Energy Community Secretariat

Ukraine Energy Support Fund

2024 ANNUAL REPORT
SHORT VERSION

Reporting Period:
01.01.2024 – 31.12.2024



Executive Summary

In 2024, the Ukraine Energy Support Fund scaled up its operations significantly to meet the urgent and growing needs of Ukraine's energy sector, amidst intensified Russian attacks and widespread infrastructure damage. Over the course of the year, the Fund received over **EUR 598.9 million in new contributions**, nearly tripling its cumulative balance to **EUR 945.9 million**. The donor base expanded to 31 contributors pledging in total more than EUR 1 billion by the end of 2024, reinforcing the Fund's role as a trusted platform for channelling international energy assistance to Ukraine.

During the reporting period, the Ministry of Energy of Ukraine approved **183 support requests**, of which **156 could be processes** by the Secretariat, reflecting sustained high demand for energy sector assistance. These requests, valued at **EUR 657.6 million** (EUR 861.7 million since the establishment of the Fund), reflected a strategic shift towards urgent winterization efforts - particularly the restoration of generation capacity and deployment of decentralized energy solutions. In response, **448 purchase agreements** were concluded in 2024 alone (635 in total since the establishment of the Fund), with a record **EUR 430 million** in contracted value (EUR 559 million since the establishment of the Fund).

Deliveries accelerated accordingly, valued at **EUR 139.8 million** in 2024 (EUR 160.5 million in total), while disbursements grew more than sevenfold to **EUR 362.7 million** in 2024 (EUR 413.6 million in total). Critical equipment included gas turbines, transformers, high voltage switch gear, mobile cogeneration units, and solar systems for hospitals. The majority of deliveries were concentrated in regions hardest hit by the war.

Operationally, the Fund finalized its first full independent audit and implemented key improvements in procurement, contract management, compliance, and delivery verification. A major transition was initiated with the competitive selection of a new procurement agent (UTA–Sweco), ensuring continuity as Tetra Tech's role concludes in early 2025. Legislative reforms in Ukraine enabled VAT and customs duty exemptions for Fund-financed imports, resulting in cost savings of EUR 6 million in 2024.

Despite progress, challenges remain. The scale and frequency of attacks continue to outpace available resources. The Fund remains agile, adjusting to the evolving security environment: while prioritizing immediate repair needs, the Fund is prepared to shift toward longer-term recovery and "build back better" initiatives if the situation permits. In 2024, the Fund's activities already expanded beyond the procurement of equipment for immediate emergency repair to encompass more strategic and complex interventions, marking a new phase in its operational development. In parallel, the Fund supported the "Ray of Hope" initiative - delivering decentralised renewable energy systems to healthcare facilities - illustrating its growing role in supporting long-term recovery and sustainability objectives. These initiatives reflect the Fund's evolution from emergency response towards comprehensive energy sector support, combining resilience, decentralisation, and climate-smart recovery.

The Fund's impact - ensuring energy access for millions of Ukrainians under extraordinary circumstances - was made possible by the collective commitment of donors, the Government of Ukraine, the European Commission financing it's operation, and international partners. Going into 2025, the Fund remains a critical instrument for sustaining Ukraine's energy system, protecting lives, and enabling recovery. Continued availability of the resources enabling the Fund's operation remains necessary.



Artur Lorkowski
Director

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Background and Introduction

This second annual report covers the Ukraine Energy Support Fund's operations in 2024. The Fund was established in April 2022 by the Energy Community Secretariat at the request of the Cabinet of the EU Commissioner for Energy and in coordination with the Ministry of Energy of Ukraine. The Fund enables contributions from governments, international organizations, international financial institutions, corporations and private entities. The beneficiary of the Fund is the Ministry of Energy of Ukraine, while the target groups include Ukrainian companies managing critical energy infrastructure and operators of critical social infrastructure. The final beneficiaries of the Fund are all residents and energy consumers of Ukraine that continue to have access to energy.

The Ukrainian Energy System under Attack

Since the onset of Russia's full-scale invasion of Ukraine on February 24, 2022, Ukraine's energy infrastructure has been a primary target of continuous military assaults. These attacks have persisted through 2022, 2023, 2024, and into 2025, leading to widespread destruction and significant disruptions in essential services. Millions of Ukrainians have faced unstable access to electricity, water, and heating, particularly during the harsh winter months.

In early 2024, Russia escalated its offensive against Ukraine's energy sector, inflicting severe damage on major thermal, hydro, and power transmission facilities. By mid-2024, Ukraine had lost over 9 gigawatts (GW) of power generation capacity, resulting in a system-wide deficit that necessitated rolling blackouts affecting both critical infrastructure and residential areas. The attacks in March and April 2024 led to emergency disconnections in multiple regions, with some consumers experiencing power outages for more than 50% of the time on average. Despite extensive repair efforts, the grid remains highly vulnerable and power shortages continue to disrupt essential services, including healthcare, heat-, and water supply and transportation.

The situation deteriorated further in November and December 2024, with intensified Russian attacks directly targeting Ukraine's power plants, gas production and storage facilities, and grid infrastructure.

Electricity supply remains unstable, with supply restrictions lasting up to 18 hours per day in the hardest-hit regions. The next winter season (2025-2026) is expected to be challenging, as Ukraine has to restore lost capacity while defending against ongoing attacks, and to build up sufficient stocks of gas, coal and other resources.

In 2024, with the wave of attacks beginning in March 2024, the total damage to Ukraine's energy sector amounted to USD 16 billion as of May 2024, according to an assessment by the Kyiv School of Economics[1]. In the report dated February 2025, the joint assessment of the World Bank, the European Union, the United Nations and the Government of Ukraine concludes that the total damage to Ukraine's energy sector is estimated to exceed USD 20.51 billion[2]. Given the critical condition of Ukraine's energy infrastructure and continuing attacks, this estimate will further increase.

The Purpose of the Fund

In this challenging context, the Energy Community Secretariat has coordinated the Fund operations to support the restoration and stabilization of Ukraine's energy system.

The Fund allocates financial resources for the procurement of high-priority items and services needed by Ukrainian companies active in the energy sector to restore and maintain the energy system. The focus is on urgently needed items essential for the restoration, repair, and maintenance of energy infrastructure damaged by hostilities to ensure continuous electricity and heat supply to the Ukrainian population.

Significant support has already been provided to the Ukrainian energy sector by both private and public donors to help maintain electricity and heating services. This mechanism supplements the donation of urgently needed items in kind.

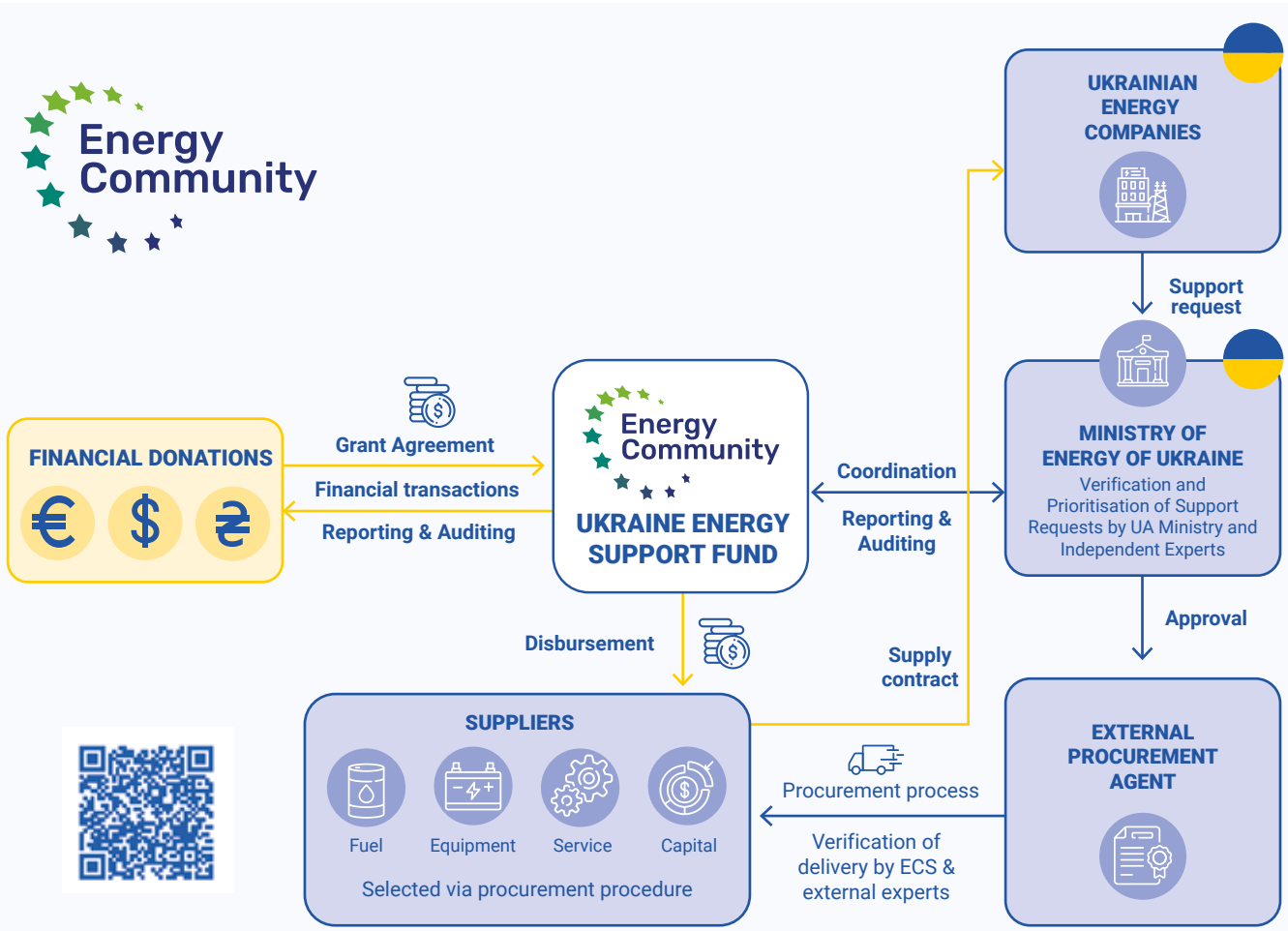
1 Damages and losses to Ukraine's energy sector due to Russia's full-scale invasion — Kyiv School of Economics Institute estimate as of May 2024, https://kse.ua/about-the-school/news/damages-and-losses-to-ukraine-s-energy-sector-due-to-russia-s-full-scale-invasion-exceeded-56-billion-kse-institute-estimate-as-of-may-2024/

