

Ukraine's Single Project Pipeline

The challenges of reforming public investment management

In March 2025, Bankwatch published a report assessing the reform of Ukraine's public investment management system. The report examined the key challenges that emerged during the system's initial transition year in 2024 and provided a sectoral analysis of the first approved national Single Project Pipeline.¹

When forming the Single Project Pipeline for 2026 and beyond, the main public investment areas, priorities, and calculations set out in the state's medium-term plan for priority public investments (2026–2028),² as well as the key investment priorities under the EU's Ukraine Facility have not been taken into account. In this context, it is important to analyse how investment projects and programmes are being added to the Single Project Pipeline, in order to assess their compliance with the state's medium-term plan and the validity of the declared financing requirements.

Background

The pilot version of the Single Project Pipeline for 2025 was approved by Ukraine's Strategic Investment Council in September 2024. It included 812 public investment projects with a total budget of UAH 3.17 trillion. Of these, only 92 projects from 9 sectors of the economy – representing 11.3 per cent of all projects in the Pipeline – were selected by the Council for funding from the state budget in 2025. The total budget for these selected projects amounted to UAH 620.2 billion. Yet only about a third of the required amount (UAH 224.2 billion) was actually provided for their implementation in the 2025 budget.

Bankwatch's study of the reform of Ukraine's public investment management system revealed several issues during its first year. These included the practical exclusion of local communities from project development and the formation of the

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¹ CEE Bankwatch Network, [Reforming public investment management in Ukraine: An analysis of Ukraine's Single Project Pipeline](#), CEE Bankwatch Network, 7 March 2025.

² Cabinet of Ministers of Ukraine, [Про затвердження Середньострокового плану пріоритетних публічних інвестицій держави на 2026-2028 роки](#), *Legislation of Ukraine*, 2 July 2025.

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Single Project Pipeline, the widespread practice of submitting projects lacking feasibility studies or sufficient consideration for budgetary, spatial, and strategic planning, deficiencies in the project evaluation system, and a lack of transparency in the work of the Strategic Investment Council.

In 2025, the Ukrainian government adopted a number of important documents establishing the legislative and methodological framework for the reform. Among the key measures were the introduction of procedures for developing, assessing and implementing public investment projects, standardised formats for feasibility studies, and the formation of a unified sectoral portfolio of public investment projects across national, regional and local levels.³

In June 2025, the Executive Board of the International Monetary Fund completed the Eighth Review of the Extended Arrangement under the Extended Fund Facility for Ukraine. As part of this review, the Ukrainian government was required to update and approve the national Single Project Pipeline, which was set as a new structural benchmark. On 29 August 2025, fulfilling this commitment, the Strategic Investment Council approved the updated Single Project Pipeline for 2026.⁴

Expansion of the Single Project Pipeline for 2026 and beyond

Following the Council's approval, the new Single Project Pipeline ballooned to 149 initiatives, comprising 89 investment projects (total budget of UAH 7.28 trillion) and 60 investment programmes (UAH 4.11 trillion). Of these initiatives, 75 were already active⁵ and 74 were newly added. Spanning 11 economic sectors, the new Single Project Pipeline was initiated almost exclusively by central executive authorities, state-owned enterprises, and joint-stock companies where the share of state ownership exceeds 50 per cent. Altogether, the declared funding needs reached an eye-watering UAH 11.39 trillion.⁶

By late October, a further 42 projects and 4 programmes – together worth over UAH 1.1 trillion – had been added to the 2026 Single Project Pipeline.⁷ This latest update includes the 6 existing sectors as well as a new public-safety sector, to which 3 new projects have been added (Table 1).

³ Cabinet of Ministers of Ukraine, [Про внесення змін до постанови Кабінету Міністрів України від 28 лютого 2025 р. № 527](#), *Government Portal of Ukraine*, 27 June 2025.

⁴ Ministry of Finance of Ukraine, [Стратегічна інвестиційна рада схвалила Єдиний проєктний портфель публічних інвестицій на 2026 рік](#), *Ministry of Finance of Ukraine*, 4 September 2025.

⁵ The analytics section of the Digital Restoration Ecosystem for Accountable Management (DREAM) currently contains no information on which projects and programmes included in the new Single Project Pipeline are already active.

⁶ Ministry of Finance of Ukraine, [Стратегічна інвестиційна рада схвалила Єдиний проєктний портфель публічних інвестицій на 2026 рік](#), *Ministry of Finance of Ukraine*, 4 September 2025.

