

IFC's Economic Resilience Action (ERA) Program for Ukraine



WBG Report: Private Sector Opportunities for a Green and Resilient Reconstruction in Ukraine

Under a non-reform scenario, private investment to address reconstruction needs is estimated at **\$73 bn** (18% of the \$411 bn needed for coming 10 years according to RDNA2 as of Feb 2023).

Under the 2nd scenario, reforms would generate private investments of **\$130 bn** (32%) to address reconstruction needs and stimulate additional private sector opportunities totaling \$282 bn.

| | Addressing RDNA2 needs* | | Additional opportunities* |
|-----------------------|-------------------------|-----------------|---------------------------|
| | Non-reform scenario | Reform scenario | |
| Agriculture | 24.2 | 29.7 | 4.9 |
| Industry and commerce | 17.8 | 18.1 | 11.5 |
| Tourism | 0 | 0 | 5.1 |
| Finance and banking | 4.3 | 4.3 | 22.7 |
| Housing | 22.5 | 30.2 | 60.4 |
| Telecom | 1.4 | 4.3 | 4.8 |
| Energy & extractives | 2.2 | 35.6 | 131.7 |
| Transport | 0.2 | 6.6 | 40.7 |
| Health | 0 | 0 | 0.2 |
| Education | 0 | 0 | 0.3 |
| Water & Sanitation | 0 | 0 | 0.3 |
| Total | 73 | 130 | 282 |



The most perspective sectors for private sector participation

\$2 billion ERA program to safeguard resilience of the private sector

Phase 1: Resilience during the invasion and preparation for reconstruction

1 Sustaining economic activity and supply of essential goods

1

- Preservation of businesses via access to risk & working capital
- Trade finance for critical goods
- Food security & agribusiness
- Supporting companies and suppliers of construction materials

2 Supporting essential infrastructure

2

- Transport & logistics bottlenecks
- Emergency energy stability and supply
- Critical telecom infrastructure and services

3 Supporting displaced people and affected municipalities

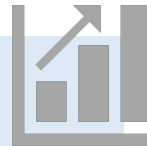
3

- Restoration of municipal infrastructure and provision of essential services
- Access to finance for forcibly displaced

Phase 2: Reconstruction & Recovery

Economic Recovery

Finance & Banking | Technology | Agriculture, industry and commerce



Infrastructure Rebuild

Housing & Municipal services | Transport | Energy and extractives | Telecommunications



IFC's support for private sector since invasion

Over \$1 billion, incl. own commitments & mobilization

Investment

- Risk-sharing facilities with financial intermediaries to support SMEs
- Guarantees & working capital across sectors
- Capex support to support corporates
- Long-term financing and equity investments

Priority sectors

Agriculture

Finance & Banking

Tech

Trade

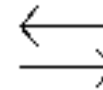
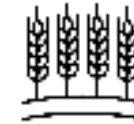
Transport

■ SMEs

Upstream

(Investment project preparation work)

- Recovery of agribusiness value chains & developing value-added agri processing
- Improving alternative trading routes for food commodities
- Preparing modular solar energy solutions
- Modernization options for river transport fleet
- Introduction of asset-based finance solutions for SMEs



Advisory

- SMEs access to finance
- Access to finance for forcibly displaced/refugees
- Work with municipalities on housing for internally displaced people and residential stock repairs
- Development of Fintech market
- PPPs in infrastructure, energy, and social sectors



Analytical work

- Comprehensive analytical work to identify key policy measures to unlock private sector opportunities for Ukraine's reconstruction

Investment projects | Agriculture

\$69 million to support global agri trader for Ukraine's operations



\$5 million investment to support reconstruction of the agri plant



\$130 mn investment to help MHP, Ukraine's leading poultry producer, sustain productivity and expand its waste-to-energy plant (*enabled by FCDO support*)



Investment projects | Finance and Banking

\$50 million investment in three RSFs with the Ukrainian FIs to support SMEs (incl. farmers and women-owned businesses)



IFC takes up to **50% credit risk** on the up to \$100m portfolio of SME loans.