2 World Bank, the Government of Ukraine, the European Union, the United Nations. Ukraine - Fourth Rapid Damage and Needs Assessment (RDNA4) : February 2022 - December 2024 (English). February 2025 https://www.undp.org/sites/g/files/zskgke326/files/2025-02/ukraine_fourth_rapid_damage_and_needs_assessment_rdna4_february_2022_december_2024.pdf

The Fund Mechanism

The implementation mechanism of the Fund involves several key activities designed to ensure the effective procurement and delivery of goods, works and services to support Ukraine's energy infrastructure. The Secretariat leverages a portfolio of grant agreements with donors, the Fiduciary Agreement with the Ministry of Energy of Ukraine, and the Framework Agreements between the Ministry and eligible Ukrainian entities. These agreements establish the terms under which these entities can receive support through the Fund, detailing their interactions with the Secretariat and the procurement procedures to be followed. The agreements also ensure that both the Secretariat and the Ministry retain oversight, and that donors have access to relevant information.

FIGURE 1
Ukraine Energy Support Fund Mechanism



The first step involves submission, review, prioritization, and approval of support requests. Eligible entities are required to submit formal support requests to the Ministry of Energy of Ukraine, detailing the goods, works and services needed to maintain their operations within Ukraine's energy system. These requests are reviewed by the Ministry and prioritized based on criteria such as the operational region, the nature of the business, and the urgency of the need. The Ministry of Energy of Ukraine is in charge of this process, ensuring that each request aligns with the broader needs of the country. Upon approval by the Ministry in the framework of a working group established for that purpose, the Secretariat assesses the availability of funds before procurement is initiated.

The procurement of the requested items is managed by an external independent procurement agent. The Secretariat works closely with the procurement agent to ensure the highest standards of transparency and competition while meeting urgent demands and delivering necessary resources promptly.

The procurement results in a binding supply/purchase agreement between the eligible entity and the supplier. The Secretariat acts as the payment agent, disbursing funds in line with the contractual framework. This includes covering the cost of the goods, works and services as well as any related expenses, such as taxes and duties, in cases no exemption applies. Payments are made directly to the supplier after a thorough compliance check.

Finally, reporting is a crucial part of the implementation mechanism. The Secretariat is responsible for preparing internal and external reports to stakeholders. The accounts of the Fund are subject to an annual external audit.

Throughout 2024, the European Union continued to provide critical support for the operational functioning of the Ukraine Energy Support Fund by covering staff costs, administrative expenses, and other associated management costs through either the core budget of the Energy Community or the EU4Energy programme, implemented by the Energy Community Secretariat. In parallel, other development partners provided targeted assistance to strengthen the Fund's procurement capacity, including financing for procurement agent services. This structure ensures that the full value of donor contributions to the Fund can be dedicated to procuring urgently needed equipment and materials, while all operational and administrative expenses are financed through separate funding streams. This approach safeguards the Fund's efficiency and impact, ensuring maximum value for both donors and Ukrainian beneficiaries.

Significant changes since the last Report

Since the publication of the half-year report covering the first six months of 2024, the Ukraine Energy Support Fund has experienced significant developments across funding, procurement, delivery, and operational dimensions.

Scale-up in Contributions and Donor Base. The total contributions to the Fund nearly doubled in the second half of the year, with EUR 598.9 million received in 2024, bringing the total to EUR 945.9 million transferred by year-end. New donors, including Australia, Canada, Croatia, France, Latvia, Luxembourg, Norway, and Poland, contributed to the Fund, increasing the donor engagement and building a stronger coalition of the supporters. This surge in financial support, particularly in Q4, was essential in enabling the Fund to respond to an intensified wave of attacks on Ukraine's energy infrastructure and to support preparations for the 2024–2025 winter season.

Sharp Increase in Support Requests and Procurement. The number of approved and processed support requests rose from 141 at the end of H1 to 223 by year-end, and the value of processed requests increased from EUR 329.8 million to EUR 861.7 million. Procurement activities followed suit, with the number of concluded purchase agreements growing from 354 at the end of H1 to 635 by year-end, and the value of contracted items tripling from EUR 189 million at the end of H1 to EUR 559 million by year end. This expansion reflects the scaling up of operations to meet urgent energy infrastructure needs.

Acceleration of Deliveries and Disbursements. By the end of H1, EUR 91 million worth of items had been delivered. By the end of 2024, this cumulative value of deliveries reached EUR 160.5 million, a sevenfold increase compared to the previous year. Disbursements followed a similar trajectory, increasing from EUR 124.9 million at the end of H1 to EUR 362.7 million by year-end.

Procurements for Large-Scale Decentralized Generation Projects. The second half of 2024 saw the launch of procurement with a focus on winterization – preparation for the winter operation period in the energy system. These projects are designed to ensure flexible generation capacity in response to ongoing grid disruptions.





Ray of Hope Initiative. In 2024, the Fund advanced the implementation of the "Ray of Hope" initiative - its dedicated program for deploying distributed renewable energy solutions in Ukraine's healthcare sector. The initiative provides turnkey solar power systems with integrated battery storage to hospitals and emergency medical facilities, ensuring uninterrupted access to electricity during power outages. By the end of the year, three healthcare facilities had reached full physical completion and began operating solar energy systems.



Transition to a New Procurement Agent. In preparation for the expiration of the procurement agent arrangement with Tetra Tech (March 2025), the Secretariat launched and concluded a competitive tender for an entity to provide these services from 2025 onwards, while the agreement with Tetra Tech was still in effect. The new procurement agent, a joint venture between Urban Technology Alliance and Sweco, was selected and contracted in January 2025, with a transition process initiated to ensure operational continuity.



Strengthening of Contract Management and Verification Processes. In response to the growing operational scale and audit recommendations, the Secretariat significantly expanded its internal team, refined contract management workflows, and strengthened its compliance and verification processes, including delivery tracking and enhanced cybersecurity protocols.



Legislative Progress on VAT and Customs Duties Exemptions. In July 2024, Ukraine adopted legislation to exempt Fund-procured energy equipment from import VAT and customs duties. This was further operationalized through government resolutions, yielding cost savings of EUR 6 million by the end of 2024 and supporting smoother customs clearance of essential equipment.



Audit Closure and Lessons Learned. The first full audit of the Fund's operations was finalized in spring 2024. Recommendations were promptly addressed and reflected in the Fund's upgraded compliance mechanisms, procurement templates, and delivery verification procedures.

These developments illustrate the rapid maturation of the Fund's structure, responsiveness, and strategic impact in the face of Ukraine's evolving energy sector needs.

Status of Contributions

The Ukraine Energy Support Fund continued to receive strong donor support in 2024, ensuring critical assistance to Ukraine's energy infrastructure. As of the end of the reporting period, total grants received since the Fund's inception amounted to EUR 945,9 million, with EUR 598.9 million in new deposits during 2024. The total pledges to the Fund have surpassed EUR 1 billion by the end of 2024.

