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BEYOND MORAL SUPPORT: UKRAINE'S RECOVERY IN LIGHT OF ITS ACCESSION TO THE EUROPEAN UNION

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Following Russia's war of aggression, Ukraine faces the monumental task of rebuilding its infrastructure and institutions. Despite the ongoing conflict, the European Union has granted Ukraine candidate status for membership, highlighting a resilient partnership. Looking at the post-war recovery experiences of Serbia and Kosovo, and their ongoing trajectories towards EU membership, this paper explores the potential role of the Ukraine Facility and other policy mechanisms as tools for Ukraine's recovery and path to EU integration. Key focus areas include managing infrastructure, providing financial aid, and enacting legal reforms.

Introduction


Russia's full-scale invasion of Ukraine has dragged on for over two years, and although the Ukrainians have shown remarkable resilience, the country has suffered considerable damage. On 15 February 2024, the Ukrainian government and the World Bank presented the third Rapid Damage and Needs Assessment for Ukraine (RDNA3)¹, stating that, as of 31 December 2023, the cost of direct damage had reached almost US\$152 billion, with housing, transport, commerce and industry, agriculture, and energy the most badly affected sectors. Disruptions to economic flows and production, as well as the additional costs associated with war, are collectively measured as an economic loss amounting to over US\$499 billion.²

The response of Ukraine and the international community was swift: The European Union (EU), and Ukraine's other allies, have pledged further humanitarian, logistical, and military aid. While this urgent support was immediately provided and is still ongoing, discussions quickly turned to the issue of Ukraine's reconstruction and recovery. While it is not easy to envisage the future of a country at war, the question of Ukraine's recovery and reconstruction is being addressed in fora such as the Ukraine Recovery Conferences (URC) 2022 and 2023, organised conjointly with Ukraine, where there has been a highlighting of the necessity to start thinking about the role that national and international institutions should play in Ukraine's eventual reconstruction and recovery.

1 *Ukraine. Third Rapid Damage Assessment (RDNA3). February 2022 — December 2023*, "World Bank", 14.02.2024.

2 *Ibid.* p.10.

Ukraine has expressed on multiple occasions its intention of becoming a member state of the EU, indicating its aspirations for European and Euro-Atlantic integration. From calls made during the Revolution of Dignity in November 2013, to the adoption of a law stipulating Ukraine's strategic course for obtaining membership of the EU and North Atlantic Treaty Organization (NATO) in November 2018,³ Ukraine's message and goals have remained consistent and clear.



the EU made it clear that it sees Ukraine as a strategic partner, and its involvement in the country's recovery underlines the Union's desire to maintain peace and stability on its borders in the long term

In June 2022, the European Commission issued a positive opinion towards granting Ukraine candidate status for EU membership. This decision came unexpectedly, not only because the Commission and Council had never granted candidate status to a country at war before, but also because both parties understood that Ukraine's actual membership would not be on the cards in the coming years, given the challenges the country was currently facing. The EU's accession process is clearly long and intensive, requiring numerous reforms that can take years to implement, even in times of peace.

So, was the awarding of candidate status simply a gesture of moral support towards Ukraine? Through this action, the EU made it clear that it sees Ukraine as a strategic partner, and its involvement in the country's recovery underlines the Union's desire to

maintain peace and stability on its borders in the long term. It seems, therefore, that Ukraine was granted candidate status because of the exceptional nature of the situation. However, while the Russian war against Ukraine has often been presented as the first war on European soil since the end of the Second World War, the countries of Former Yugoslavia in fact lived through similar experiences to those of Ukraine in the 1990s, and are also undergoing their own accession process on their path to EU membership.

This paper aims to examine the reconstruction and accession experiences of Serbia and Kosovo, to see what lessons Ukraine can learn from them, and it identifies strategies that could be applied to Ukraine's recovery and path towards EU membership. We chose the cases of Serbia and Kosovo since they have a history that is closely intertwined, yet each has a path towards EU membership that has been divergent. The first part of this paper examines the reconstruction experience of Serbia and Kosovo, and how this may have influenced accession discussions. In the second part, we look at in what way the EU has already stepped in to foster the reconstruction of Ukraine, and what this means for its accession.

