

An aerial photograph of a serene landscape featuring a deep blue lake, dense green forests, and a small wooden building on a shoreline. The text is overlaid on the upper portion of the image.

Prospects for the Ukrainian energy market

Austria

Now, for tomorrow



Rebuilding public and energy infrastructure



- Since the full-scale invasion of Ukraine in 2022 a significant portion of civilian infrastructure was damaged or destroyed in targeted attacks.
- Dozens of large-scale strikes on energy facilities left hundreds of thousands of civilians without heating during harsh winter periods. Emergency power outages across many regions have effects on water supplies, sanitation, heating, and public health, leading to a need for diversification in the energy sector and the strengthening of public utility systems.
- The growing demand for energy security has opened new market opportunities for investors specializing in the clean energy technology as well as decentralised forms of energy production.

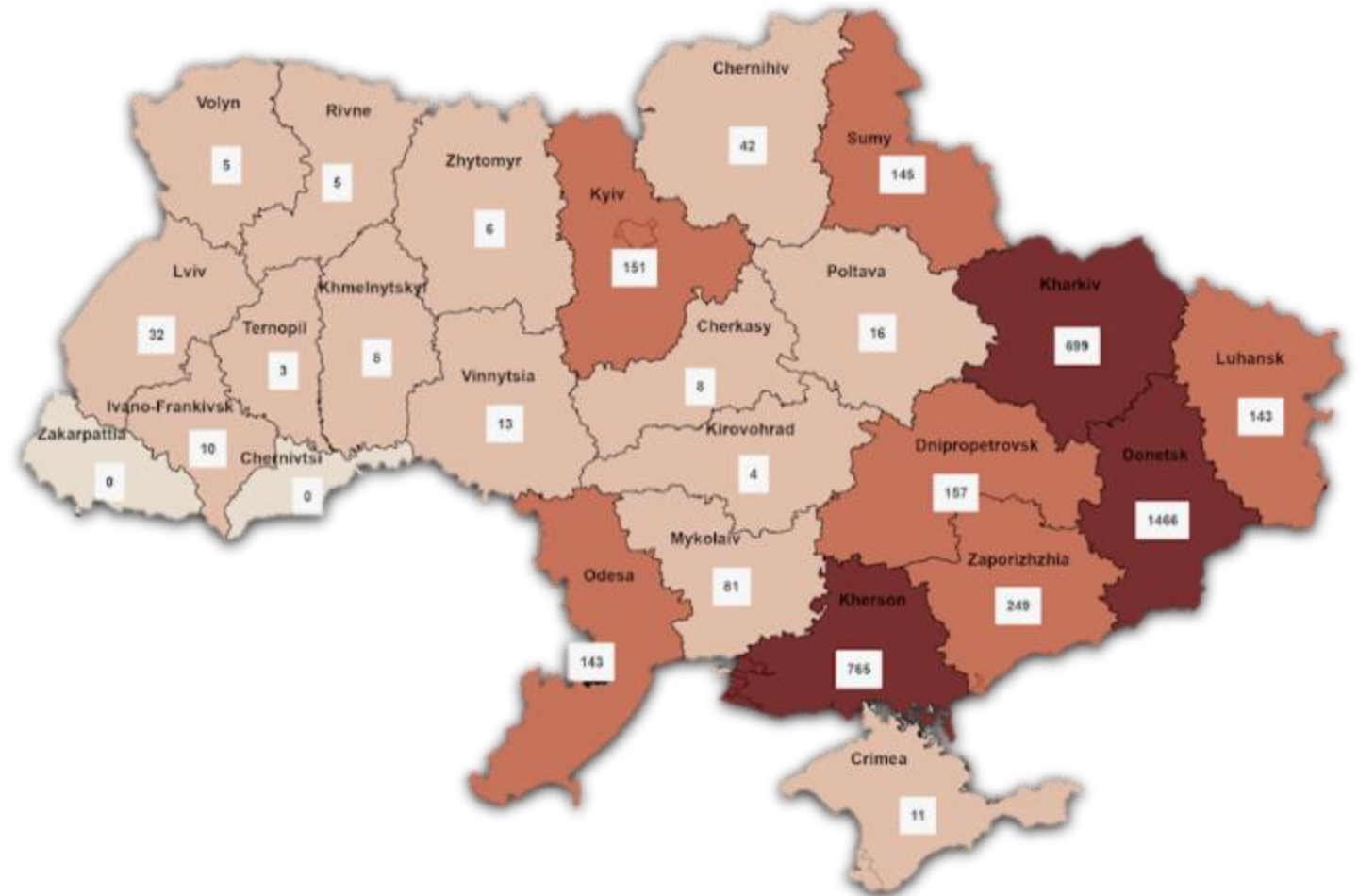
Key aspects:

