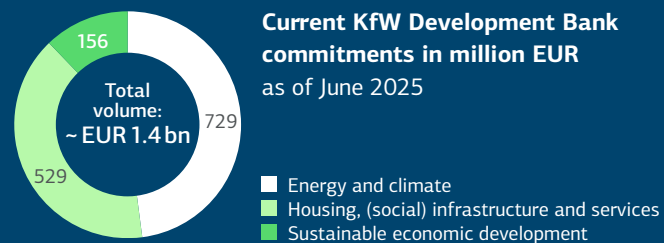




Since February 2022, Germany through KfW has substantially scaled up its efforts to strengthen the country's resilience by way of grant funding, contributing to ensure macroeconomic and financial stability in the midst of a general state of war.

KfW is committed to supporting Ukraine's post-war reconstruction, reform and EU integration efforts.



Responsible banking

KfW is one of the world's leading and most experienced promotional banks. As an integral part of the KfW Group, KfW Development Bank carries out Germany's Financial Cooperation with developing countries and emerging economies on behalf of the Federal Government. The staff at its head office in Germany and in about 70 local offices cooperate with partners all over the world. Its goal is to combat poverty, secure peace, protect the environment and the climate, and make globalisation fair.

Alongside KfW Development Bank, the two Group subsidiaries KfW IPEX-Bank and DEG also have commitments abroad: while KfW IPEX-Bank is active in international project and export finance, DEG provides financing and consulting to companies investing in developing countries and emerging economies.

Contact us!

If you have any questions, feel free to contact our office in Kyiv, Ukraine. Our staff is looking forward to providing you with further information on KfW-financed projects in Ukraine.

Photo credits & graphics: KfW/Jonas Wresch

KfW



KfW Development Bank
kfw-entwicklungsbank.de/About-us/Ukraine
E-Mail: kfw.kyjiw@kfw.de

KfW Office Kyiv

Director and Head of the Office: Lorenz Gessner
Knyaziv Ostrozkykh St. 32/2
BC Senator
01010 Kyiv
Ukraine

As of June 2025



KfW

Financial Cooperation with Ukraine



Ukraine: Our partner since the 1990s

KfW Development Bank has been a close partner and one of the top providers of development finance to Ukraine since the 1990s, mainly on behalf of the German Government and the EU. With an active portfolio of more than EUR 1.4 bn, KfW contributes to promoting transition and sustainable development in key areas of the Ukrainian Government's agenda, including the access to finance for micro, small and medium enterprises (MSMEs), support to internally displaced persons (IDPs) and returnees, energy efficiency, urban development and housing, climate change and biodiversity conservation, and in general the EU integration.



Our priority areas

Energy & climate

The electricity transmission network in Ukraine has been severely damaged by targeted Russian attacks. In cooperation with the state-owned power grid operator Ukrenergo and other international institutions, KfW is financing a programme to booster energy resilience, energy efficiency and energy security. The programme includes physical protection measures to reduce the risk of future damage through Russian drone attacks. It also aims to further integrate Ukraine into the EU electricity network. In addition, KfW provides funds to the Ukraine Energy Support Fund (UESF), which supports energy companies in obtaining equipment and services for restoring energy infrastructure damaged by the war and promoting the use of decentralized renewable energy.

KfW keeps supporting the Ukrainian government in its long-term efforts to reduce the negative effects of climate change and to protect biodiversity.

Housing, (social) infrastructure and services for IDPs and host communities

KfW has been a key partner to the Ukraine Social Investment Fund (USIF) since 2008. Through USIF, the energy-efficient rehabilitation, modernisation and equipment of social infrastructure at the communal level is supported. This includes schools, kindergartens and water systems, but also medical facilities. For example, around 450.000 people will benefit from improved health infrastructure and equipment.

KfW is cooperating with a number of municipalities in Ukraine. For example, the population of Chernivtsi, the population has increased significantly since the Russian invasion in 2022, putting additional pressure on water supply and the sewage infrastructure. The rehabilitation and modernisation of the city's water supply and sewage system will improve the living conditions of 190.000 people.