Lessons Learned from Serbia and Kosovo

The experiences of Serbia and Kosovo offer valuable insights into the pending reconstruction of Ukraine, and its path towards EU membership. The 1990s Balkan wars left the region shattered, and in need of significant reconstruction efforts. Although Serbia and Kosovo did not benefit from EU candidate status in the immediate aftermath of the wars, the EU has since played a major role in supporting their reconstruction.

3 *Ukraine's parliament backs changes to Constitution confirming Ukraine's path toward EU, NATO, "UNIAN", 7.02.2019.*

Rebuilding a state and its components requires strong institutions,⁴ which were lacking in ex-Yugoslavia after the 1990s wars. Governments and institutions were left fragmented by the wars, which obstructed the launch of sustainable reconstruction projects,⁵ and even increased the risk that the presence of “infrastructure failures” might be used as an excuse to challenge “the legitimacy and effectiveness of the reconstruction process”.⁶ Due to Serbia and Kosovo’s proximity to each other, and their location at the heart of Europe, the EU has contributed significantly to the reconstruction of the region, implementing various recovery initiatives, and paving the way for EU membership. However, the Balkans’ path towards EU integration has been a prolonged and rigorous endeavour. Since starting their trajectories towards EU membership respectively in 2012 and 2015, Serbia has so far only been granted candidate status, and Kosovo merely remains a potential candidate. In the following sections, we will highlight three sectors that are relevant to both post-war reconstruction and the EU accession process: infrastructure reconstruction management, financial support, and the rule of law.

Both Kosovo and Serbia have already taken steps towards EU accession, signing

an Association Agreement with the EU in respectively 2013 and 2015,⁷ which includes provisions for political association and economic integration. Under these agreements, the EU has started the progressive elimination of customs tariffs,⁸ and has included Serbia and Kosovo in the EU’s single market programme, on condition that they implement substantial reforms⁹. Access to the single market has been the main driver of economic growth for all EU accession countries over the past two decades, and this will be instrumental for Ukraine’s economic growth as well¹⁰.

Infrastructure Reconstruction Management

In post-conflict settings, infrastructure reconstruction typically first follows the emergency and recovery phase, a period that generally lasts three to four years.¹¹ In Kosovo, reconstruction efforts started later, after the declaration of independence in 2008, nearly nine years after the end of the war.¹² While this may seem like a long time, the aftermath of any conflict necessitates careful assessment, to identify damage and to estimate the cost of reparation. Only once the initial phase of damage assessment and planning is completed can effective reconstruction initiatives be put into motion.

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- 4 P. B. Anand, *Getting Infrastructure Priorities Right in Post-Conflict Reconstruction*, “UNU-WIDER”, June 2005.
 - 5 J. Ernest & C. Dickie, *Post-Conflict reconstruction — a case study in Kosovo: the complexity of planning and implementing infrastructure projects*, “PMI Research and Education Conference”, 18.07.2012.
 - 6 P. B. Anand, *Getting Infrastructure Priorities Right in Post-Conflict Reconstruction*, “UNU-WIDER”, June 2005, p. 4.
 - 7 *Stabilisation and Association Agreement between the European Communities and their Member States of the one part, and the Republic of Serbia, of the other part*, “Official Journal of the European Union”, 18.10.2013; *Stabilisation and Association Agreement between the European Union and the European Atomic Energy Community, of the one part, and Kosovo, of the other part*, “Council of the European Union”, 2.10.2015.
 - 8 *Kosovo — Country Commercial Guide*, “International Trade Administration”, 24 January 2024; *Serbia — Country Commercial Guide*, “International Trade Administration”, 05.08.2022.
 - 9 J. Adhem, *EU unlocks Single Market access for Western Balkans in exchange for reforms*, “Euronews”, 17.10.2023.
 - 10 T. Peters, *Financing Ukraine’s recovery. Consequences for the EU budget and budgetary control, and principles for success*, “European Parliament”, June 2023.
 - 11 J. Ernest & C. Dickie, *Post-Conflict reconstruction — a case study in Kosovo: the complexity of planning and implementing infrastructure projects*, “PMI Research and Education Conference”, 18.07.2012.
 - 12 Ibid.