In 2024, the Ukraine Energy Support Fund received contributions from 19 donors, expanding its donor base and strengthening financial support for Ukraine's energy sector. With the addition of new donors, the total number of donors who have supported the Fund since its inception reached 31 by the end 2024 (compared to 20 by the end of 2023), reflecting a growing recognition of the Fund's credibility as a trusted mechanism for channelling international assistance to Ukraine's energy sector. The Fund expanded its donor base with the addition of Australia, Canada, Croatia, France, Latvia, Luxembourg, Norway, and Poland, further strengthening international support for Ukraine's energy sector. The involvement of new private sector contributors also demonstrated confidence in the Fund's ability to provide effective and transparent assistance.

At the same time, the Fund continued to receive strong support from previous contributors, including repeated contributions from Denmark, the European Union, Germany, Iceland, Sweden, and the United Kingdom, ensuring continuity of support to the Ukrainian recipients.

As of the end of 2024, the five largest contributors to the Ukraine Energy Support Fund (82% of all contributions) were Germany, the European Union, Sweden, and the United Kingdom, with total contributions exceeding EUR 774 million. Germany remained the largest national donor, with KfW providing EUR 219.4 million on behalf of the Federal Ministry of Economic Affairs and Climate Action, alongside EUR 158.1 million from the Federal Foreign Office. The European Union contributed EUR 159 million while Sweden, through Sida, provided EUR 139.3 million, marking a significant increase in funding directed toward energy supply stabilization efforts. The United Kingdom, through the Foreign, Commonwealth & Development Office, contributed EUR 99 million.

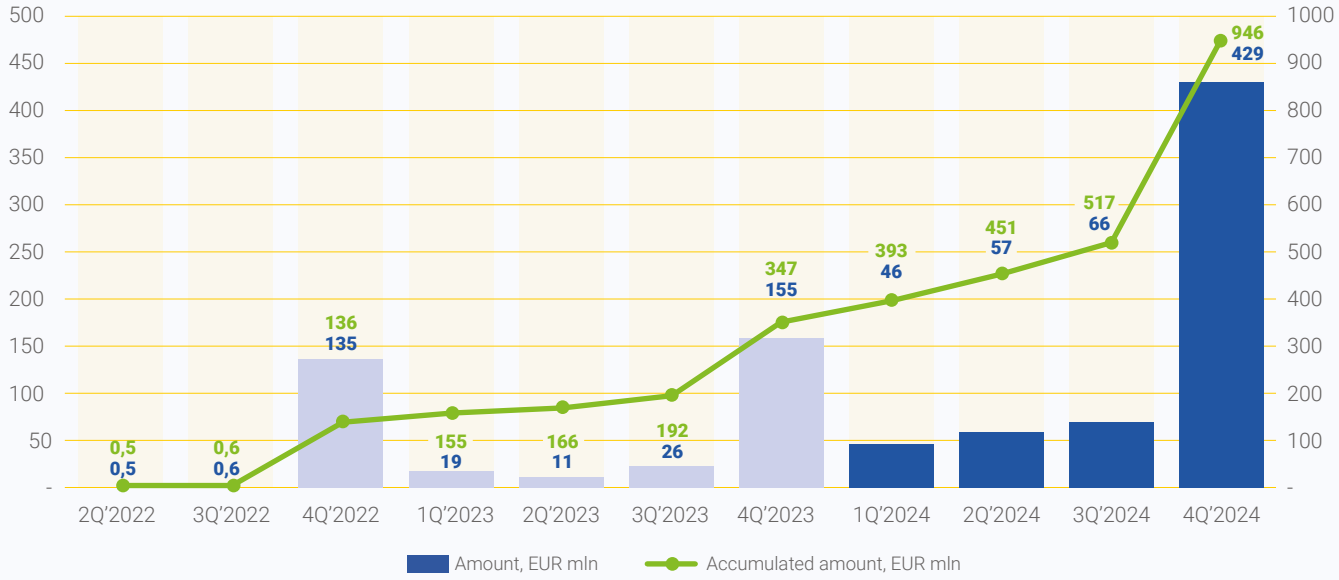
As of December 31, 2024, the total grants deposited on the Special Purpose Account of the Ukraine Energy Support Fund reached EUR 945.9 million, a significant increase from EUR 347 million recorded at the end of 2023. This growth reflects the expanded donor engagement and increased financial commitments to support Ukraine's energy sector against the backdrop of the growing needs due to continuing Russian attacks and resulting damage to the infrastructure. In addition to grant contributions, the Fund accrued EUR 6.6 million in interest in 2024. After deducting EUR 23,381 in bank transaction fees and EUR 299,341 for audit and other services, the total accumulated funds at the end of 2024 stood at EUR 952.2 million, nearly tripling from EUR 349.5 million at the end of 2023.

In 2024, the majority of contributions to the Ukraine Energy Support Fund were narrowly earmarked for specific projects, purposes, energy companies or regions, while contributions amounting to EUR 96.8 million (approx. 16% of the total amount of contributions received) were broadly or not earmarked, allowing for more flexibility to address immediate needs generated by the damage caused by recent attacks. For example, EUR 385.1 million (64%) of narrowly earmarked contributions were directed to the power generation sector, supporting the restoration of thermal power plants, deployment of flexible decentralized generation, and other critical assets aimed at stabilizing electricity supply. EUR 25 million was earmarked to support renewable energy sources, another EUR 27.1 million was earmarked for electricity transmission and distribution infrastructure, aiding in the restoration of Ukraine's power grid. Further examples of earmarked support include EUR 11.4 million for region-specific requests from Kharkiv and Mykolaiv, two areas heavily impacted by the war, and EUR 50.4 million for the nuclear sector, aimed at maintaining security of supply, operational safety and resilience. Additionally, EUR 3 million was earmarked for physical protection measures, safeguarding energy assets from repeated attacks.

The high level of earmarking in 2024 marks a shift toward more targeted donor funding, prioritizing stabilization and impact while ensuring that funds align with Ukraine's evolving energy needs.

FIGURE 2

Accumulation of grants since the establishment of the Fund, EUR mln



While contributions were made throughout the reporting period, the most significant inflows occurred in October (EUR 192 million) and December (EUR 223 million), accounting for nearly 70% of total contributions in 2024.

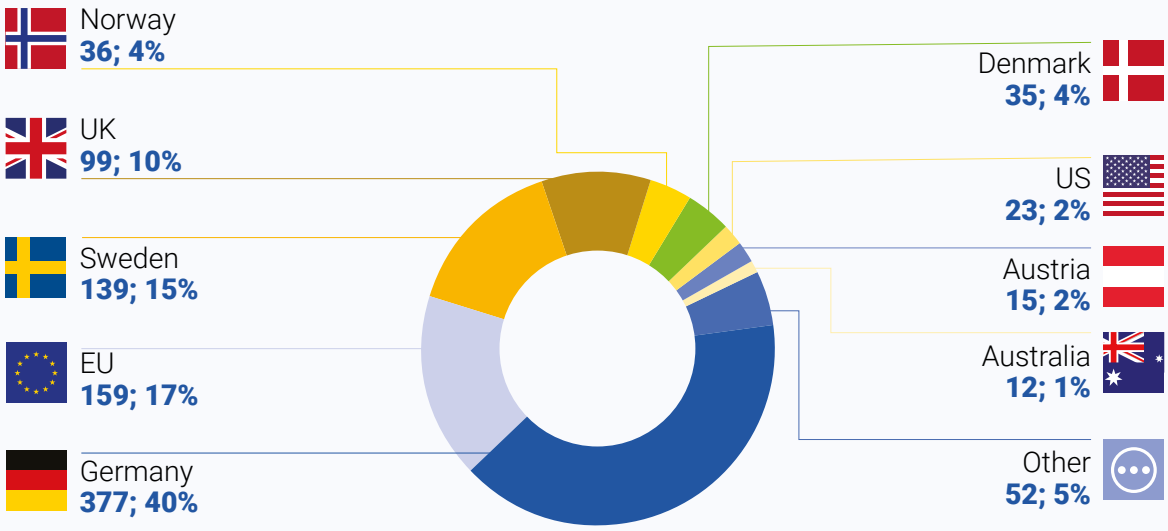


TABLE 1
Overview of contributions to the Fund as of 31.12.2024, in EUR

Donor	Pledged and/or Signed	Deposited on Account
Public sector:	**1.131.011.783**	**934.630.840**
Germany (through Foreign Ministry and KfW)	389.517.804	377.493.209
European Union	159.000.000	159.000.000
Sweden	139.263.185	139.263.185
United Kingdom	101.920.087	98.970.375
United States	71.246.827	22.984.279
Netherlands	65.000.000	-
Canada	45.161.042	6.675.309
Denmark (through Danish Energy Agency and Foreign Ministry)	33.654.988	33.547.733
Norway	35.457.999	35.457.999
Swiss Confederation	18.969.639	10.536.288
Australia	18.470.000	12.420.000
Austria	15.000.000	15.000.000
Italy	12.988.432	-
France	5.710.000	5.700.000
Iceland	5.648.029	3.578.711
Spain (through Ministry of Environment and Parliament of Rioja)	4.506.000	4.506.000
Poland	3.127.751	3.127.751
Belgium	2.500.000	2.500.000
Luxembourg	2.000.000	2.000.000
Croatia	1.000.000	1.000.000
Estonia	470.000	470.000
Latvia	400.000	400.000
Private sector:	**11.263.000**	**11.263.000**
Energy Regulators Regional Association (ERRA)	25.000	25.000
REKK Limited Liability Company	3.000	3.000
LeasePlan Corporation N.V.	50.000	50.000
Windpark Krammer B.V.	60.000	60.000
AB “Ignitis grupė”	4.000.000	4.000.000
Raiffeisen Bank International	125.000	125.000
[Confidential: private company]	7.000.000	7.000.000
GRAND TOTAL:	**1.142.274.783**	**945.893.840**

