>
<td>Business environment</td>
<td>Launch deregulation crowd-sourcing initiative</td>
<td>&lt;0.1</td>
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<tr>
<td>Access to funding</td>
<td>Provide wartime emergency financing for SMEs affected by war</td>
<td>~3-10</td>
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<tr>
<td>Value adding sectors</td>
<td>Secure sources of financing for the state budget</td>
<td>&lt;0.5</td>
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<tr>
<td>Logistics</td>
<td>De-bottleneck rail, road and Danube exports to/through EU</td>
<td>~2-3</td>
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<tr>
<td>Modernization of regions and housing</td>
<td>Roll-out at-scale energy efficiency (EE) and prepare housing (incl. IDPs) for winter</td>
<td>~2-3</td>
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<tr>
<td>Modernize social infrastructure</td>
<td>Start re-building destroyed social objects (educational, healthcare, culture, sport)</td>
<td>&lt;1</td>
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<tr>
<td>Education</td>
<td>Introduce mobile education &amp; science facilities, scale up tutoring programs</td>
<td>0.1</td>
</tr>
<tr>
<td>Upgrade Healthcare</td>
<td>Launch war-time psychological rehabilitation program</td>
<td>0.1</td>
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<tr>
<td>Modernize culture and sport systems</td>
<td>Support national and international UA media</td>
<td>n/a</td>
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<tr>
<td>Social support and migration policy</td>
<td>Launch transformation of complex social benefits system into targeted subsidies system</td>
<td>~2</td>
</tr>
</tbody>
</table>

Total: 60-65 (excl. Security and Defense)
National Recovery Council – Next steps

**TODAY**

**Recovery Plan blueprint**
- Defining development targets
- Collating development projects and initiatives via inclusive process
- Prioritization of projects and initiatives, identifying “catalyst” projects
- Consolidation of the priority initiatives into an overarching Recovery Plan Blueprint
- Identifying immediate priorities

**Recovery Plan drill down and road-map**
- Specification and elaboration of the Recovery Plan with the local stakeholders and international partners
- Setting-up Recovery governance structure to support implementation
- Synchronization of the Recovery Plan with the Government Program
- Preparing a detailed implementation road-map, defining clear deadlines and responsible
- Launching immediate priorities projects

**Implementation**
- Launching Recovery Plan implementation
- Regular monitoring of results and adjusting the program as needed
- Maintain online project transparency tracker