

Civil society feedback on the mid-term evaluation of the Ukraine Facility Regulation

We, the undersigned Ukrainian and international civil society organisations, are pleased to provide our feedback within the official independent mid-term evaluation of the Ukraine Facility Regulation.¹

Under the general objectives set out in Article 3 of the Ukraine Facility Regulation, the Ukraine Facility is intended to address, among other things, the consequences of the war in Ukraine, foster social and territorial cohesion, and adopt and implement relevant reforms required to align with EU values. The specific objectives set out in Article 3 include:

- ‘rebuilding and modernising infrastructure’;
- ‘fostering the transition to a sustainable, climate neutral and inclusive economy’;
- ‘developing and strengthening environmental protection, [as well as] a sustainable and just green transition in all economic sectors, including Ukraine’s transition towards climate neutrality’;
- aligning with EU standards on animal welfare; and
- ‘supporting meaningful consultation and a level playing field for all levels of government when accessing funds via open, fair, neutral and transparent procedures’.²

Following the completion of the Facility’s first year, our coalition of 27 organisations submitted a joint letter on 28 February 2025 outlining key civil society organisations submitted a joint letter on 28 February 2025 outlining key recommendations for improvement. Now, evaluating the first two years of the Facility’s operation, we note that the European Commission has partially reflected several of these points, including:

- an improved formal reporting process;³
- greater alignment of policy reforms with EU accession requirements;
- the incorporation of climate objectives and the ‘do no significant harm’ principle within public investment reforms; and
- the inclusion of social protection and just transition considerations as cross-cutting issues for the Facility’s implementation.

Under the Regulation, the Ukraine Plan – which sets out Ukraine’s reform and investment agenda – serves as the basis for support under Pillar I and the strategic reference point for Pillars II and III. However, implementing the steps set out in the Plan has not always translated into effective operational reforms due to several factors, including:

- the suboptimal quality of drafted legislation and reforms, often leading to purely declarative actions;
- a lack of supportive legislative provisions;
- postponement of timelines for implementing national legislation;

¹ European Commission, [Ukraine Facility – mid-term evaluation](#), accessed 7 May 2026.

² European Parliament, Council of the European Union, [Regulation \(EU\) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility](#), 19–20, 29 February 2024.

³ European Commission, [Scoreboard of Pillar I – Ukraine Plan](#), accessed 7 May 2026.

- limited space and capacity for civil society participation, particularly when consultation processes are rushed or lack inclusivity;
- a lack of transparent reporting by the Commission and the Ukrainian government regarding how investment financing under Pillar II and technical assistance under Pillar III specifically support the implementation of Pillar I;
- inadequate transparency and accountability within the Ukraine Investment Framework (Pillar II); and the financial support for international civil society organisations dedicated to supporting Ukraine’s recovery, reconstruction and modernisation through knowledge-sharing and expertise.

Moving forward, we urge the Commission and the Ukrainian government to apply this feedback to the EU’s new EUR 90 billion Ukraine Support Loan, which will cover Ukraine’s budgetary needs (along with investments in the defence sector) throughout 2026 and 2027.

The loan serves as a vital complement to the support provided by the EU under both the G7 ERA Loans initiative and the Ukraine Facility. We welcome its concessional design and the provision for interest costs to be covered by the EU budget. Of the total amount, EU 30 billion in budgetary assistance will be utilised through the Ukraine Facility, contingent upon the satisfactory fulfilment of conditions laid down in the Ukraine Plan.

On March 4 2026, we wrote to the Directorate-General for Enlargement and the Eastern Neighbourhood, outlining our proposed amendments to the Ukraine Plan in order to ensure this additional budgetary assistance is strictly linked to the fulfilment of the agreed policy reforms and preconditions.⁴ We believe our proposed measures will enhance the effectiveness of public investment while contributing to the modernisation and innovation of infrastructure and agriculture, and that a green transition will increase the efficiency and competitiveness of Ukraine’s economy within European and global markets, fostering long-term development.

Finally, the upcoming Multiannual Financial Framework (2028–2034) must incorporate lessons learned from implementation of the Ukraine Facility.⁵ Commission reports⁶ acknowledge that the EU’s current ‘crisis response’ approach has led to inconsistencies between internal and external EU policies, ranging from the green transition to the application of international financial institution standards.

In the next Multiannual Financial Framework, the EU’s financial instrument for Ukraine must be improved by embedding binding climate and environmental safeguards from the outset and preserving funding for democracy, biodiversity and climate resilience.

Yours,

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Supported by Ecoaction, WWF–Ukraine, Transport & Environment, Ecoclub, Eurogroup for Animals, and Ecosmart

⁴ CEE Bankwatch Network, Ecoaction, Ecoclub et al., [Civil society proposals for amendments to the Ukraine Plan in light of the Ukraine Support Loan](#), 4 March 2026.

⁵ Valeriya Izhyk, [Ukraine Facility’s next chapter: From patchwork to principles](#), CEE Bankwatch Network, 9 December 2025.

⁶ EU Commission, Staff documents on the Ukraine Facility Regulation and Multiannual Financial Framework [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025SC0570R\(01\)%22%20\l%20%22page=11](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025SC0570R(01)%22%20\l%20%22page=11), accessed

Annex 1. Analysis of the Ukraine Facility’s implementation (2024–2025).

Our joint letter of February 2025 called on the EU to strengthen the Ukraine Facility by enhancing transparency, environmental safeguards, civil society participation, and municipal funding.⁷ These recommendations are intended to ensure sustainable and impactful support for Ukraine’s recovery and EU accession.