FIGURE 3

Share of contribution by donor in total contributions credited to the Fund, in % and EUR mln



After the end of the reporting period, several additional contributions have been negotiated and transferred. Italy has signed and deposited a EUR 13 million contribution, the Netherlands have contributed EUR 65 million to the Fund, Canada has contributed additional CAD 50 million to the Fund. Iceland, Denmark, and Australia have also provided additional contributions, which have been deposited in Q1 2025. These commitments reflect continued donor engagement in ensuring Ukraine's energy resilience beyond 2024.

04 Status of Implementation

Support Requests

During the reporting period, the Ministry of Energy of Ukraine approved and submitted 183 support requests for reservation of funds and procurement through the Fund, reflecting a continued and growing demand for assistance in the energy sector. Out of these, the Secretariat was able to allocate funding to 156 support requests. The remaining requests were either withdrawn or could not be funded due to limited available resources or specific earmarking restrictions that prevented their financing. This brought the total number of support requests financed since the Fund's inception to 223. This represents a significant increase compared to 67 support requests financed in total by the end of 2023.

By the end of 2024, the total value of support requests that were allocated funding by the Secretariat surged to EUR 861.7 million, nearly quadrupling the EUR 204.1 million processed by the end of 2023. The year began with a steady pace, with EUR 57.4 million allocated in the first quarter, reflecting the Fund's responsiveness to early-year funding availability from donor contributions received at the end of 2023. The second quarter saw continued demand, with an additional EUR 68.3 million in allocations, bringing the cumulative total to EUR 329.8 million by mid-year. This sustained momentum marked a notable contrast to 2023, where funding allocations slowed significantly after an initial influx in the first quarter.

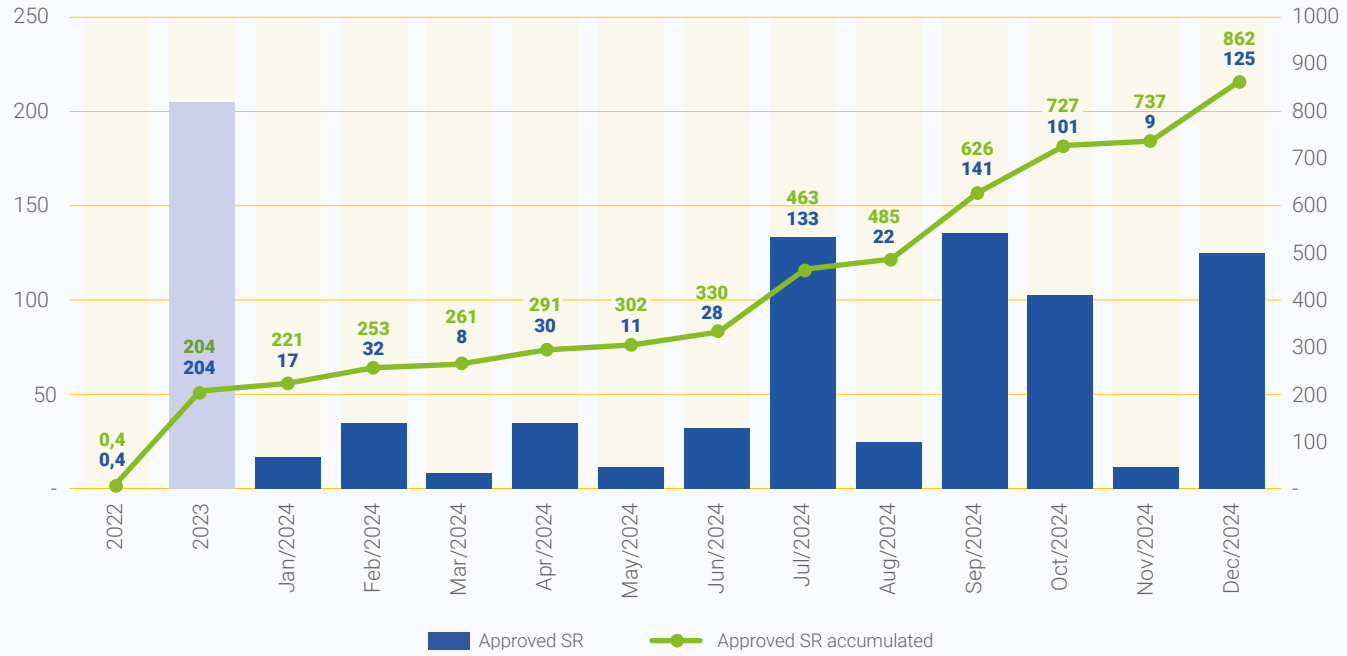
A sharp increase occurred in the third and fourth quarters of 2024, with processed requests totalling EUR 296.6 million in Q3 and EUR 235.3 million in Q4. This acceleration was primarily driven by the Fund's focus on the *winterization* campaign, a large-scale effort to provide more comprehensive support for reinforcing Ukraine's energy sector ahead of 2024-2025 winter season. With sustained attacks on power generation infrastructure, the strategy shifted toward repairing and reinforcing key thermal generation assets while simultaneously scaling up decentralized flexible generation capacity. This included the acquisition and deployment of rapid resilience solutions, such as gas turbines, mobile power units, and cogeneration systems, aimed at stabilizing electricity supply during peak winter demand. The impact of these efforts was reflected in the EUR 133 million in approved requests in July, followed by continued high-value approvals in September (EUR 141.1), October (EUR 101.1 million) and December (EUR 124.8 million).

With total contributions reaching approximately EUR 945 million by the end of 2024, only a limited fraction of unallocated funds remained available for further support requests, underlining the need for continued replenishment of the Fund.



FIGURE 4

Value of support requests processed by the Fund, EUR mln



During the reporting period, the support requests processed for procurement under the Fund originated from a total of 44[3] different Ukrainian counterparties active in the energy sector. Among these, public-sector counterparties (23 out of 44), remained significant beneficiaries. At the same time, support for the private sector was also considerable.

The Fund continued to facilitate support for both large-scale national energy operators and regional infrastructure projects, with significant allocations directed toward generation, transmission, distribution, and district heating networks. Notably, several counterparties submitted multiple support requests throughout the year, demonstrating ongoing demand for equipment and materials necessary for energy sector recovery and resilience-building. The broad distribution of approved and allocated requests across public and private entities highlights the critical role of the Fund in ensuring the continued functionality of Ukraine's energy system amid ongoing disruptions and long-term modernization efforts.

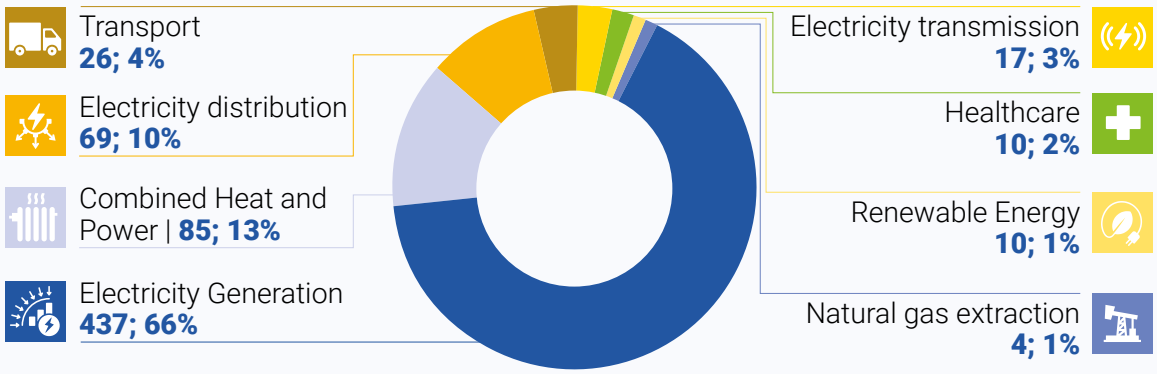
In terms of activities of the companies requesting support through the Fund, a substantial share of funding was allocated to electricity generation facilities, following the intensified attacks. The winterization campaign played a key role in these allocations, as generation capacity restoration became a top priority for ensuring energy system stability ahead of peak consumption periods. The development of decentralized generation capacities also saw significant support as part of the winterization efforts. Other processed requests supported critical gas infrastructure resilience, ensuring that Ukraine's natural gas transmission network remains functional and capable of supplying consumers.