Prioritising infrastructure reconstruction is crucial for a robust recovery. Restoring electricity, transportation networks, healthcare, and housing is vital for both people's recovery and economic resilience. In Serbia and Kosovo, this infrastructure reconstruction phase has been long, and is still ongoing. The Kosovan Ministry of Infrastructure maintains the highest capital investment budget in the country.¹³

The European Agency for Reconstruction (EAR), established to oversee reconstruction efforts in the Western Balkans, was a successful EU body set up in an attempt at organising the recovery of the region. Together with other international organisations, including the European Bank for Development and Reconstruction (EBRD) and the World Bank, the agency played a key role in collecting, analysing, and communicating information to the European Commission on damage assessment and reconstruction needs. The focus on the energy and transport sectors in the post-war period has allowed for a relative relaunch of the country, while bringing the region closer to the EU, an example that is certainly worth considering in the case of Ukraine.

Road and rail infrastructure is of great importance in any post-war reconstruction.¹⁴ The construction of an EU-funded "peace highway" connecting Kosovo and Serbia has brought much hope for the region's recovery, and for a possible settlement between the two, which could help both countries in their bid to join the EU. This

road will help Southern Serbia's economic development, by better connecting people, and by linking the region to the EU.¹⁵ The creation of a more modern railway network can also enhance development, and further connect the region to the EU.¹⁶ The European Investment Bank (EIB) has been actively involved in the development of the Serbian railway, being one of the main contributors to funding of the Belgrade-Niš section of the Railway Corridor X.¹⁷

However, despite the modernisation of roads and their inclusion in the broader European rail network, Serbia and Kosovo have much progress to make in order to meet EU common rules in terms of transport. In 2023, the European Commission, which considers Kosovo to be at an "early stage of preparation" in transport infrastructure, has recalled that Kosovo needs to invest in road maintenance and security, and come up with an action plan for its transport strategy that includes the EU's intelligent transport system (ITS) strategy.¹⁸ Serbia, considered to have a "good level of preparation" in transport, should focus on railway safety, and work on its national transport strategy, as well as work on mobility investments that put it in line with the Green Deal and EU accession.¹⁹ Hence, while progress is being made, Serbia and Kosovo still have a long series of reforms to implement to meet the EU's expectations. Ukraine and the EU have different rail gauges, which presents a compatibility issue for direct rail connections. However, there have been efforts to address this issue through various projects aimed

13 C. Patricolo, *Rebuilding Kosovo*, "Emerging Europe", 15.05.2019.

14 P. B. Anand, *Getting Infrastructure Priorities Right in Post-Conflict Reconstruction*, "UNU-WIDER", June 2005.

15 *First Section of the EU-financed Peace Highway in Serbia Open*, "Western Balkans Investment Framework", 28.07.2023.

16 C. Patricolo, *Rebuilding Kosovo*, "Emerging Europe", 15.05.2019.

17 G. Kovacevic, *Serbia: Team Europe — EU, EIB and EBRD announce financial package to improve the Belgrade-Niš railway*, "European Investment Bank", 28.02.2023.


18 *Commission Staff Working Document. Kosovo 2023 Report*, "European Commission", 8.11.2023, p. 109.

19 *Commission Staff Working Document. Kosovo 2023 Report*, "European Commission", 8.11.2023, p. 127.

at improving rail infrastructure, and facilitating the inauguration of cross-border transportation.²⁰ These initiatives include the development of interoperable freight wagons, and infrastructure upgrades at border crossings, to enable smoother rail transport between Ukraine and EU member states. Once this uniformisation has been achieved, Ukraine will benefit from further economic development, and greater mobility of people and goods.