- There has been a focus on proving electricity generators to support the energy grid and ensure that vital services remain operational.
- Since the full-scale invasion in 2022 there has been an estimated **\$524 billion** in damages to Ukraine.
- An increasing number of international organizations are ramping up the war related insurance cover that they provide, lowering the risks for investors and allowing for sustainable and secure growth
- The **Ukraine FIRST** initiative was announced at the **URC 2025** conference in July and plans to coordinate investment in the rebuilding of Ukrainian infrastructure.
- With an initial investment of €30 million by the **EBRD**, **EIB** and **European Commission** the initiative has already begun to make real world impacts for those effected by the war.

Most effected regions

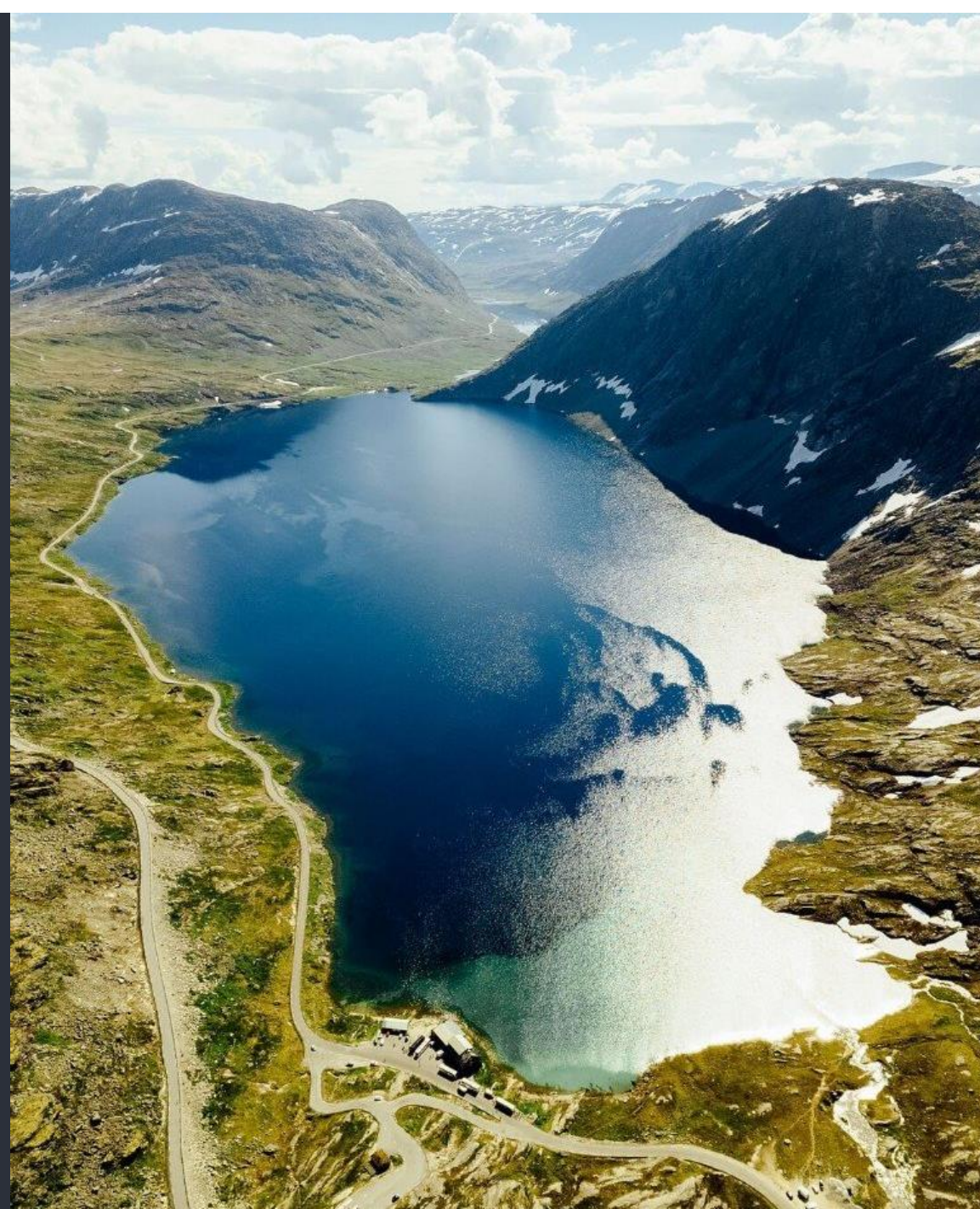


- Regions in proximity with the front lines of combat have been most impacted with significant portions of their infrastructure destroyed.
- There is an estimated **3.7 million internally displaced peoples** in Ukraine, many of whom have relocated to neighboring regions or those to the west of Ukraine.
- The simultaneous destruction of key infrastructure and internal population movements have put increasing pressure on existing systems.
- This becomes an increasingly pressing issue during Ukraine's harsh winter months where **59%** of people still don't have a backup electricity source and **23%** still lack heating appliances.
- Investment is needed to fulfil new demand and protect against further damage



Attacks on infrastructure since the full-scale invasion in 2022: Michael Bauer Research GmbH 2022, State Statistics Service of Ukraine, Eurostat

Active projects in Ukraine





The European Bank for Reconstruction and Development (EBRD) invested a record almost €2.4 billion in Ukraine in 2024, up from €2.1 billion in 2023. The Bank is the largest institutional investor in Ukraine, having significantly increased its investment since the start of the full-scale Russian invasion in February 2022. The EBRD's priority areas of intervention in Ukraine are **support for energy security, critical infrastructure, food security, trade and the private sector**. Trade finance is counted in the total together with investments.



