



Commission disburses first €4.5 billion of bridge financing to Ukraine under the Ukraine Facility

Brussels, 20 March 2024

The Commission has disbursed the first €4.5 billion of support under the EU's new Ukraine Facility. Through this exceptional bridge financing, the EU is providing much needed liquidity to Ukraine, to help finance the functioning of the state, such as public wages, pensions, and the provision of basic public services, so that the country can continue focusing efforts on winning the war. Today, Ukraine has also submitted its official Ukraine Plan, that paves the way for regular payments under the Facility conditioned to the reform and investment agenda of Ukraine for the next four years. As a next step, the Commission will now swiftly assess the Ukraine Plan and submit a proposal for a Council implementing decision to approve it as conditions to access regular payments.

Following her meeting with Ukrainian Prime minister Denys Shmyhal, Commission President Ursula **von der Leyen** said: *"Today is a good day for Ukraine, as more EU funds are flowing to meet urgent needs. The Commission has just paid to Ukraine a first tranche of 4.5 billion Euro from the Facility. This payment, in the form of bridge financing, is crucial to help Ukraine maintain the functioning of the State in this difficult moment. Ukraine has also delivered the Ukraine Plan. This success is all the more impressive, since it is only 19 days ago that the Ukraine Facility entered into force. The plan maps out how Ukraine can get back to rapid growth and start to recover the losses that the war has caused. With it, Ukraine has laid a solid foundation for the EU's support, right up until the end of 2027"*.

The Ukraine Facility of up to €50 billion will provide stable and sustainable financing to support Ukraine's recovery, reconstruction, and modernisation, including key reforms necessary on its EU accession track for the period of 2024-2027. This amount is composed of up to €17 billion in grants and up to €33 billion in loans.

On the 'exceptional bridge financing'

As provided for in the regulation establishing the Ukraine Facility, exceptional support to Ukraine to support the macro-financial stability of the country for a limited period of time can be provided by the Commission in case the Ukraine Plan is not yet adopted or the Framework Agreement between the Commission and Ukraine is not yet signed. This is subject to the fulfilment of policy conditions as well as reporting requirements to ensure the transparent and efficient use of the funds. Policy conditions are linked to important reforms in the fight against corruption, money laundering and sound financial management, among others.

If the Commission assesses in April the positive fulfilment of these policy conditions and reporting requirements, the Commission will be able to disburse an additional €1.5 billion to Ukraine in bridge financing.

On the Ukraine Plan

As the next step, the Commission will assess the Ukraine Plan, which focuses on structural reforms, investments and measures to promote convergence with the EU, and shall submit a proposal for a Council implementing decision to assess it. The Commission will review whether the Plan responds to the objectives of the Ukraine Facility to support the recovery, restoration, reconstruction, and modernisation needs caused by Russia's war of aggression and if it is consistent to address relevant challenges in the context of Ukraine's accession path. Finally, the Commission will also assess if Ukraine's proposed measures can ensure an adequate level of protection of the financial interests of the Union.

The Council will have one month to assess the Plan. A Council Implementing Decision will detail the indicators of reforms and investments that Ukraine must fulfil for the disbursement of the financial support for each quarter of the year for the next four-year period.

Once the Ukraine plan, the Framework Agreement between the European Commission and Ukraine, as well as the financing and loan agreements are in place, Ukraine could benefit from the

disbursement of a pre-financing of €1.9 billion. This would then be followed by regular quarterly payments if the agreed indicators for reforms and investments have been met.

Background

The European Union has demonstrated unprecedented unity in condemning Russia's actions and in providing support to Ukraine. So far, the EU, its Member States and European financial institutions have together provided wide-ranging support to Ukraine and its people, amounting to almost €98 billion since the start of Russia's war of aggression. This includes support made available to cater of the needs of around 4 million Ukrainian refugees in EU Member States. This also includes the first payment of €4.5 billion under the Ukraine Facility, which entered into force on 1 March 2024, one month after the political agreement on the MFF revision reached in the special European Council meeting of 1 February 2024.

For More Information

[Ukraine Facility Regulation](#)

[Factsheet Ukraine Facility](#)

[EU support to Ukraine](#)

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Quotes:

"Today is a good day for Ukraine, as more EU funds are flowing to meet urgent needs. The Commission has just paid to Ukraine a first tranche of 4.5 billion Euro from the Facility. This payment, in the form of bridge financing, is crucial to help Ukraine maintain the functioning of the State in this difficult moment. Ukraine has also delivered the Ukraine Plan. This success is all the more impressive, since it is only 19 days ago that the Ukraine Facility entered into force. The plan maps out how Ukraine can get back to rapid growth and start to recover the losses that the war has caused. With it, Ukraine has laid a solid foundation for the EU's support, right up until the end of 2027."

Ursula von der Leyen, President of the European Commission

"Another clear signal that we stand with Ukraine and invest by this also into our security. A lot of money, yet nothing compared to the Ukrainian people's sacrifices for Europe."

Johannes Hahn, Commissioner for Budget and Administration

"We have just disbursed the first payment under our new Ukraine Facility as promised. This demonstrates that the European Union continues to stand side -by-side with our Ukrainian partners. This first payment will support the functioning of the state and the running of public services in Ukraine. We also welcome the strong commitment of the Ukrainian authorities to prepare the Ukraine Plan, which the Commission will now assess. The Plan is the vision of the Ukrainian government for internal reforms and investment priorities. It will be the main tool for implementing the Ukraine Facility."

Olivér Várhelyi, Commissioner for Neighbourhood and Enlargement

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