⁷ Ministry of Economy, Environment and Agricultural Policy of Ukraine, [Оновлено єдиний проєктний портфель публічних інвестицій держави](#), *Ministry of Economy, Environment and Agricultural Policy of Ukraine*, 25 October 2025.

Table 1. Updates to the Single Project Pipeline as of 22 October 2025.⁸

Sector	New initiatives	Declared funding needs (UAH billion)
Energy	25 projects	660.06
Transport	11 projects	387.8
Justice and legal affairs	1 project	0.4
Municipal infrastructure and services	2 projects and 2 programmes	76.8
Public safety	3 projects	2.5
Housing	1 programme	12.5
Education and science	1 programme	6.0

This means that the new Pipeline now includes 195 investment initiatives (131 investment projects and 64 programmes) across 12 sectors, with total declared funding needs of UAH 12.54 trillion.⁹ According to data from Ukraine's online platform for monitoring investment projects – the Digital Restoration Ecosystem for Accountable Management (DREAM) – 39 of the 131 projects are undergoing preliminary feasibility studies, with the remaining 92 undergoing full feasibility assessments. All programmes were initiated by Ukraine's central executive authorities in August 2025 and remain in development. The sectoral distribution of investment projects and programmes, together with their estimated funding needs as of 1 November 2025, is shown in Figures 1 and 2.

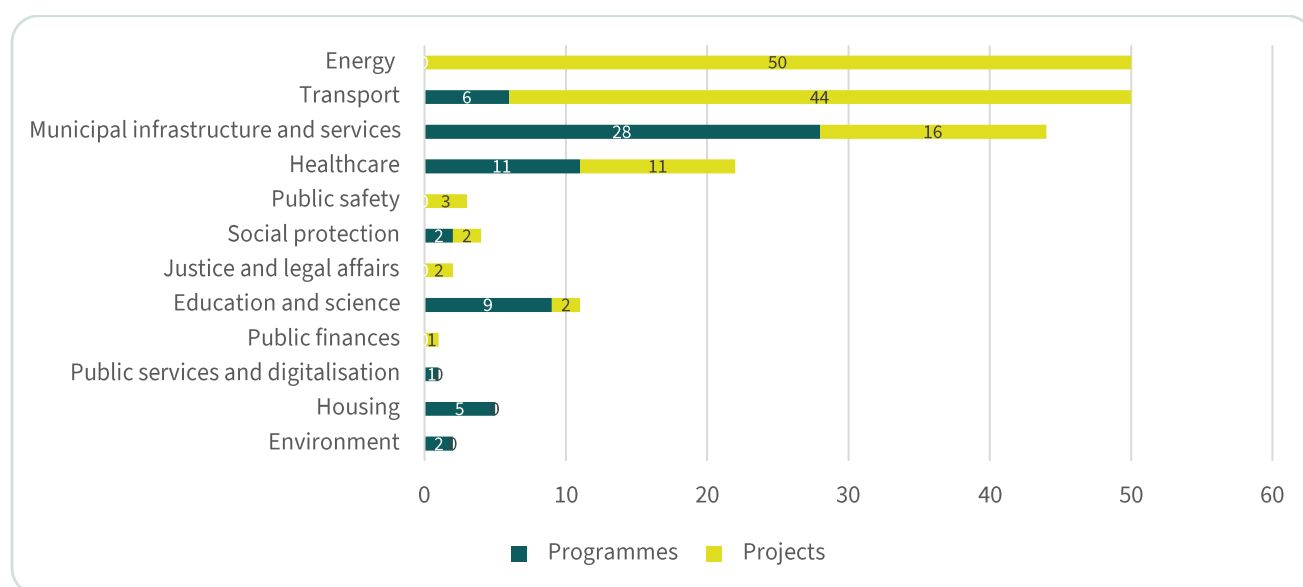
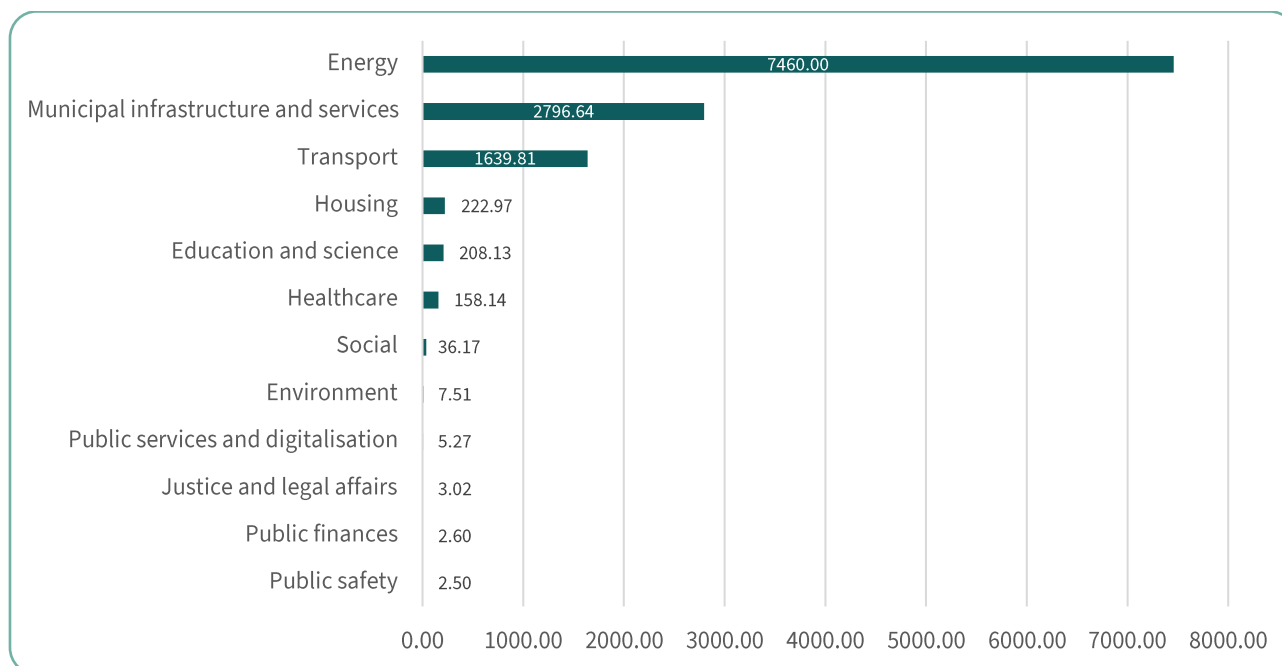
Figure 1. Number of investment projects and programmes under the Single Project Pipeline by sector as of 1 November 2025.¹⁰⁸ Ibid.⁹ Digital Restoration EcoSystem for Accountable Management Analytics, [State single project pipeline](#), *Digital Restoration EcoSystem for Accountable Management Analytics*, accessed 1 November 2025.¹⁰ Ibid.