To ensure that local reconstruction needs are met, 25 hromadas are strengthened to identify infrastructure needs and planning in a participatory manner and to implement infrastructure projects at the communal level.

KfW finances housing, community infrastructure and basic service provision to support the high number of IDPs and returnees, but also the host communities. Around 7000 persons, mainly IDPs, will be able to access long-term housing, and temporary housing will be improved or provided to an additional 900 IDPs. Children and families benefit from multi-sectoral approaches that seek to address diverse needs with regard to social security, child protection, education, health or the provision of clean drinking water. As part of UNICEF's winterization initiative, energy resilience of key service providers was improved, benefiting more than 1 million people.

Sustainable economic development

In order to stabilize the Ukrainian economy, KfW strives to promote sustainable economic development. For instance, together with the International Organization of Migration (IOM), KfW enhances the integration of IDPs by providing grant funding as well as mentorship and networking support to micro, small and medium-sized enterprises (MSMEs). So far, 753 businesses and start-ups, of which 45% were led by women, have benefitted from German funding, 2,000 jobs have been created and over 5,000 existing ones preserved.

Support is also provided for the rehabilitation and modernisation of the Technical and Vocational Education and Training (TVET) infrastructure, including adequate equipment. This is done to ensure that young Ukrainians have the skills needed to keep the economy running and to be well-prepared for the post-war phase. 15 schools will be rehabilitated and modernised within the EU4Skills project, and 4 additional schools will be upgraded to centres of excellence.

Funds are another important instrument, allowing the Ukrainian private MSME sector and households to access much-needed financial resources. Funds supported by KfW in Ukraine include:

BDF (Business Development Fund)

The BDF was co-founded by KfW as German-Ukrainian Fund in 1999. The BDF works with partner financial institutions in Ukraine to enhance access to finance for MSMEs. Through the government programme "Affordable loans 5-7-9%", thousands of MSMEs are able to maintain their business activities in spite of the war. Together with other development partners, KfW supports the international initiative "BDF Vision 2.0" to enable the transformation of the BDF into a national development institution for MSMEs.

EFSE (European Fund for Southeast Europe)

The EFSE was established by KfW in 2005 with support from the BMZ and the European Commission. EFSE is one of the world's largest regional microfinance funds and has been actively engaged in Ukraine since 2010. Its mission is to foster economic development and prosperity by providing additional development finance, notably to MSME and to low-income private households, via qualified financial institutions. To date, more than 6.200 enterprises in Ukraine have received loans valuing more than EUR 380 million. In 2024, a dedicated sub-fund for Ukraine has been established to further improve access to finances for the Ukrainian private sector. www.efse.lu

GGF (Green for Growth Fund)

The Green for Growth Fund has a regional scope. It was founded by KfW and EIB in 2009 with support from the Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission. In Ukraine, the fund focusses on energy efficiency and renewable energy financing for MSMEs and private households via qualified local financial institutions. Through the revolving use of funds, GGF has been able to provide about 600 individual loans with a volume of approximately EUR 160 million. www.ggf.lu



Partnerships

Cooperation with long-term partners secures the sustainable impact of KfW's work beyond the project duration. Where required, this includes supporting our partners to enhance structural improvements and capacities at the organizational level.

Key Partners in Ukraine include:

- **Energy & climate:** Ministry of Energy, Ministry of Environmental Protection and Natural Resources, Ukrenergo, Ukraine Energy Support Fund.
- **Housing, (social) infrastructure and services for IDPs and host communities:** Ministry for Development of Communities and Territories, Municipalities of Chernivtsi, Zhytomyr, Zaporizhzhia, USIF, State Fund for Support of Youth Housing, International Organization for Migration (IOM), UNICEF, Norwegian Refugee Council (NRC).
- **Sustainable economic development:** Ministry of Finance, IOM, USIF, BDF.