Beyond large-scale grid and generation investments, funding was also directed toward decentralized energy solutions and CHP restoration and reinforcement efforts.

3 All healthcare facilities participating in the Ray of Hope Program for solar energy systems are considered one Ukrainian counterparty for reporting purposes.

FIGURE 5

Overview of sectors benefitting from support requests processed in 2024, % and EUR mln



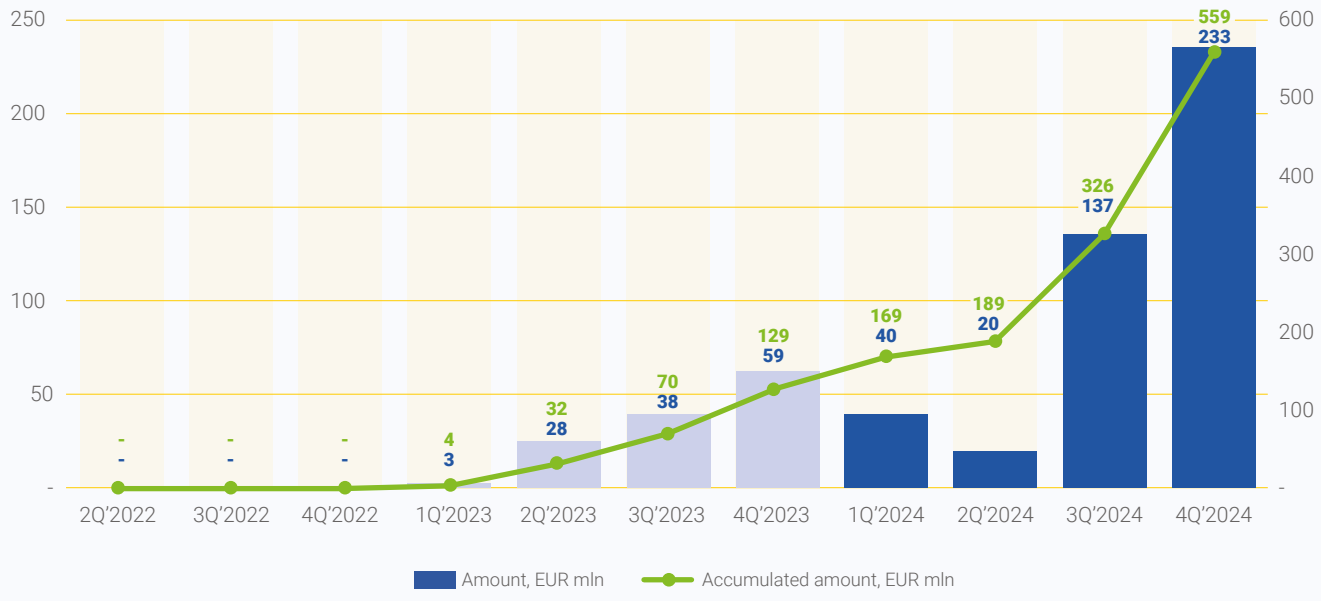
Purchase Agreements

The total value of procurements finalized and supply agreements concluded in 2024 amounts to EUR 430 million, more than tripling the EUR 129 million contracted by the end of 2023, bringing the cumulative value of contracts to EUR 559 million. In terms of numbers, the Fund finalized 448 new purchase agreements, bringing the cumulative number of contracts to 635, a significant increase from 187 contracts by the end of 2023. Contracting volumes steadily increased across the year, with notable peaks in Q3 (EUR 137 million) and Q4 (EUR 232.7 million). The highest single-month contracting value was recorded in November at EUR 105.9 million, driven by the Fund's efforts to implement winterization solutions and aligning with the increased flow of donor contributions. While contributions reached approximately EUR 517 million at the end of Q3 2024, all of these funds (plus additional funds received in Q4) were translated into supply agreements by the end of 2024. The strong influx of contributions in Q4 2024 enabled the launch of procurements at the end of the reporting period or in early 2025, resulting in increased numbers and values of purchase agreements concluded in early 2025.

The increase in both the number and value of contracts highlights the Fund's enhanced operational capacity to translate donor contributions into tangible support for Ukraine's energy system. The sustained growth in contracting activity demonstrates the Fund's evolving role as a strategic mechanism for financing and delivering critical energy infrastructure support in response to Ukraine's ongoing efforts to mitigate the damage inflicted by the Russian attacks on the energy sector.

FIGURE 6

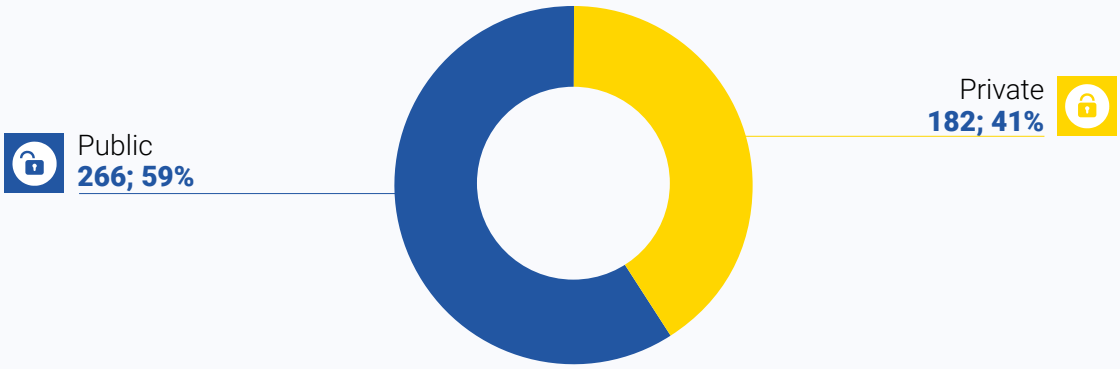
Accumulation of value of purchase agreements concluded since the establishment of the Fund, EUR mln



In 2024, the Fund continued to support a balanced mix of public and private sector energy operators, with public entities concluding 266 contracts (59% of contracts) and private sector counterparties accounting for 41% (182 contracts). These shares are the same also for all contracts concluded since the establishment of the Fund. The larger share of public sector agreements reflects the prioritization of critical infrastructure projects, particularly in state-owned electricity transmission, generation, and distribution companies.

FIGURE 7

Public or private ownership of Ukrainian counterparties benefitting from purchase agreements concluded in the reporting period, in % on the basis of the number of purchase agreements concluded



Disbursements

In 2024, the Fund executed a total of 961 payment transactions, bringing the cumulative number of payment transactions to 1,194 since the Fund's inception. This marks a fourfold increase compared to the end of 2023, when the total number of payment transactions stood at 233. The significant acceleration in transaction volume reflects the expanding scale of procurement activities and the increased disbursement capacity of the Fund. The most active months were August (121 transactions), October (105 transactions), and November (135 transactions), corresponding to the high levels of procurements finalized during the second half of the year.

The total value of disbursements in 2024 amounted to EUR 362.7 million, a substantial rise from the EUR 50.9 million disbursed by the end of 2023. The Fund's disbursement rates increased progressively throughout the year, with notable peaks in September (EUR 41.3 million), October (EUR 53.3 million), and November (EUR 71.2 million), reflecting the scaling up of contract execution, completion of payment milestones, and project implementation. The continued increase in both transaction volume and value highlights the Fund's growing financial and operational capacity in facilitating large-scale energy sector support in Ukraine.

By the end of the year, funds disbursed accounted for nearly 65% of total contracted procurement value, demonstrating the Fund's ability to efficiently process payments and ensure the effective implementation of contracts. Disbursements are tied to contract-specific payment milestones, and there is a strong and deliberate tendency to minimise advance payments wherever possible, thereby reducing financial exposure and encouraging performance-based delivery. This payment structure enhances the financial discipline of suppliers while maintaining flexibility to address operational realities.