The EIB Group has been supporting Ukraine's resilience, economic development and recovery since the first days of Russia's full-scale invasion, providing more than €2.2 billion in financing since 2022. The Bank continues to focus its activities on securing Ukraine's energy supply, rebuilding damaged infrastructure and maintaining essential public services across the country. Under the guarantee agreement signed with the European Commission, the EIB plans to invest at least another €2 billion in urgent recovery and reconstruction projects in Ukraine. **This funding is part of the EU's €50 billion Ukraine Facility package for 2024-2027 and is fully aligned with the priorities of the Ukrainian government.**



Ukraine Facility - the European Union's financial support program for Ukraine. Over the period of 2024-2027, the EU will allocate €50 billion to finance the state budget, stimulate investment, and provide technical support for the program.

On 09th of April 2025, financial contracts signed for three new public sector projects with a total value of €300 million:

- 100 million for the 'Ukraine Recovery Program III'
- 100 million for the project 'Restoration of water supply in Ukraine'
- 100 million for the project 'District Heating of Ukraine-Ukraine Ukreximbank'

Support from Austria



- Since 2022, Austria has provided over **EUR 290 million** in humanitarian assistance, directed through the **Austrian Development Agency**, NGOs and international partners like **UNHCR** and the **ICRC**. Funding has supported food, shelter, medical care, and refugee integration.
- In 2024, Austria created a **EUR 500 million** export credit and war-risk **insurance facility** to back investments and reconstruction projects in Ukraine, with a focus on public infrastructure, transport, and energy systems.
- Austria continues to be a **top 10** investor in Ukraine with over **1000 Austrian companies** operating within Ukraine and **200 companies** having offices in Ukraine. This significant presence allows for the employment of over **25,000 people** by Austrian companies within Ukraine and contributes to **USD 1.25 billion** in total trade between the two countries.
- At the Rebuild Ukraine business forums in 2023 and 2024, Austrian delegations of more than **20 companies** showcased reconstruction capabilities, particularly in construction, energy services.