Figure 2. Sectoral funding needs for investment projects and programmes under the Single Project Pipeline as of 1 November 2025 (UAH billion).¹¹



Since the development of the Single Project Pipeline is still ongoing, it is expected that by the end of the year, and before the adoption of the 2026 state budget, the total number of projects and programmes approved by the Strategic Investment Council, in addition to overall funding requirements, will increase further. For now, the development of the Pipeline remains almost entirely dominated by the central executive authorities, with local self-government bodies effectively excluded. This largely reflects the way Ukraine's public investment management reform has unfolded thus far – a top-down approach focused on macroeconomic and sectoral planning in which ministries rather than territorial communities play the leading role.

Ukrainian municipalities still lack the methodological and institutional tools to develop projects that comply with the new requirements introduced with the formation of the Single Project Pipeline, which include feasibility studies, environmental screening under the 'do no significant harm' principle, and environmental and social impact assessments. Additionally, regional portfolios have yet to be developed, meaning that for most regional and local self-government bodies this 'transition period' is likely to continue for several more years.

Will medium-term investment planning become a tool for shaping the Single Project Pipeline?

An important step in 2025 was the government's approval of a new medium-term plan for priority public investments from 2026 to 2028.¹² It is hoped the plan will serve as a key instrument for transitioning from

¹¹ Ibid.

¹² Cabinet of Ministers of Ukraine, [Про затвердження Середньострокового плану пріоритетних публічних інвестицій держави на 2026-2028 роки](#), Legislation of Ukraine, 2 July 2025.

fragmented decision-making towards a more systematic approach to public investment management. In principle, the plan should define which projects the state can realistically finance and complete, align investment decisions with both budgetary limits and international financial support, and ensure greater consistency – from planning to implementation. It should also help to minimise political and financial risks, while directing resources towards projects with the greatest socio-economic and recovery impact, including those focused on energy security, critical infrastructure, and human capital development.