FIGURE 8

Accumulation of number of payment transactions executed since the establishment of the Fund

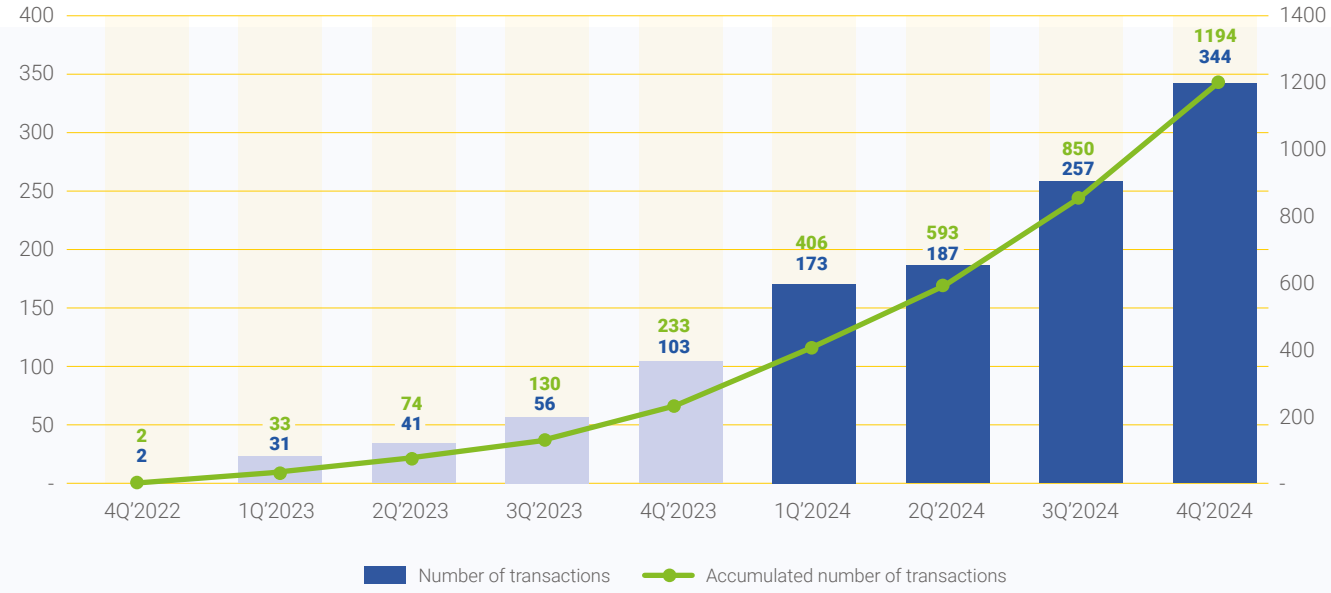
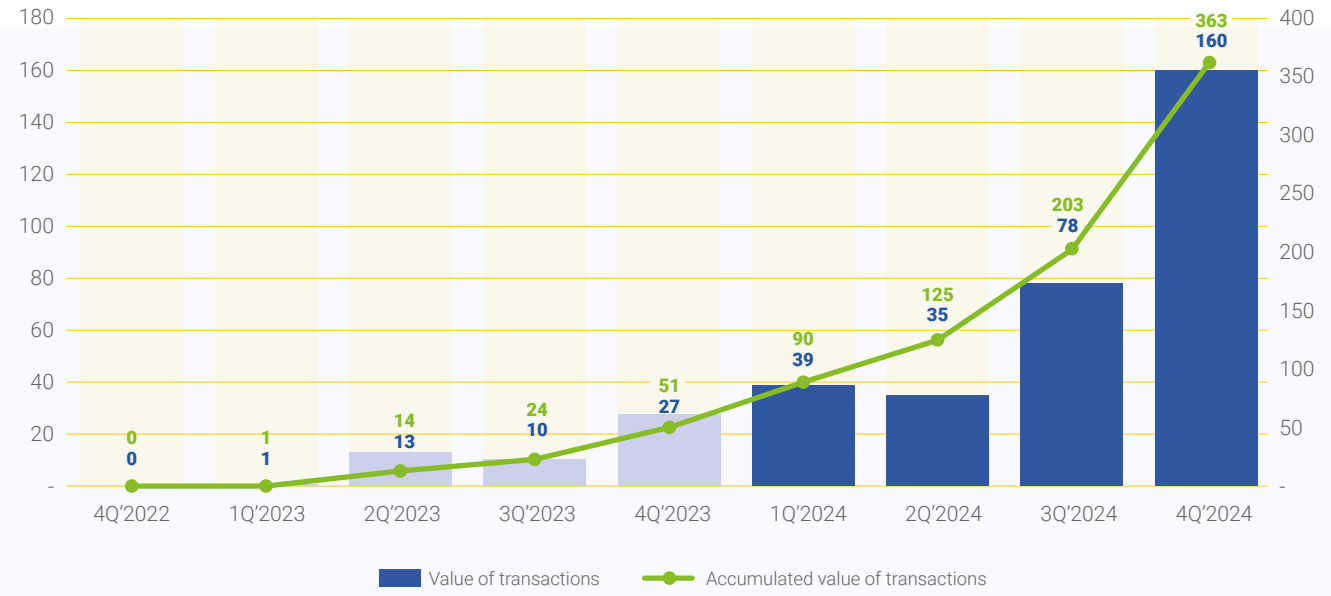


FIGURE 9

Accumulation of value of payment transactions executed since the establishment of the Fund in EUR mln



Detailed information on the transactions funded by the contributions from respective donors to the Fund, along with relevant statistics, can be found in the monthly reports provided regularly to all donors.

Deliveries

The volume and pace of deliveries under the Fund are shaped by structural factors that lie largely outside the Fund's operational control, in particular the delivery timeline imposed by the nature of the equipment requested and hence its availability on the market or the time required for its production. The two principal factors are: the complexity and customisation of the requested equipment, and prevailing supply chain conditions in both national and global markets.

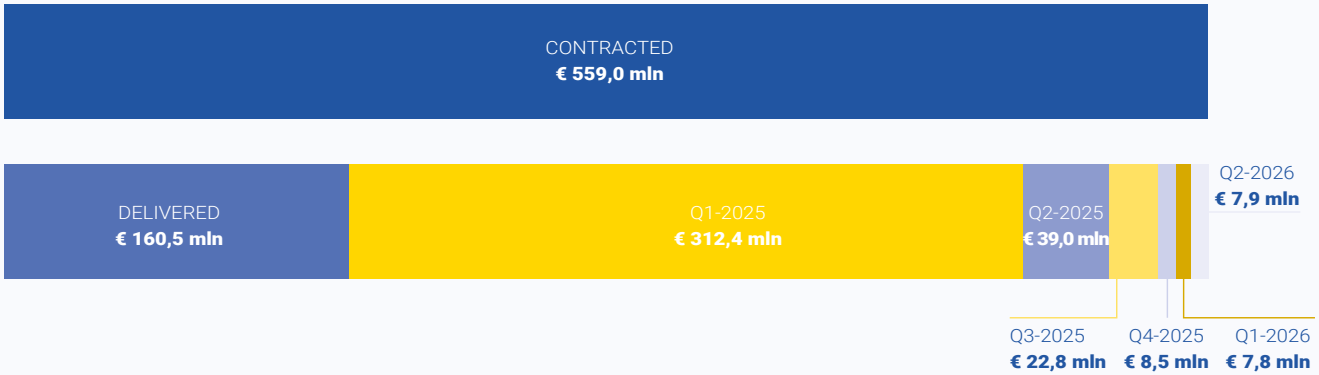
Equipment that is mass-produced and commonly available - such as standard switchgear, transformers, or spare parts - typically followed shorter lead times and was often delivered within a few weeks to months following contract signature. In contrast, tailor-made or high-value items, such as steam or gas turbines, special purpose vehicles, or mobile power generation packages, involved lengthier manufacturing, assembly, and testing periods, which extended delivery timelines to several months or beyond.

In 2024, EUR 139.8 million worth of energy equipment procured under the Fund was delivered, bringing the cumulative value of deliveries to EUR 160.5 million since the Fund's inception.

Items valued at EUR 312 million are anticipated to be delivered in the first quarter of 2025, with further items worth EUR 81.6 million expected in 2025-2026.

FIGURE 10

Delivery Outlook items procured under the Fund, as of 31.12.2024



New Power Generation Capacities

In 2024, the Ukraine Energy Support Fund took a major step beyond procurement of equipment, works and services for emergency repairs by developing strategic support for new, efficient, and decentralized energy generation capacity. Several major projects were launched during the year, combining donor financing, rapid procurement, advanced logistical solutions and technical advisory services. These projects aim to address Ukraine's acute electricity shortage - exacerbated by repeated Russian attacks on large thermal, hydroelectric, solar, wind power plants - and to enhance resilience through modular and flexible power generation assets. They represent a new generation of interventions under the Fund, which now not only restores but helps rebuild and modernize Ukraine's energy system.