In the energy sector, the Energy Community Treaty, introduced in 2006, stands as a pivotal support mechanism for the recovery efforts of the Western Balkans. This crucial treaty has not only created an internal market for electricity and natural gas, but also serves to unite the Balkans with the 28 [sic] EU member states, further reinforcing the possibility of EU accession. But today, much progress remains to be made in the energy sector, both in Kosovo and Serbia. The Commission considers Kosovo to have made “some level of preparation”²¹ in terms of energy. Kosovo adopted its new Energy Strategy in March 2023, and the Commission insists on the necessity for it to make progress on environmental concerns and to vote in the law on renewable energy.²² Serbia is considered to be “moderately prepared” in the sector of energy²³, but the Commission insists on the necessity for it to keep working towards the incorporation of more renewable energies, and the adoption of the National Energy and Climate Plan (NECP).²⁴

Therefore, it is important to note that, while these initiatives have been essential in contributing to the region’s reconstruction and development, they also present downsides that need to be addressed. The Kosova Democratic Institute (KDI) has warned that some of the projects on infrastructure reconstruction – the construction of roads, bridges, and buildings – have had a major impact on the environment,²⁵ hence the reminders of the European Commission²⁶ to keep environmental concerns at the forefront of the discussions.



Prioritising infrastructure reconstruction is crucial for a robust recovery. Restoring electricity, transportation networks, healthcare, and housing is vital for both people’s recovery and economic resilience

Learning from the Balkan experience, and knowing that both Serbia and Kosovo are still working on improving their transport and energy sectors in light of the EU’s environmental priorities and the Green Deal, Ukraine’s reconstruction should — to the greatest extent possible — be considered through the prism of environmental protection, and coincide — where feasible — with the Green Deal.

20 *EU invests €6.2 billion in sustainable, safe and efficient transport infrastructure*, “European Commission”, 22.06.2023.

21 *Commission Staff Working Document. Kosovo 2023 Report*, “European Commission”, 8.11.2023, p. 110.

22 *Ibid.*

23 *Commission Staff Working Document. Serbia 2023 Report*, “European Commission”, 8.11.2023, p. 129.

24 *Ibid.*

25 *State Capture in Kosovo. The Political Economy of Gravel*, “Kosova Democratic Institute”, 2018; C. Patricolo, *Rebuilding Kosovo*, “Emerging Europe”, 15.-5.2019.

26 *Commission Staff Working Document. Serbia 2023 Report*, “European Commission”, 8 November 2023; *Commission Staff Working Document. Kosovo 2023 Report*, “European Commission”, 8.11.2023.

These efforts to enhance connectivity between the Western Balkans and the EU align closely with the Stabilisation and Association Agreements (SAAs) signed by several Balkan states, including Kosovo and Serbia, that aim to strengthen ties with the EU and outline the conditions for integration, addressing key areas such as energy, employment, education, and the environment. But again, it took years after the war finished for the SAAs to materialise. All steps towards reconstruction take time, and priority should be given to the reconstruction of essential infrastructure. More than just time, post-war reconstruction projects also require major funding and long-term planning efforts.

Financial Support

The reconstruction of the Balkans required significant funding. The EBRD and the EU were among the main donors for the reconstruction and modernisation of infrastructure in the region and remain important contributors to its development today.²⁷ Some of the funding allocated to the reconstruction of Serbia and Kosovo was intricately woven into the broader discourse surrounding accession to the EU, and may reveal a larger interest of the EU in the region.

The Instrument for Pre-Accession Assistance (IPA), one of the key financial mechanisms implemented by the EU, is dedicated to supporting the Western Balkans in their efforts to meet EU standards, and in matching the criteria for eventual accession. With a focus on promoting democracy, the rule of law, economic development, and human rights, the IPA operates through three distinct phases: IPA I, IPA II, and IPA III, each of which corresponds to a different period. IPA I (2007-2013) laid the groundwork for EU accession by supporting institution-building

and the reconstruction and development of infrastructure. Building upon this foundation, IPA II (2014-2020) sharpened its focus on the rule of law, governance, competitiveness, and sustainable development. For IPA III, the same priorities remain, with a stronger emphasis on environmental sustainability. Under IPA II, Serbia was allocated 1.539,1 billion euros, while Kosovo received 602.1 million euros, highlighting a substantial EU investment into their pathway to EU integration. The IPA illustrates that there is a phase dedicated to each step of reconstruction, underscoring extent of the strategic planning and coordination involved in facilitating Serbia and Kosovo's progress towards EU integration. This phased approach would also be beneficial in the case of Ukraine, and could be an indication of the timescale required for the reconstruction of the country.