The plan, launched in July 2025, set out a maximum aggregate volume of public investments over the three-year period, drawing on data from the Ministry of Finance. It also detailed the projected upper limits of public investment expenditure over the medium term (Table 2) and identified the main sources of financial support for investment projects and programmes during this period (Table 3).

Table 2. Maximum aggregate volume of planned public investments (2026–2028) (UAH billion).

Sector	2026	2027	2028	2026–2028
Transport	27.67	91.97	78.51	198.15
Municipal infrastructure and services	5.83	5.32	1.48	12.64
Housing	10.60	7.86	0.00	18.46
Energy	75.47	20.04	25.33	120.83
Education and science	27.93	27.39	26.76	82.08
Healthcare	28.84	9.79	5.02	43.65
Social protection	5.69	2.56	0.86	9.11
Justice and legal affairs	0.79	0.52	0.00	1.31
Public finance	0.66	0.23	0.00	0.89
Environment	0.23	0.23	0.25	0.70
Public services and digitalisation	0.80	0.95	1.05	2.80
Public safety	0.18	0.37	0.18	0.74
State Regional Development Fund*	30.00	30.00	30.00	90.00
Total	214.69	197.22	169.44	581.35

*The maximum aggregate volume also includes allocations from the State Regional Development Fund, estimated at UAH 90 billion, which will be distributed by the Ministry for Development of Communities and Territories in accordance with established procedures.

Table 3. Sources of financial support for investment projects and programmes (2026–2028) (UAH billion).

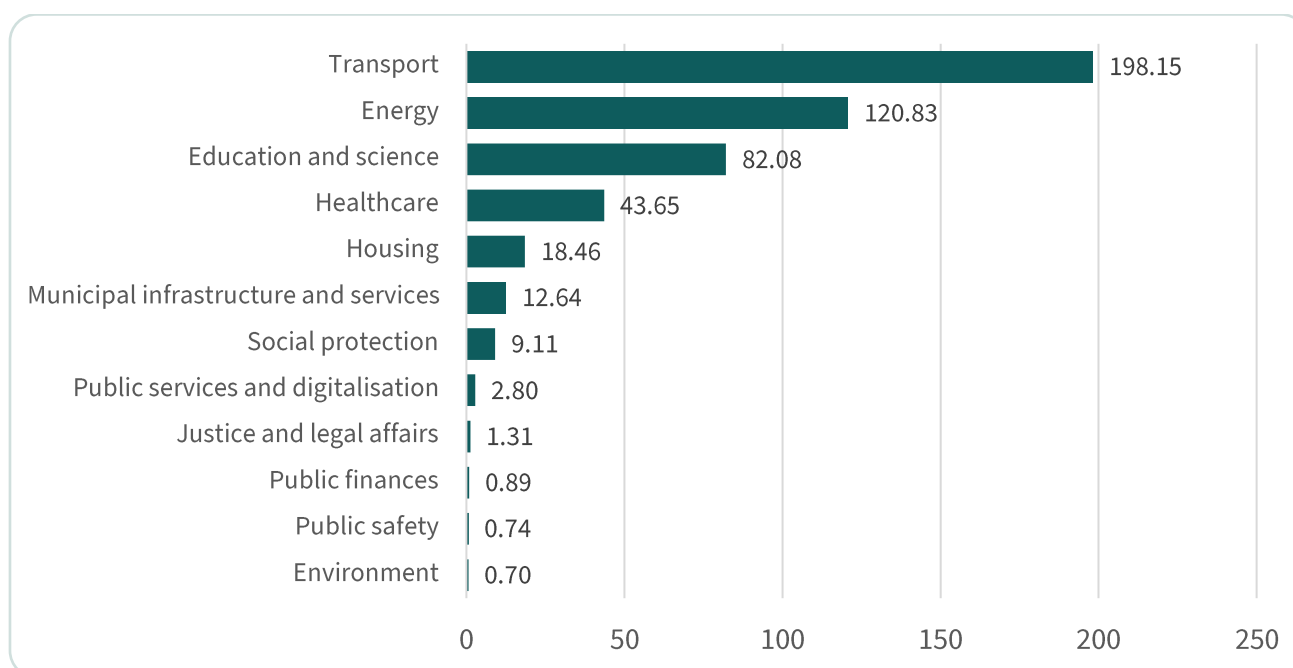
Source	2026	2027	2028	2026–2028
General Fund of the State Budget	91.278	77.646	65.311	234.236
Financing from international financial institutions and foreign governments	46.427	34.726	10.272	91.425
State Fund for Radioactive Waste Management	0.189	0.189	0.214	0.592
State Fund for Development of Water Resources	0.037	0.037	0.037	0.111
State Fund for Decarbonisation and Energy-Efficient Transformation	2.109	2.390	2.431	6.931
State guarantees	74.655	82.229	91.177	248.060
Total	214.694	197.217	169.443	581.355