Table 1 provides an overview of the key challenges identified by civil society organisations during the implementation of the Facility in 2024 and 2025, progress during this period, and recommendations for improvement.

Table 1. Key challenges, progress and recommendations for implementation of the Ukraine Facility (2024–2025).

Key challenges	Progress (2024–2025)	Recommendations
Timely and high-quality reforms in line with EU values	<p>The Commission established a scoreboard to track progress on implementation of the Ukraine Plan.⁸</p> <p>Unlike in 2024, Ukraine experienced at least 14 unfulfilled steps in 2025 related to the quarterly indicators required for disbursements under the Ukraine Plan, leading to a EUR 3.7 billion shortfall in EU funding.⁹ This led to revisions of the timelines for certain reforms and indicators during the summer of 2025 to reflect implementation realities. Yet delays persisted until the end of 2025.</p> <p>As a result, deficiencies in the quality of the adopted legislation, gaps in effective implementation, and overall delays continue to affect the reform process and the timely delivery of EU financial support.</p>	<p>The reforms and steps outlined in the Ukraine Plan should be updated in line with the new Ukraine Support Loan. Civil society organisations have proposed the most important and implementable measures for 2026–2027 intended to enhance the value of the reforms, improving the effectiveness of public investment, and supporting the modernisation and innovation of infrastructure and agriculture.¹⁰</p>
Transparency of the Ukraine Investment Framework	<p>The European Commission began publishing lists of approved programmes and the responsible Pillar-approved financial institutions involved in the Ukraine Investment Framework.¹¹</p>	<p>The project selection process under the Ukraine Investment Framework still lacks transparency, particularly regarding Steering Committee decisions.</p> <p>Civil society organisations and other social and economic partners continue to lack timely access to project proposals, limiting their ability to participate meaningfully in consultations.</p> <p>In addition, Pillar-assessed institutions continue to rely on exemptions within their disclosure policies, reducing transparency regarding project information.</p>

⁷ CEE Bankwatch Network, Ecoaction, Ecoclub et al., [Civil Society Recommendations on the Ukraine Facility](#).

⁸ European Commission, [Scoreboard of Pillar I – Ukraine Plan](#).

⁹ Institute for Economic Research and Policy Consulting, [Через зволікання з реформами Україна може втратити у першому кварталі 5,1 млрд євро – RRR4U](#), 9 February 2026.

¹⁰ CEE Bankwatch Network, Ecoaction, Ecoclub et al., [Civil society proposals for amendments to the Ukraine Plan in light of the Ukraine Support Loan](#).

¹¹ Ukraine Investment Framework, [Programmes](#), accessed 7 May 2026.

<p>Environmental sustainability criteria in reconstruction</p>	<p>The methodological recommendations for conducting an analysis of the environmental consequences and impacts of public investment projects were adopted, incorporating elements similar to the 'do no significant harm' principle.</p>	<p>The methodological recommendations still need to be operationalised effectively in practice.</p> <p>The Regulation explicitly requires that at least 20% of the total support under the Ukraine Investment Framework and Ukraine Plan be allocated to climate change mitigation and adaptation, environmental protection (including biodiversity conservation), and the green transition. However, practical methodologies for calculating and monitoring these allocations have yet to be developed.</p> <p>Accordingly, the Ukraine Investment Framework and the Ukraine Plan should systematically integrate climate and environmental objectives, including biodiversity conservation and the 'do no significant harm' principle.</p>
<p>Civil society participation</p>	<p>The involvement of civil society in investment screening under the Ukraine Investment Framework remains insufficient. No dedicated channel has been established for civil society organisations and communities to submit their concerns.</p> <p>Calls for proposals have been launched for Ukrainian non-governmental organisations to support monitoring of EU financial instruments and the EU accession process. However, no equivalent calls have been opened for international non-governmental organisations working on the effectiveness of EU-supported reconstruction.</p>	<p>A platform enabling civil society organisations to submit opinions and recommendations should be established, alongside a transparent procedure for tracking how such inputs are incorporated into official documents.</p> <p>While the Facility reflects language similar to the EU partnership principle, its implementation within Ukraine's public investment management system remains inadequate.</p> <p>International civil society organisations should also be eligible to receive financial support under Pillar III for work related to Ukraine's reconstruction and EU accession process.</p>
<p>Empowering subregional and community-level financing and engagement</p>	<p>Public investment management reform is being implemented with the aim of making investments more transparent, efficient and aligned with strategic planning processes, thereby providing greater clarity for donors.</p>	<p>The Ukraine Plan envisages that 20% of direct financial support should reach the subnational and community levels. However, the financial mechanisms for implementing and administering such transfers have yet to be clarified and operationalised. Proper implementation of the Partnership Principle would further support local and regional development and reconstruction efforts.</p>
<p>Enhancing transparency and stakeholder engagement in technical assistance (Pillar III)</p>	<p>Technical assistance remains a key instrument for aligning Ukraine's regulatory framework with the EU <i>acquis</i>. For example, the recent launch of projects in the fields of animal health and welfare (ILCA III) and support for smallholder farmers (IPRSA III) is a positive development for the accession process. However, transparency regarding tender outcomes and the selection of implementing partners could be improved to strengthen coordination with civil society.</p>	<p>To maximise the impact of Pillar III measures, a more proactive communication mechanism should be established regarding upcoming technical assistance projects. Involving civil society organisations at the pre-tender stage and during the development of work plans would help integrate local expertise and practical knowledge. As watchdogs and thematic experts, civil society organisations can provide valuable insights to ensure that project activities are tailored to Ukraine's evolving needs, thereby improving the effectiveness and sustainability of reforms.</p>