In 2020, the European Commission adopted the Economic & Investment Plan to support the Western Balkans and push for a rapprochement, with the EU's 9 billion euros dedicated by the Commission for this programme. The plan aims to enable the Western Balkan economies to grow and become more resilient, by providing financial support and technical assistance to support policy reforms, with EU membership in mind. This desire to bring the region closer to Europe is also illustrated by the EIB's involvement in the Serbian railway system mentioned earlier. It awarded a 550-million-euro loan and an 80 million euro grant for the reconstruction and modernisation of the Belgrade-Niš section of the Railway Corridor X. To this day, the bank has invested more than 1.2 billion euros in the Western Balkans rail system, enhancing connectivity with Europe.²⁸ Similar efforts would be to the advantage of Ukraine.

27 EBRD, *EU and bilateral donors finance better infrastructure in Western Balkans*, "European Bank for Reconstruction and Development", 14.12.2020.

28 G. Kovacevic, *Serbia: Team Europe — EU, EIB and EBRD announce financial package to improve the Belgrade-Niš railway*, "European Investment Bank", 28.02.2023.

Rule of Law

The EU's support, extending beyond financial aid, played a major role in assisting Serbia and Kosovo to implement reforms aimed at strengthening the rule of law, improving governance, and combatting corruption. Accountability and transparency being two core values at the heart of the European project, the fight against corruption has been an EU priority from the start. This also applies to Ukraine.

The Rule of Law mission in Kosovo (EULEX) operated within this context. It was launched right after Kosovo's declaration of independence in 2008 and took over the responsibilities of the United Nations Interim Administration Mission in Kosovo (UNMIK).²⁹ The mission has helped Kosovo and its institutions become more effective, sustainable, and accountable, by improving governance, and the rule of law, and through combatting corruption. As mentioned above, IPA II and III also focus on strengthening the rule of law by making the Balkans' legal systems fairer and more accountable.³⁰ But today, the region still suffers greatly from corruption.

Kosovo and Serbia have been working on reforming their institutions, but progress needs to be made. The Commission acknowledges³¹ their efforts in implementing reforms but reiterates the importance of strengthening the rule of law reforms, as well as the necessity to work on the improvement of the relationship between Serbia and Kosovo. Concerning the

fight against corruption, Serbia has been progressing slowly, and there is a plan to put in place the recommendations of the Council of Europe's Group of States against Corruption (GRECO). In Kosovo, while anti-corruption legislation was adopted in 2022, little progress has been made in this respect as well.

The EU has opened European Union offices in Kosovo and Serbia as part of the EU Delegations network. This permits a closer link, to offer advice and support to the local government officers and guide them on their path towards reconstruction and EU accession.³² The Ukraine Facility (see description below) can serve a similar purpose, alongside its other goals.

The Situation in Ukraine

Ukraine and EU accession

On 24 June 2022, the European Council granted Ukraine candidate status, initiating the accession process towards becoming an EU member state.³³ For the first time in its history, a country involved actively in war is undertaking this endeavour. This decision takes the EU-Ukraine relationship to a new level, and consolidates the steps to the EU's future support to Ukraine. It implies that, as Ukraine rebuilds within the framework of its National Recovery Plan, it will also focus on enhancing its scale of democracy, reinforcing its rule of law institutions, and implementing other reforms required for EU membership, in a coordinated and integrated manner.

29 *EULEX Kosovo: European Union Rule of Law Mission in Kosovo — Civilian Mission*, "European External Action Service", 30.11.2020.

30 *Instrument for Pre-accession Assistance (IPA II), 2014-2020. Republic of Serbia, EU for Rule of Law*, "European Commission", 2020.

31 *Commission Staff Working Document. Serbia 2023 Report*, "European Commission", 8.11.2023; *Commission Staff Working Document. Kosovo 2023 Report*, "European Commission", 8.11.2023.

32 *European Union Office in Kosovo European Union Special Representative in Kosovo*, "EEAS" <https://www.eeas.europa.eu/kosovo>.