A comparison with the investment needs outlined in the Single Project Pipeline – which is still being developed – shows that the government’s medium-term investment plan (2026–2028) allocates only UAH 581.36 billion for the implementation of priority investment projects and programmes. This represents less than 5 per cent of the total funding needs specified in the Single Project Pipeline.

The plan identifies 12 priority sectors for public investment and 170 ‘main directions of public investment’, of which 51 are designated as priorities.¹³ The Pipeline currently includes investment initiatives across all 12 sectors. However, almost half (48.2 per cent) of all projects are concentrated in just three sectors: energy, transport, and municipal infrastructure and services.

The funding required for the implementation of projects and programmes in these three sectors amounts to UAH 11.89 trillion – representing almost 95 per cent of the total financing needs specified in the Single Project Pipeline. In contrast, the medium-term plan provides for only around UAH 331.62 billion in public investment for the same sectors – less than 3 per cent of the declared funding needs (Figure 3).

¹³ The term ‘main direction of public investment’ refers to a priority area or a set of tasks defined by the state that aim to achieve strategic socio-economic development goals. These directions are intended to guide the development of investment portfolios and the selection of public investment projects.

Figure 3. Maximum aggregate volume of planned public investments by sector (2026–2028) (UAH billion).¹⁴

In September 2025, the government approved Ukraine's draft state budget for 2026,¹⁵ which projects total revenues of almost UAH 3 trillion – UAH 2.826 trillion in domestic income and UAH 2.125 trillion from donors. At the budgeted exchange rate of UAH 45.7 to USD 1.00, this external support amounts to approximately USD 46.5 billion. In October 2025, the Verkhovna Rada adopted the draft budget in its first reading.¹⁶ The largest allocations are planned for defence and security, regional support, and social protection.

Potential improvements for future Single Project Pipelines

The government's medium-term investment plan (2026–2028) sets four cross-cutting strategic goals: energy efficiency, climate sustainability, gender equality, and accessibility. These priorities were set out in the government's methodological recommendations for developing, assessing and implementing public investment projects,¹⁷ approved only at the end of August 2025 just as sectoral portfolios and the Single Project Pipeline were being finalised.

¹⁴ Cabinet of Ministers of Ukraine, [Про затвердження Середньострокового плану пріоритетних публічних інвестицій держави на 2026–2028 роки](#), Cabinet of Ministers of Ukraine, 2 July 2025.

¹⁵ Ministry of Finance of Ukraine, [Мінфін: Уряд схвалив проект Держбюджету-2026](#), Government Portal of Ukraine, 15 September 2025.

¹⁶ Verkhovna Rada of Ukraine, [Проект Постанови про висновки та пропозиції до проекту Закону України про Державний бюджет України на 2026 рік](#), Verkhovna Rada of Ukraine, 22 October 2025.

¹⁷ Ministry of Economy, Environment and Agricultural Policy of Ukraine, [Про затвердження Методичних рекомендацій щодо проведення аналізу екологічних наслідків та впливу реалізації публічного інвестиційного проекту на навколишнє природне середовище та аналізу дотримання вимог щодо інклюзивності та безбар'єрності, а також щодо відповідності Цілям сталого розвитку під час підготовки публічного інвестиційного проекту на державному, регіональному та місцевому рівні](#), Ministry of Economy, Environment and Agricultural Policy of Ukraine, 28 August 2025.

The new approach anticipates the integration of sustainable development principles, climate adaptation, and emissions reductions across all project phases. It mirrors the EU's 'do no significant harm' principle, which involves a screening process designed to ensure that only investments that do the least environmental damage are funded. For this approach to work in practice, however, both project applicants and evaluators will need to systematically apply the methodology in their decision-making processes.

Some progress has also been made in the digitalisation of public investment management. Drawing inspiration from the DREAM platform, work has begun on developing a unified information system for managing public investments. This system is expected to become a key tool for transparent portfolio management – from local community projects to national programmes. However, as of 1 November 2025, Ukraine's Cabinet of Ministers had not yet adopted the legal act defining the individual components and overall operation of the system.

