

# Ukraine's reconstruction must ensure transparency, environmental standards and public participation

## Broader participation in shaping national recovery plans

The Ukrainian government established the National Council for the Recovery of Ukraine from the War to prepare for the country's post-war recovery and development up to 2032. Alarmingly, though, the first national recovery plans – presented in early July 2022 in Lugano, Switzerland – lacked priorities, offered no holistic vision for the country's development and made no provision for inclusive, bottom-up participation. Additionally, crucial regional reconstruction plans have yet to be developed.

But these are not the only recovery plans that have bypassed public engagement. The second Rapid Damage and Needs Assessment (RDNA2),<sup>1</sup> conducted jointly by the World Bank, the Government of Ukraine, the European Union and the United Nations, lays out a roadmap for financing the recovery process in Ukraine. Yet this key report on the priority needs of Ukraine was compiled without consulting civil society.

While this may be, to some degree, understandable during unprecedented times such as these, **medium- and long-term planning has to incorporate the wider views of local communities and stakeholders, whose input is integral to Ukraine's reconstruction plan.** Based on lessons learned from the post-war reconstructions<sup>2</sup> in Bosnia and Herzegovina and Georgia, the importance of local ownership and trust in this process must be emphasised.

## Dialogue with civil society organisations

Ukrainian civil society organisations have seen some success in establishing a flow of information from Brussels to Ukraine involving regular communication with EU decision makers. In January 2023, Bankwatch launched the first in a series of monthly meetings between the Directorate-General for Neighbourhood and

<sup>1</sup> World Bank, Government of Ukraine, European Union, United Nations, [Rapid Damage and Needs Assessment](#), World Bank Group, March 2023.

<sup>2</sup> CEE Bankwatch Network, [The reconstruction of Ukraine: lessons from the post-war recovery in Bosnia and Herzegovina and Georgia](#), CEE Bankwatch Network, 14 April 2023.

For more information

**Vladlena Martsynkevych**  
Project leader  
CEE Bankwatch Network  
[vladlena@bankwatch.org](mailto:vladlena@bankwatch.org)

**Valeriya Izhyk**  
Ukraine reconstruction  
campaigner  
CEE Bankwatch Network  
[valeriya.izhyk@bankwatch.org](mailto:valeriya.izhyk@bankwatch.org)

Learn more: [bankwatch.org](https://bankwatch.org)



Enlargement Negotiations (DG NEAR) and civil society organisations with the aim of improving the exchange of information between DG NEAR units and Ukrainian and international bodies. **The next step is to allow civil society to participate in the Steering Committee of the Multi-agency Donor Coordination Platform for Ukraine.**

## Green recovery and reconstruction

Ukrainian civil society organisations have developed ‘green principles’<sup>3</sup> to guide the reconstruction according to the sustainability criteria in the Lugano Declaration.<sup>4</sup> However, these proposals and commitments must translate into applicable measures, plans and financing criteria to support the current emergency restoration period and the eventual complete restoration of Ukraine.

Since the start of Russia’s full-scale invasion, the implementation of key environmental reforms has mostly been put on hold in Ukraine. The European Commission’s analytical report,<sup>5</sup> published in February 2023, detailed the scope of future enlargement work, including a modest assessment of the environmental and climate sectors, and, in particular, the need to expedite progress to align with EU acquis in the context of the European Green Deal. The Commission also organised a collection of Ukrainian civil society contributions for its new report on enlargement progress to be published in October 2023. Ukrainian civil society organisations and coalitions submitted comments<sup>6</sup> on climate change, horizontal environmental legislation, air pollution, the Water Framework Directive, biodiversity, industrial pollution, energy, renewable energy sources, energy efficiency and nuclear energy.

According to the adopted legal amendments, reconstruction work during the martial law and reconstruction periods will not be subject to Environmental Impact Assessments (EIAs) and Strategic Environmental Assessments (SEAs) will not be applicable to recovery plans adopted by regions and territorial communities. This situation threatens the proper implementation of the EU’s horizontal legislation on the environment, particularly its EIA and SEA directives. Although this is understandable in a time of war, **it will be important to have safeguarding procedures in place by the time major reconstruction projects are implemented.** Should the government delay the process of restoring environmental legislation provisions, **international donors must prioritise EU safeguards to serve the long-term public interest.**

## Coordination and standards

The Multi-agency Donor Coordination Platform for Ukraine was created to coordinate international support. Considering that the platform will involve the collaboration of the government of Ukraine, the EU, G7 members and international financial institutions, the platform’s secretariat in Brussels and Kyiv will need to ensure a smooth division of labour between different partners, avoid duplication and promote synergies

---

<sup>3</sup> Ecoaction, [Analysis of Ukraine’s Post-War Recovery Plan Blueprint and Ecoaction’s Recommendations](#), Ecoaction, 15 July 2022.

<sup>4</sup> Ukraine Recovery Conference, [Outcome Document of the Ukraine Recovery Conference URC2022 ‘Lugano Declaration’](#), Ukraine Recovery Conference, 4-5 July 2022.

<sup>5</sup> European Commission, [Analytical Report following the Communication from the Commission to the European Parliament, the European Council and the Council](#), European Commission, 1 February 2023.

<sup>6</sup> Ecoaction, [Comments on the EU reform implementation in Environment, Climate Change and Energy](#), Ecoaction, 27 April 2023.

when co-financing relevant projects. At the same time, **it is important to ensure that the Platform not only brings donors together, but also sets common rules and standards on sustainability, transparency and accountability.**

Bankwatch views Ukraine's reconstruction to be in line with the European Green Deal and Paris Agreement. Going forward, we recommend that financial flows are properly considered, and that climate milestones and targets are included in the financial mechanisms being developed for Ukraine, such as in the EU's proposed 'RebuildUkraine' Facility. According to the EU cohesion policy,<sup>7</sup> the European Regional Development Fund and the Cohesion Fund must respectively devote 30 per cent and 37 per cent of their budgets to climate objectives. To be eligible for funds under the Recovery and Resilience Facility, each recovery plan must earmark a minimum of 37 per cent of its budget for green transition.

To ensure these targets are met, **it would be beneficial to establish a memorandum of understanding on donor coordination, sustainability and climate criteria, transparency and accountability that acknowledges the unprecedented challenges of rebuilding and supporting Ukraine on its European path.**

## Related publications

- [The Reconstruction of Ukraine](#), CEE Bankwatch Network.
- [Donor Coordination for Ukraine's reconstruction must ensure transparency, environmental standards and public participation](#), CEE Bankwatch Network, May 2023.
- [Ukraine's energy sector reconstruction must ensure a secure decarbonisation and distributed system](#), CEE Bankwatch Network, May 2023.
- [The reconstruction of Ukraine: lessons from the post-war recovery in Bosnia and Herzegovina and Georgia](#), CEE Bankwatch Network, 14 April 2023.
- [Applying best practices from EU funds to the reconstruction of Ukraine](#), CEE Bankwatch Network, 20 December 2022.

---

<sup>7</sup> CEE Bankwatch Network, [Applying best practices from EU funds to the reconstruction of Ukraine](#), CEE Bankwatch Network, 20 December 2022.