33 *EU enlargement policy. Ukraine*, "European Council".



The EU has no explicit prohibition on countries at war joining, but the accession process requires candidates to demonstrate stability, democracy, the rule of law, and respect for human rights

Ukraine has already taken several steps towards full EU accession, since signing an Association Agreement with the EU in 2014,³⁴ which included provisions for political association and economic integration. The EU has eliminated custom tariffs under the Deep and Comprehensive Free Trade Area (DCFTA) of 2016,³⁵ and has included Ukraine in the EU's single market programme, in support of its small and medium-sized enterprises. A revised priority action plan for enhanced implementation of the EU-Ukraine DCFTA in 2023-2024³⁶ has been adopted, to accelerate Ukraine's integration into the single market. For all the countries that have joined the EU in the last two decades, access to the single market has been the main driver of economic growth.³⁷ Permanent access to the EU and US markets will be key to future investment and economic growth in Ukraine.

Additionally, Ukraine has implemented numerous reforms aimed at aligning its legislation and democratic standards with those of the EU, particularly in areas such as governance, rule of law, and human rights. Ukraine has also participated in various EU programmes and initiatives aimed at fostering closer cooperation and integration. Yet, despite already holding candidate status and having taken significant steps towards

European integration, Ukraine remains far removed from full EU membership, due to several factors. While the country has made strides in aligning its policies and institutions with EU standards, certain challenges persist, particularly in the areas of governance, rule of law, and economic reforms. Additionally, enlargement fatigue within the EU, and significant geopolitical considerations have slowed the accession process.

The EU has no explicit prohibition on countries at war joining, but the accession process requires candidates to demonstrate stability, democracy, the rule of law, and respect for human rights. A country engaged in active conflict faces substantial barriers to joining the EU, as wars tend to undermine these fundamental principles. Moreover, the EU accession process requires candidate countries to resolve any territorial disputes with neighbouring countries, as unresolved conflicts can hinder regional stability and integration.

The EU accession process is notoriously lengthy and complex, often spanning several years or even decades for candidate countries seeking membership. The process involves meeting stringent criteria known as the Copenhagen Criteria, which encompass political, economic, and legislative reforms. Maintaining a transparent and credible accession process is essential. This includes addressing the expectations of countries that acquired candidate status before Ukraine, particularly those in the Western Balkans. These nations have made major progress towards EU integration and have invested considerable efforts in implementing reforms aligned with EU standards, yet they are all

34 Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part, "Official Journal of the European Union", 29.05.2014.

35 EU-Ukraine Deep and Comprehensive Free Trade Area, "European Commission", <http://trade.ec.europa.eu>.

36 Joint statement following the 24th EU-Ukraine Summit, "President of Ukraine Official website", 3.02.2023 <http://www.president.gov.ua/en>.

37 T. Peters, *Financing Ukraine's recovery. Consequences for the EU budget and budgetary control, and principles for success*, "European Parliament", June 2023.

still in the waiting room. To sustain the EU's credibility and attractiveness, it is imperative for the Union to honour commitments made to these countries, provide them with clear pathways to membership, and support their continued reform efforts.

Ukraine's Path towards Reconstruction

Ukraine's transformation into an EU member state is an integral part of its National Recovery Plan.³⁸ This will be a lengthy process that requires thorough modernisation and transformation. However, the challenges that Ukraine is currently facing regarding its tremendous infrastructure losses must be addressed urgently. Adopting a phased approach to reconstruction and recovery is key, focusing on meeting the basic needs of Ukrainians, while at the same time reforming the country's institutions, to comply with EU accession standards.

The EU and its Member States have so far committed approximately 82 billion euros in support of Ukraine and its people, based on the most recent figures provided by the European Commission. That includes financial, humanitarian, and military support.³⁹ The additional 50 billion euros for the "Ukraine Facility", proposed by the European Commission on 20 June 2023 for the years 2024 to 2027 is not yet included in those figures. In its conclusions of 31 May 2022,⁴⁰ the European Council committed to providing Ukraine with humanitarian, financial, and military support, and to assisting the country substantially in its reconstruction, promising EU support for as long as necessary.