These are the **first risk-sharing facilities in Ukraine** under IFC's Small Loan Guarantee Program, supported by the European Commission



Investment projects | Trade Finance

\$394 million + in guarantees to ensure imports of natural gas and diesel for agri machinery, agri equipment and other staples



\$75 million for grain exports



Guarantees for Ukrainian partner banks on their cross-border payments to VISA and Mastercard



Investment projects | Tech

\$60 million equity investment in Horizon to support fast-growing tech companies in Ukraine and Moldova



\$5.5 million investment in Preply, on-line language school



\$5 million investment in Miratech, software producer



Current program | Advisory & Upstream projects

Agriculture



Agri Resilience Program

Comprehensive analysis of agrifood value chains | Assistance in developing bankable investment projects in sustainable farming, value-added food processing and agri commodities trade

Agriculture Capital Markets Project

Promotion of Electronic Crop Receipts to improve smaller farmers' access to finance and provide a secure asset class for investors

Energy & Extractives



Work with Scatec to introduce the containerized **solar panels and battery solutions**

Financing & Banking

Digital Financial Services

Support with reforms implementation in digital finance and FinTech

Transport



Private sector engagement for **modernization of the Danube Shipping Company**

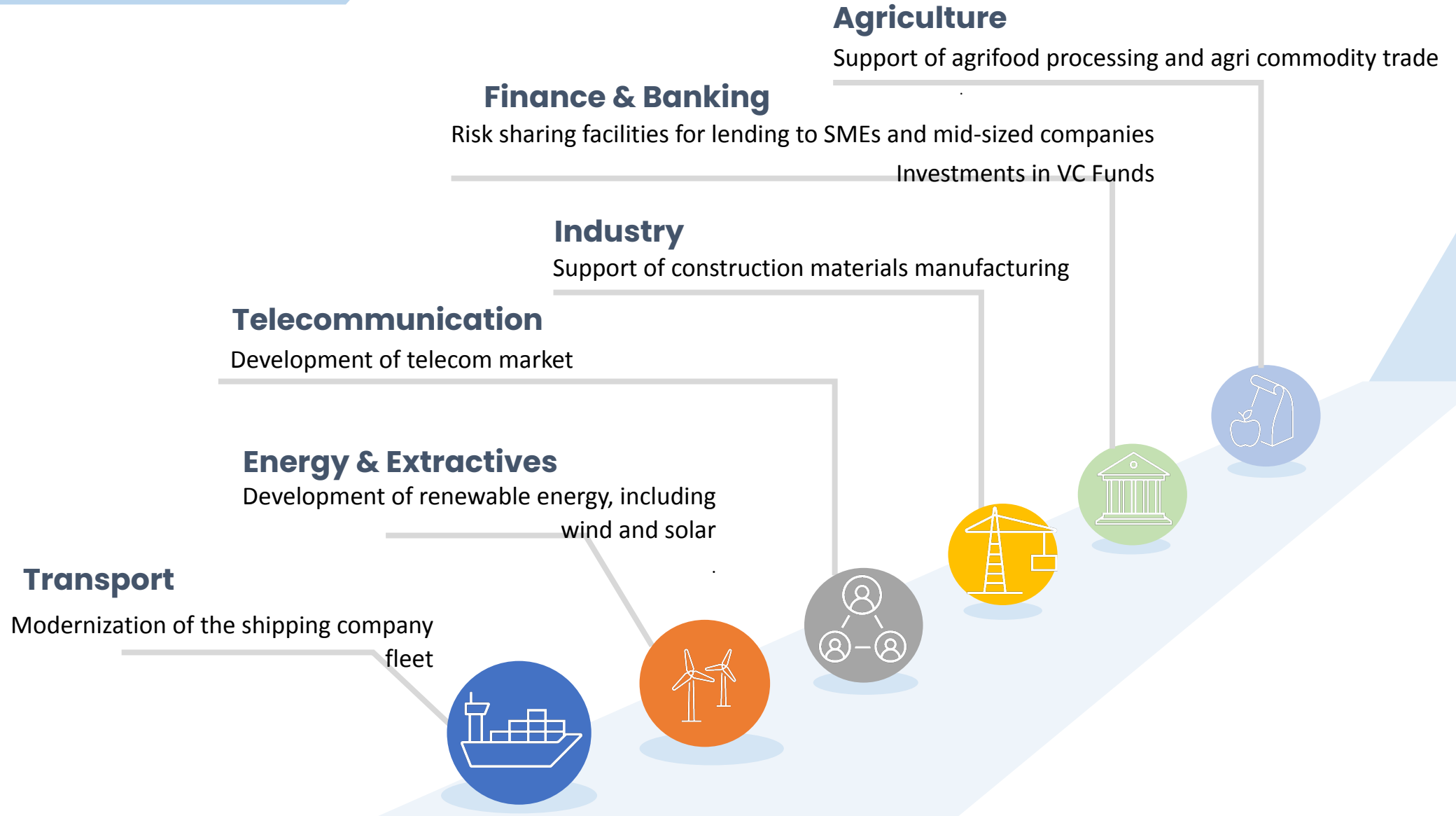
Key advisory role in PPP project for **modernization of the Chornomorsk port**

Social sectors

Development of the **PPP** model for modernization of the specialized children's medical rehabilitation center

IFC has a mature pipeline by mid-2025

*Over \$1.5 billion,
incl. own commitments & mobilization*



Thank you



IFC

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