Austrian Development Agency



- Established as Austria's official implementing body for development cooperation, the Austrian Development Agency (ADA) manages humanitarian and reconstruction programmes in Ukraine and the wider region, channelling funds on behalf of the Federal Ministry for European and International Affairs.
- Since 2022, Austria has committed over **€290 million** in humanitarian aid to Ukraine, with ADA administering significant portions through Austrian NGOs such as **Caritas** and the **Red Cross**, and international partners including UNHCR, ICRC, and UNICEF.
- Reconstruction and resilience are an increasing priority, with ADA supporting housing rehabilitation, water and energy access, and social infrastructure by de-risk projects in Ukraine, with potential leverage up to **€1 billion**.
- ADA also links Austrian companies to Ukraine's energy recovery, co-financing sectoral initiatives such as sustainable agriculture and bioenergy. They have also worked with **Advantage Austria** to connect Austrian firms to procurement in renewable energy, grid repair, and efficiency solutions.



AUSTRIAN
DEVELOPMENT
COOPERATION



URC 2025



- At the recent Ukraine Recovery Conference in Rome (URC), Austria reaffirmed its long-term support to Ukraine and the delegation highlighted energy and healthcare reconstruction as priority areas. It emphasising the role of Austrian companies in rebuilding critical infrastructure and the recent **EUR 15 million** contribution to the **Ukraine Energy Support fund**.
- Additional measures include the creation of sectoral clusters to coordinate Austrian firms in energy, infrastructure, and health. Business missions and workshops will expand opportunities, while a dedicated Government Coordinator and Point of Contact system will link Austrian companies directly with Ukraine's reconstruction framework.

Flexible buyer credit facilities (shopping lines)

- These credit lines allow foreign governments, banks, and companies to bundle purchases from multiple Austrian exporters under a single loan, streamlining financing and avoiding multiple negotiations.
- With **OeKB's** strong credit rating, borrowers benefit from favourable financing terms and long maturities. For Austrian companies it lowers buyer risk, makes Austrian goods and services more competitive abroad, and increases their chances of securing contracts in Ukraine's reconstruction and infrastructure projects.





Ongoing projects



€157 million finance package for private Ukraine wind farms

- Austria has been instrumental in implementation of a **EUR 157** million private wind power project in Ukraine, financed by the **EBRD, IFC and BSTDB**. Austria's Federal Ministry of Finance played a pivotal role, supporting **IFC's** pre-investment work that enabled the project structure in a volatile market. Led by Ukraine's **OKKO Group**, the 147 MW plants will generate 380 GWh of green power annually, cutting **245,000 tons of CO₂ emissions** and showcasing strong Austrian involvement in mobilising wartime renewable energy investment.

€500 million special loan fund

- Managed through **OeKB**, the fund provides war-risk coverage and enables Austrian companies to pursue projects that would otherwise be inaccessible. Around **€100 million** annually will finance new business, especially in infrastructure, energy, and supply sectors. With insurance being one of the biggest concerns for international companies looking to invest in the rebuilding of Ukraine, Austria will become an industry leader. The scheme will use state guarantees to diversify risks and strengthen both Austria's economy and Ukraine's recovery.

€11 million Donau Soja programme

- The ADA and Donau Soja have extended their strategic partnership until 2029, investing **€11 million** to support sustainable agriculture in Ukraine and other eastern European nations. This project will invest in the growth of the Agro-market as well as focusing green, **biofuel production** that is a key part in the creation of a sustainable energy market within Ukraine.



Baker Tilly clients in the energy sector



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