Looking ahead to 2025, these efforts will continue, with equipment deliveries, installations, and commissioning forming a core focus for implementation. The Fund will also seek to replicate successful models in other sectors and regions, reinforcing the strategic shift toward flexible, decentralized, and modern energy infrastructure.



Decentralized Renewable Energy for Hospitals – Ray of Hope

The Ray of Hope initiative, implemented by the Energy Community Secretariat, is a strategic effort to enhance the resilience and sustainability of Ukraine's healthcare infrastructure through the deployment of rooftop solar photovoltaic (PV) systems with battery energy storage. In response to the ongoing war and its severe impact on the energy sector, the initiative seeks to provide a stable and autonomous power supply to hospitals, thereby supporting the continuity of critical medical services - including surgical operations, intensive care, emergency interventions, and the refrigeration of essential medicines.

The initiative was launched with the European Union's Ray of Hope programme, through which Italian supplier Enel donated nearly 6,000 solar panels (total capacity: 2 MW). Since then, the project has attracted additional international support, securing financing for installation, additional equipment and system integration through the Ukraine Energy Support Fund.

The initiative is implemented in close coordination with the Ministry of Health and the Ministry of Energy of Ukraine, with technical support provided by the competitively selected project management company.

Since its inception in mid-2024, the initiative has expanded significantly. Initially targeting 17 hospitals, it had received and approved 46 hospital applications by the end of the year, each reviewed and validated by the Ministry of Energy. Responding to this growing demand, the Government of Ukraine aims to scale the initiative to over 300 hospitals nationwide, aligning with national objectives for decentralised and sustainable energy generation.

As of December 2024, implementation was progressing steadily. A total of 25 tenders were launched, with 12 completed and evaluated by year-end and the remaining 13 scheduled for evaluation in 2025. Eight contracts had been awarded, with a combined value of approximately EUR 668,000. These contracts will deliver a total installed capacity of 452.2 kW (DC based) using Enel-donated modules rated at 340 W each. In total, the 25 projects are expected to utilise 3,700 Enel-donated panels and an additional 4,184 panels supplied by contractors. Once fully implemented, the systems are projected to generate approximately 3,360.3 MWh annually - leading to an average reduction in electricity expenditure of around 35% per hospital.

The initiative is already delivering tangible results. By the end of 2024, two hospitals had commenced generation from installed PV systems, significantly improving their energy security. In the Kyiv region, a hospital serving 13,500 residents now benefits from a stable and autonomous power supply, supporting uninterrupted delivery of maternal and primary healthcare services. In the Zhytomyr region, an emergency dispatch centre is now able to operate critical systems 24/7 even during power outages - thanks to its newly installed solar system.

FIGURE 11
Solar Panels installed as part of the Ray of Hope Initiative, Kyiv, March 2025





Installation work is ongoing at seven additional sites, further strengthening the contribution of the Ray of Hope initiative to the energy resilience of Ukraine's healthcare sector.

As of March 2025, implementation of the Ray of Hope initiative is progressing across all stages of the project pipeline. A total of 101 hospitals have been identified, 37 tenders have been launched. Of these, 22 contracts have already been awarded, and 6 projects are now at the stage of completion. This dynamic pipeline reflects both the complexity and scalability of the initiative, which continues to strengthen Ukraine's healthcare resilience through decentralised renewable energy solutions.



07 Communication

In 2024, the Energy Community Secretariat significantly expanded the communication measures for the Fund, further focusing on transparency, accountability, and increased engagement with stakeholders. The communication approach was designed to achieve visibility of the Fund by maximizing the potential of available communication instruments, such as up-to-date communication methods, data-driven and evidence-based insights, strategic outreach campaigns with impactful storytelling.

Communication efforts were fully integrated into the Fund's operations and strategic planning, serving as an enabler for results and as a mechanism for building long-term trust among stakeholders.

All communication measures undertaken in 2024 were aligned with the Fund's overarching strategic communication objectives:

- To ensure transparency and accountability through consistent and accessible public messaging;
- To foster donor engagement by highlighting the concrete results achieved through their contributions;
- To reinforce the Fund's role as a trusted mechanism by maintaining a high standard of reporting and systematic communications.

Digital communication channels

Digital platforms remained the primary medium for outreach and visibility. In 2024, approximately 100 articles were published on the Energy Community website, many of which were also promoted through social media channels. The dedicated Ukraine Energy Support Fund page on the Secretariat's website emerged as one of the most visited, with 13,533 views and a 62% engagement rate, making it the sixth most viewed page across all website content.

On social media, the Fund continued to expand its audience base. As of March 2025, the Energy Community's digital presence included 16,440 followers on LinkedIn, 4,749 followers on X (formerly Twitter), and 4,427 followers on Facebook, which was launched in October 2024. From 16 March to 31 December 2024, 45 posts related to the Fund were published on LinkedIn—averaging approximately 1.2 posts per week. Engagement with these posts remained steady, typically generating between 1,000 and 2,000 impressions, clicks, and reactions per post.

Through these efforts, communication activities continued to support the Fund's mission by translating operational data into accessible, high-impact messages that resonate with partners, donors, and the wider public.

Media relations and coverage

Throughout 2024, the Energy Community Secretariat maintained strong media engagement to support the visibility and outreach of the Ukraine Energy Support Fund. This was achieved through direct contact with Ukrainian, regional, and international media outlets, regular updates to the Secretariat's media distribution list, and proactive media outreach—particularly in relation to winterisation measures.

Media engagement included coordination with a broad range of platforms such as Ukrinform, Forbes Ukraine, Politico, Euractiv, CNN, NewsBase (UK-based business intelligence), bne IntelliNews (specialised in Central and Eastern Europe), and Argus.

Key thematic areas covered in the media included:

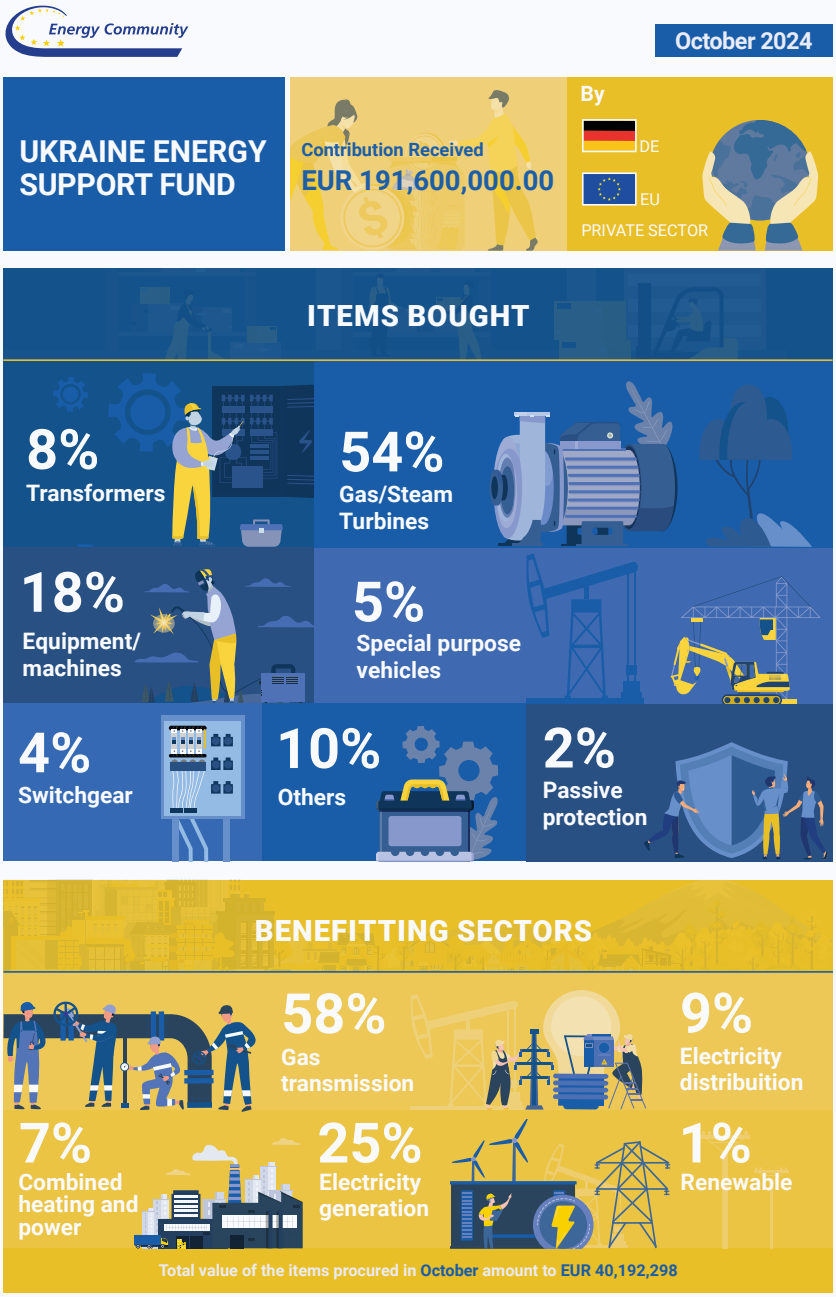
- Efficiency: Emphasising the Secretariat's role in ensuring that donor contributions are allocated to priority projects identified by the Ministry of Energy, based on urgent needs on the ground. The Fund's operations were portrayed as both timely and cost-effective, grounded in sound procurement practices.
- Impact: Showcasing the tangible outcomes of donor support in restoring critical components of Ukraine's energy system.
- New Contributions: Publicising each new donation to the Fund across multiple platforms and media channels to recognise donor support and increase transparency.
- Winterisation: Highlighting the Fund's role in addressing the critical needs of Ukraine's energy sector during the winter period, helping to mitigate electricity outages amid ongoing Russian attacks.
- Renewable Energy (RES): Positioning renewables as central to Ukraine's long-term recovery and energy transition, with a specific focus on solar systems with battery storage installed in healthcare facilities to ensure uninterrupted power supply.

