

UKRAINE: FINANCING AND SECURING INVESTMENTS AND EXPORTS

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Agenda

1. Financing of investments into Ukraine
2. Securing of investments and exports into Ukraine



1. FINANCING OF INVESTMENTS

DeveloPPP Classic

- Provider:

[Kfw DEG](#)

- Goals:

-Long-term investment projects in developing countries;

-For projects with long-term business interest and sustainable development benefits;

- Amount:

100,000 to 2 million EUR

- Description:

-Grant for medium-sized and large companies (next competition starts on February 15, 2024);

-Up to 50 percent public share of the total expenditure;

Impact Connect

- Provider:

[Kfw DEG](#)

- Goals:

Loan for investments with added value for development policy (e.g. job creation);

- Amount:

0.75 to 5 million EUR

- Description:

- For subsidiaries of German companies that are already active or are planning to enter the Ukraine;
- Risk-adequate equity contribution of 20 to 50 percent;
- Term: 3 to 7 years;

DEG Financing

- Provider:

[Kfw DEG](#)

- Goals:

Capital subsidy for financial institutions in the Ukraine;

- Amount:

Up to 25 million EUR

- Description:

-Loans, financing in the form of long-term loans, investments and mezzanine financing;

-Term: usually between 4 and 7 years, but also longer;

EBRD Equity

- Provider:
- [European Bank for Recovery and Development](#) (EBRD)

- Goals:
Corporate investments

- Amount:
10 to 200 million EUR

- Description:
 - Participation in the project for projects in several sectors, e.g. production;
 - Participation up to 35 percent;
 - Private and public equity;

Impact Investment

- Provider:

[Green for Growth Fund](#)

- Goals:

Solutions to increase sustainability

- Amount:

According to arrangement

- Description:

-Impact investment, combines private and public resources;

-Investment participation in companies and projects;

-For measures to reduce energy and raw material consumption as well as CO2 emissions;



2. SECURING OF INVESTMENTS AND EXPORTS

Federal investment guarantees

- Provider:

[PwC](#) (processes applications for investment guarantees)

- Costs:

-Initially, no application fees will be charged for Ukraine applications until 2025;

-For Ukraine guarantees only the annual fee is due;

- Goals:

Protection against the loss of shareholder/creditor rights, assets or income to the extent that have been caused by political measures or events in the Ukraine;

- Guarantees:

Capital used in new and expansion investments (capital cover) as well as profits (income cover: mostly dividends and interest);

International investment guarantees

- Provider:

[Multilateral Investment Guarantee Agency](#) (MIGA)

- Costs:

The application is subject to a fee and depends on the insured value: if this is less than 25 million US dollars (US\$), the fee is US\$ 5,000, and above this it is US\$ 10,000;

- Goals:

- Political risk insurance;
- Credit enhancement;
- Trade Finance Guarantees;

- Guarantees:

Lack of conversion options or transfer restrictions, expropriations, breaches of contract, as well as against war and unrest;

Federal export credit guarantees

- Provider:

[Euler Hermes](#)

- Costs:

- Simplified procedure for existing and new customers;

- The transactions must be justifiable in terms of risk and worthy of funding;

- Each application is examined individually;

- Goals:

- Protection against payment defaults

- Simplified export financing

- Guarantees:

- Secure short-term trade transactions so that German suppliers can grant their Ukrainian customers payment terms;

Referent

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