A new challenge – and opportunity – for the reform of public investment management is its potential integration with the Ukraine Facility, the EU's financial programme running until 2027 to support recovery, reforms and investments. The Facility requires transparent project selection, compliance with sustainable development principles, and robust monitoring mechanisms. Though initial steps have been taken to align Ukraine's public investment management system with EU practices, the risks of fragmentation remains high, as the process for synchronising the Single Project Pipeline with individual investment projects has yet to be defined.

Additionally, at least 5 per cent of the non-repayable financial support under the Ukraine Plan – the national reform and investment strategy financed through the Ukraine Facility – must be disbursed and reported in the second quarter of 2026 to support the recovery, reconstruction and modernisation needs of subnational authorities in Ukraine.

International partners – including the World Bank, European Investment Bank, the European Bank for Reconstruction and Development, and KfW – are increasingly calling for Ukraine's investment plans to be aligned with their strategic priorities: energy efficiency, the green transition, social inclusion, and digitalisation. Yet at the level of individual project applications, this alignment is often only nominal.

Ukrainian ministries represented on the Strategic Investment Council still lack the analytical capacity to adapt their programmes to international assessment standards. As a result, many potentially promising initiatives never receive support – not because the concepts are weak, but due to the absence of a coordinated communication system and solid evidence base. At the same time, civil society organisations are demanding greater transparency and participation in project selection through the establishment of monitoring committees, which could ensure more inclusive decision-making.¹⁸

¹⁸ CEE Bankwatch Network, [Reforming public investment management in Ukraine: An analysis of Ukraine's Single Project Pipeline](#), CEE Bankwatch Network, 7 March 2025.

Conclusions

Currently, the DREAM platform does not indicate which of the projects and programmes included in the national Single Project Pipeline are already active. This makes it impossible to verify compliance with Ukraine's Budget Code, which requires priority financing for unfinished projects and programmes. According to the Budget Code, new investment projects may be included in the state budget only if sufficient resources are available to complete those already underway.

The near-complete exclusion of territorial communities from the development of the Pipeline reflects the centralised nature of the current reforms. The state continues to focus on macro-financial planning and ensuring compliance with the requirements of international donors. Within this context, community projects are often perceived merely as local initiatives rather than as meaningful contributions to the broader transformation of the country.

Under the DREAM platform, the prioritisation of projects and programmes has yet to be fully integrated into the underlying mechanism for developing the Single Project Pipeline and, therefore, has little influence on national decision-making. In effect, the DREAM platform is currently designed mainly for projects proposed by regional and local self-government bodies, and primarily functions as a registry and verification tool for confirming the technical readiness of projects and programmes. In contrast, the Strategic Investment Council bases its decisions on national priorities, fiscal constraints, and expected strategic outcomes when determining which projects and programmes to include in the Single Project Pipeline.

A full consideration of environmental and climate criteria in the preparation and implementation of investment projects for 2026 has still not been achieved. This is largely because the methodological recommendations for analysing the environmental and social impacts of public investment projects and their compliance with the inclusion, accessibility and UN Sustainable Development Goal requirements were only approved on 28 August 2025. As a result, there was not enough time to explain how these requirements should be applied in practice by those preparing projects.

All decisions made in relation to the Single Project Pipeline currently rest with the Strategic Investment Council. However, there is a clear need to ensure that public funds are spent effectively and in line with local needs and conditions. The partnership principle, successfully applied in the management of EU funds, could provide a useful model for Ukraine. The principle's key instrument – the monitoring committee – brings together public authorities at national, regional and local levels alongside key economic and social partners such as non-governmental and civil society organisations. This practice must be replicated in Ukraine to ensure oversight and transparency in project selection.¹⁹

The government's plans for developing the Single Project Portfolio appear ambitious, but the state's budgetary capacity remains limited. A substantial portion of the planned expenditure either lacks adequate

¹⁹ CEE Bankwatch Network, [The Partnership Principle: The key to public involvement in Ukraine's reconstruction](#), CEE Bankwatch Network, 17 October 2024.

financial coverage or depends on external assistance. As a result, the government is forced on an annual basis to revise priorities, reduce funding, and indefinitely postpone project implementation. Such instability undermines donor confidence and makes medium-term planning a box-ticking exercise. Without stable sources of co-financing, public investment management reform risks remaining a collection of good intentions rather than resulting in a truly functioning system.