These efforts contributed to reinforcing the Fund's public profile, while ensuring timely and accurate communication of its priorities, results, and evolving challenges.

Accountability and transparency

In 2024, the Energy Community Secretariat continued to prioritise transparency and accountability in all communication efforts related to the Ukraine Energy Support Fund. A core element of this approach was the regular publication of visual communication materials, including monthly infographics. These offered accessible updates on the Fund's progress, highlighting key financial data and procurement milestones through clear charts, icons, and concise summaries. Designed for both clarity and impact, these visuals ensured that donors and stakeholders could easily track how their contributions were being translated into real-world results.

FIGURE 12
Infographics on the Fund achievement in October 2024



In April 2024, the Secretariat published the first comprehensive Ukraine Energy Support Fund Annual Report covering the period from 1 January to 31 December 2023. The report provided a detailed account of financial allocations, operational highlights, and the Fund's implementation progress, reinforcing the Fund's commitment to systematic reporting and transparent governance.

Impact highlights

Recognising the human dimension behind infrastructure support, the Fund's communication activities in 2024 placed increased emphasis on impact storytelling. More than 15 stories were published across digital platforms, illustrating the tangible benefits of donor support for communities and institutions across Ukraine.

These narratives served to highlight how each contribution helped restore electricity, safeguard hospitals, and support critical public services. Behind every restored power line, replaced transformer, and functioning substation lies a story of resilience, determination, and solidarity.

Outreach campaigns

To support Ukraine's energy resilience during the 2024–2025 winter season, the Secretariat carried out a targeted communication campaign, including the organisation of a private donor conference. These efforts played a key role in securing additional funding for winterisation measures, which ultimately enabled the restoration of approximately 50% of the priority generation capacity identified by Ukrainian authorities. Communication activities underscored the urgency of the situation, helped align donor initiatives, and ensured the visibility of both needs and outcomes.

In support of the Ray of Hope initiative, the Secretariat implemented tailored outreach measures to promote market awareness among suppliers and EPC contractors. These efforts supported the transparent procurement of rooftop solar systems for hospitals and strengthened both donor engagement and private sector interest in sustainable energy solutions for critical infrastructure.

In parallel, consistent advocacy and stakeholder communication contributed to key legislative changes in Ukraine. In July 2024, the Verkhovna Rada adopted draft laws exempting import VAT and customs duties on energy equipment procured through the Fund. These policy achievements were underpinned by ongoing communication with national authorities, highlighting the strategic value of international support and enabling more effective use of donor contributions.

Events

In 2024, the Secretariat organised and participated in a number of high-level events to ensure strategic alignment with partners. Representatives of the Energy Community Secretariat delivered statements at key political and sectoral forums to communicate the Fund's priorities, share progress, and contribute to broader policy discussions.

As a result of these outreach efforts and the Secretariat's proactive engagement throughout the year, the Ukraine Energy Support Fund received explicit recognition in joint statements issued by both the G7+ Energy Coordination Group and the Government of Ukraine. This high-level acknowledgement underscored the Fund's credibility and reinforced donor confidence in its role as an effective and responsive financing mechanism.

In addition to political and technical forums, the Secretariat convened two official Donor Coordination Meetings in 2024, held in June and November, respectively. These meetings brought together representatives from contributing countries, the Ministry of Energy of Ukraine, the Secretariat, and key implementing partners. The sessions served as a platform to provide structured updates on financial contributions, implementation progress, procurement status, and key operational challenges. They also facilitated open exchange on strategic priorities and future funding directions.

Targeted communication and outreach activities - including webinars with energy companies and donors, as well as presentations delivered at high-level meetings - played a critical role in building shared understanding and alignment. These engagements helped illustrate the direct impact of donor support on the lives of millions in Ukraine, fostered new partnerships, and linked current emergency efforts with Ukraine's long-term green energy transition and EU integration goals.

Plan for the Future

The Ukraine Energy Support Fund will continue to adapt its operations to Ukraine's evolving security and energy landscape. The action plan for the next period will be shaped by the situation on the ground and adjusted accordingly. If the intensity of Russian attacks persists or escalates, the Fund's activities will remain focused on addressing the most urgent needs - supporting the resilience, continuity, and rapid repair of Ukraine's energy infrastructure. However, if the security environment stabilizes, the Fund will be in a position to transition toward more strategic, long-term support, including the integration of recovery and "build back better" objectives.

Responsive Procurement and Winter Preparedness.

A primary focus in early 2025 will be the continued procurement and delivery of essential equipment for generation, transmission, distribution, and heating, with an emphasis on winter preparedness.

Adjusting the Balance Between Emergency and Long-Term Support.

While emergency resilience remains central under current conditions, the Fund will be ready to adjust its approach if attacks on the energy system subside. In that scenario, a longer-term planning horizon will guide the prioritization of support requests. Additional criteria can be introduced to reflect principles of additionality, climate resilience, and sustainability. This may include requiring Ukrainian counterparties to demonstrate how proposed investments exceed their baseline capacity, align with recovery priorities, and contribute to systemic modernization.

Such a shift would also allow for increased focus on "build back better" projects - including grid upgrades, smart solutions, and integrated renewable energy systems - implemented through more structured, multi-phase investment packages.

Expand Renewable and Decentralized Energy Projects.

The scaling up of the "Ray of Hope" initiative will continue in 2025, with the implementation of rooftop solar and battery storage systems in hospitals. New tenders will be launched for projects approved in 2024, and additional hospitals will be identified through coordination with the Ministry of Health.

De-risking Mechanisms for Key Energy Segments.

The Fund is exploring ways to complement its procurement-based support with de-risking tools tailored to critical energy sub-sectors. As new types of projects emerge - such as flexible mobile generation, battery storage, and renewable energy — specific financial and operational risks are becoming more apparent. To ensure continued implementation of high-impact projects in complex environments, the Secretariat and its partners will work on targeted de-risking solutions that can enable broader participation, attract co-financing, and accelerate delivery timelines. These measures are intended to build confidence for both donors and Ukrainian counterparts as the Fund supports increasingly complex and transformative investments.

Safeguarding Market Integrity.

As the Fund increasingly supports the deployment of new generation capacity, it is essential to ensure that this support remains aligned with the long-term development of competitive energy markets in Ukraine. In 2025, the Secretariat will conduct a review to assess how Fund-financed assets interact with market structures and whether safeguards are needed to prevent distortions. The aim is to ensure that emergency support does not inadvertently affect pricing mechanisms or crowd out market actors. This will form part of a broader effort to align the Fund's growing footprint with Ukraine's energy transition and market reform agenda.

Continuous Learning and Institutional Strengthening.

The Fund will implement audit recommendations, reinforce compliance protocols (including cybersecurity), and consolidate new procedures developed during the transition to the new procurement agent. The Secretariat will also continue investing in internal capacity for contract management, verification, and stakeholder coordination to ensure professional, high-speed operations at scale.

Constant High-Impact Communication and Donor Engagement.

Looking ahead, the Secretariat will continue to prioritise high-impact communication and active donor engagement. Efforts will focus on implementing a structured communication framework built around clear messaging pillars, ensuring consistent outreach across all channels. Donor engagement will be further strengthened through regular impact-driven updates, targeted media and digital content, and enhanced visibility of donor contributions. Periodic reporting and strategic storytelling will reinforce transparency and accountability, supporting sustained trust in the Fund's operations.



UKRAINE ENERGY SUPPORT FUND
Energy Community Secretariat
Am Hof 4, 1010 Vienna, Austria

+ 431 535 2222
UkraineSupportFund@energy-community.org
www.energy-community.org
https://twitter.com/ener_community
https://www.linkedin.com/company/energy-community