The Ukraine Facility

Russia's war is affecting the people of Ukraine, its economy, and its infrastructure. Despite this existential threat, Ukraine remains committed to becoming an EU member state. Given the magnitude and complexity of the challenges involved in both reconstruction efforts and the necessary reforms for EU accession, the EU is developing a new instrument called "the Ukraine Facility" which will provide sustained support to Ukraine, to address these issues. Its goal is to tackle both immediate recovery needs as well as the medium-term reconstruction and modernisation efforts in Ukraine. It is designed as a flexible instrument, tailored to the unprecedented challenges of supporting a country at war, while ensuring transparency, predictability, and accountability for the funds allocated.⁴¹ The Ukrainian Government will take ownership of its recovery and reconstruction efforts, by means of a Plan that will set out the reform and investment agenda of Ukraine on its path towards EU accession. EU Member States, and international financial institutions, will make efforts to align their actions with the Multi-Agency Donor Coordination Platform. The key stakeholders involved in these endeavours include local authorities, civil society organisations, and the private sector.

For the period 2024-2027, the Facility will provide a total of 50 billion euros, allocated as follows: 33 billion euros in the form of loans, guaranteed by extending the existing Union budget guarantee until 2027, thus exceeding the financial assistance ceilings for Ukraine until the end of 2027; and 17 billion euros in non-repayable support

38 *Ukraine's National Recovery Plan*, "National Recovery Council", July 2022.

39 *EU Solidarity with Ukraine. EU assistance to Ukraine*, "European Commission", <http://eu-solidarity-ukraine.ec.europa.eu>.

40 *Special meeting of the European Council (30 and 31 May 2022) — Conclusions*, "European Council", 31.05.2022.

41 *The Ukraine Facility. Supporting Ukraine's recovery, reconstruction, and path towards EU accession*, "European Commission", <http://eu-solidarity-ukraine.ec.europa.eu>.

through the Ukraine Reserve, established beyond the ceilings of the Multi-annual Financial Framework (MFF) 2021-2027.⁴² Potential revenues may be generated under relevant Union legal acts, concerning the use of extraordinary revenues from private entities linked directly to immobilised assets of the Central Bank of Russia.



The cases of Serbia and Kosovo show that post-war reconstruction and the path towards EU membership can go hand in hand and that they both require a gradual approach and provide opportunities to rebuild infrastructure and institutions in a more resilient way

The Facility foresees stringent safeguards, supported by a robust framework for audit and control. Oversight will be ensured through the establishment of a dedicated independent Audit Board, tasked with rigorously scrutinising the utilisation of funds. Support for Ukraine under the Facility is contingent upon Ukraine's commitment to maintaining and upholding effective democratic mechanisms, such as a multi-party parliamentary system, as well as ensuring adherence to the rule of law and safeguarding human rights, including those of minority groups.

Concluding Remarks

Despite Russia's ongoing aggression, Ukraine's reconstruction cannot wait, even though the overall needs for the country's recovery cannot yet be foreseen. The cases of Serbia and Kosovo show that post-war reconstruction and the path towards EU membership can go hand in hand and that they

both require a gradual approach and provide opportunities to rebuild infrastructure and institutions in a more resilient way.

The support for Ukraine's reconstruction will have to be phased in so as to address both immediate needs and those in the medium- and long term. Reconstruction efforts should continue to be led by the Ukrainian authorities in close partnership with their allies, as well as involving international financial institutions and international political organisations. The EU's Ukraine Facility could be a useful instrument to enable achievement of the country's ambitious goals for recovery. Local communities and civil society actors, who play a central role in providing humanitarian relief and have an overview of the needs of the communities they serve, should be closely involved in this process. The recovery processes are not only crucial for improving people's physical living conditions but are also very important for boosting citizen morale. Striving for EU membership while rebuilding the country ensures compliance with international standards of quality and sustainability, and could also provide a sense of direction and aspiration.

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⁴² *A New Ukraine Facility. Recovery, Reconstruction, Modernisation of Ukraine*, "European Commission", February 2024.

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