

# **EBRD – on key prerequisites for financial success of renewable projects in Ukraine**

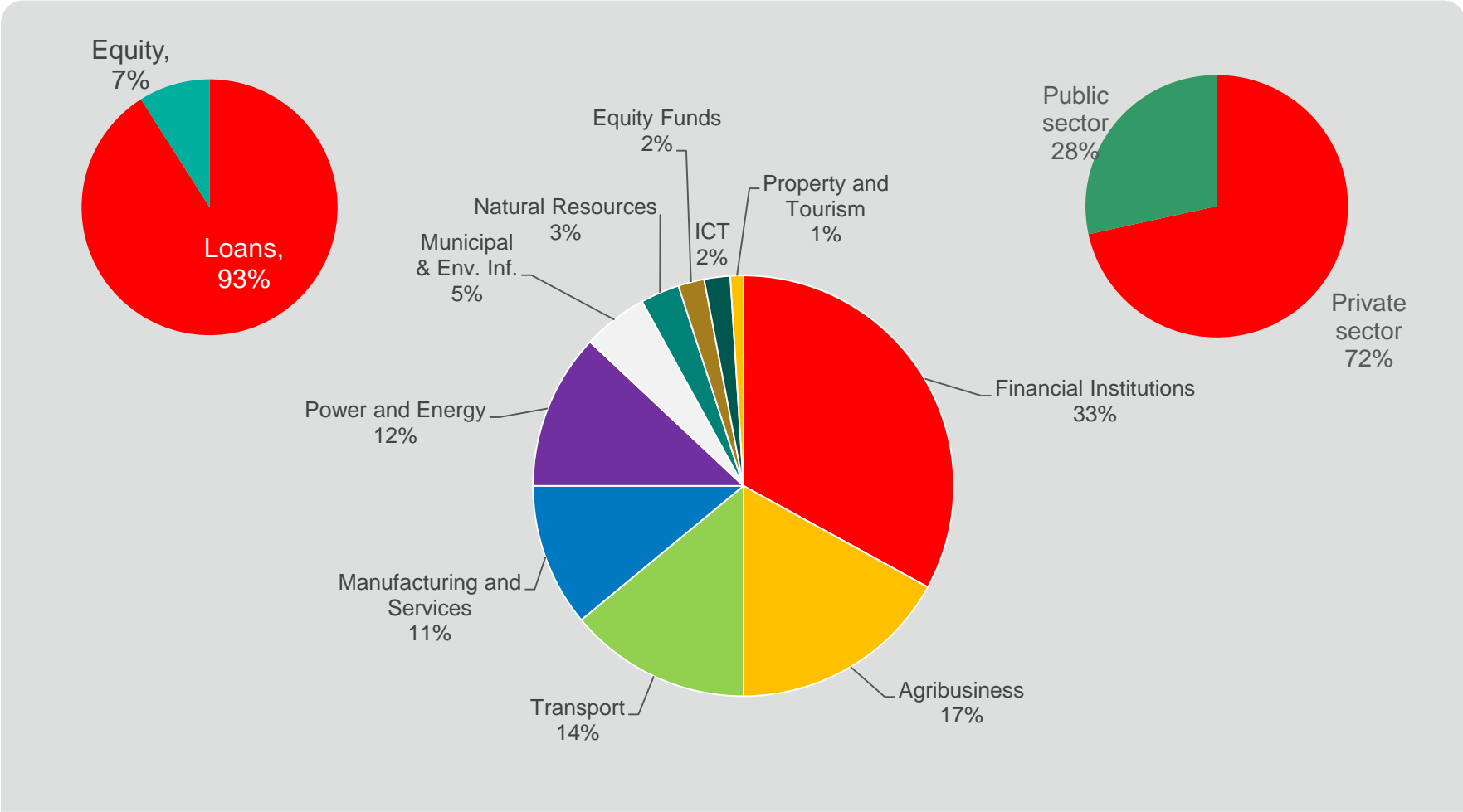
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# EBRD in Ukraine: 369 projects worth €12 billion

Cumulative business investment since the beginning of operations in Ukraine in 1993



# EBRD portfolio in Power sector

Project Name	Type	BRD Finance, EUR m
Odessa High Voltage Line Project	Public	25.8
Rivne-Kyiv High Voltage Line Project	Public	150
Zaporizhzhia-Kakhovs'ka High Voltage Line Project	Public	175
K2R4 start-up Safety Upgrade Programme	Public	37
Nuclear Power Plant Safety Upgrade Programme	Public	300
Hydro Power Plant Rehabilitation Programme	Public	200
Novoazovsk Wind Project	Private	33.3
11 small renewable projects in biogas, biomass, wind, small hydro and solar segments	Private	44.4
<b>TOTAL</b>		<b>965.5</b>

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On the policy reform front the EBRD closely co-operates with other donors and IFIs

- Regulator law approval
- Electricity market reform preparation and future implementation
- Enhancement of corporate governance and corporatisation of state owned companies, including Ukrenergog and Energoatom
- Work on improvement of renewable legal support framework, including future introduction of bankable long-term Power Purchase Agreements
- Privatisation of power sector companies
- Introduction of RAB tariff regulations for electricity distribution and transmission companies.

## Key features

- Working in public and private sectors
- Sovereign, corporate and project finance structures
- Active support of large and small renewable projects
- Support to the key reform initiatives
- Co-financing with the main donors and other IFIs

# Example: direct lending facility for renewables



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- Special mechanism for streamlined processing of small renewable projects
- Portfolio of 11 renewable projects
- Pipeline of more than 20 renewable projects
- Green-field project financing
- EBRD together with a co-financier can provide up to 60% debt financing on a project finance basis
- Sponsor guarantee is required before commercial operation of the Project
- Lending can be provided for the green-tariff support mechanism period, i.e. until 2030.

# What is needed for Ukraine to further develop renewables



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- Understanding by key sector officials that renewables are needed for the country to develop and to be energy independent;
- Consistency in behavior of key authorities towards renewables;
- This would improve investment Climate in the sector;
- A stable regulatory framework going forward, which provides a stable, predictable and transparent investment environment going forward;
- Bankable long-term PPAs need to be introduced in the sector as soon as possible;
- Window of opportunity for further development of renewables under the current renewable support scheme is closing down in less than two years;
- New bankable renewable support framework need to be developed in the country within very short period of time.



# Contacts



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