Ukraine Energy Support Fund

ENERGY COMMUNITY SECRETARIAT

Reporting Period: 01.07.2023 – 30.09.2023
In the third quarter of 2023 (the Reporting Period), contributions amounting to a total of EUR 25,937,117 have been transferred by two donors to the Special Purpose Account, adding up to a total of EUR 191,829,929 (or EUR 193,468,565 including accrued interest) by altogether 15 donors since the establishment of the Ukraine Energy Support Fund in 2022. Further EUR 23 million are pledged to the Secretariat by another donor.

At the end of the Reporting Period (30 September 2023), the large majority of funds credited to the Special Purpose Account have been implemented or allocated to finance items requested by Ukrainian Counterparties. The majority of beneficiaries are active in electricity distribution and combined heat and power generation (in terms of numbers) while the category of items most requested are transformers (in terms of their value). The remaining funds are either reserves to cover expected discrepancies between the estimated price and the actual price established through procurement or have been earmarked by donors and not yet been matched by approved Support Requests by Ukrainian Counterparties.

In the Reporting Period, procurement resulted in the conclusion of 53 Purchase Agreements with a value of EUR 37.8 million. At the end of the third quarter, in total EUR 26.3 million have already been disbursed and further EUR 44.1 million committed to be disbursed under signed Purchase Agreements. In case of 31 Purchase Agreements, items procured were delivered to the respective Ukrainian Counterparty during the Reporting Period.

**FIGURE 1**

**Implementation Fund as of September 30, 2023, EUR mln**

<table>
<thead>
<tr>
<th>Accumulated Funds, EUR mln</th>
<th>Non-allocated Funds, EUR mln</th>
<th>Allocated Funds, EUR mln</th>
<th>Implemented Funds, EUR mln</th>
</tr>
</thead>
<tbody>
<tr>
<td>193,5</td>
<td>35,00</td>
<td>88,0</td>
<td>70,5</td>
</tr>
</tbody>
</table>

Artur Lorkowski
Director

Dirk Buschle
Deputy Director
<table>
<thead>
<tr>
<th></th>
<th>Table of Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>00</strong></td>
<td>Executive Summary</td>
</tr>
<tr>
<td><strong>01</strong></td>
<td>Introduction</td>
</tr>
<tr>
<td><strong>02</strong></td>
<td>Status of Contributions</td>
</tr>
<tr>
<td><strong>03</strong></td>
<td>Status of Implementation</td>
</tr>
</tbody>
</table>
Introduction

This third quarterly report of 2023 covers the operational activities and financial affairs of the Fund for the third quarter of 2023 (the Reporting Period).

The Fund was established in April 2022 with the agreement of the European Commission and the Ministry of Energy of Ukraine to counteract the impact of Russian attacks on critical energy infrastructure. The Fund allows governments, international financial institutions, international organizations, and corporate donors to provide financial support to repair the damage and keep the Ukrainian energy sector functioning.

Contributions to the Fund are used to finance the most urgent needs of Ukrainian energy companies such as equipment, spare parts and other technical items, as well as fuels and services needed to repair infrastructure and maintain energy and heat supply in Ukraine.

The Fund is managed by the Energy Community Secretariat, the independent executive institution of the Energy Community based in Vienna, Austria.

The following diagram depicts the general structure of the Fund.
During the Reporting Period, grants amounting to a total of EUR 25,937,117 have been transferred by two donors (Ministry of Foreign Affairs of Iceland; Sweden) to the Special Purpose Account, adding up to a total of EUR 191,829,928.77 by altogether 15 donors since the establishment of the Fund in 2022.

**FIGURE 3**

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

As of 30 Sept 2023

€191,804.9

- May-22: €0,535.5
- Nov-22: €5,704.5
- Dec-22: €129,503.0
- Jan-23: €8,50.0
- Feb-23: €1,385.8
- Mar-23: €9,233.0
- Apr-23: €1,0.0
- Jun-23: €10,006
- Jul-23: €667.0
- Aug-23: €25,270.1
An additional commitment of USD 25 million (equivalent to approx. EUR 23 million) to the Fund has been made by the United States (through USAID, U.S. Agency for International Development).

### TABLE 1
**Overview of pledges and contributions to the Fund as of 30.09.2023, in EUR**

<table>
<thead>
<tr>
<th>Donor</th>
<th>Pledged</th>
<th>Credited to Fund Account</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public sector:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany (through FFO and KfW)</td>
<td>129,500,000</td>
<td>129,500,000</td>
</tr>
<tr>
<td>Sweden (through Sida)</td>
<td>25,270,074</td>
<td>25,270,074</td>
</tr>
<tr>
<td>USA (through USAID)</td>
<td>23,000,000</td>
<td>-</td>
</tr>
<tr>
<td>United Kingdom (through FCDO)</td>
<td>11,327,519</td>
<td>11,327,519</td>
</tr>
<tr>
<td>Austria (through BMK)</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>European Union (through European Commission)</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Spain (through Ministry of Environment and Parliament of Rioja)</td>
<td>4,500,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Iceland (through Ministry for Foreign Affairs)</td>
<td>2,052,842</td>
<td>2,052,842</td>
</tr>
<tr>
<td>Denmark (through Danish Energy Agency)</td>
<td>535,494</td>
<td>535,494</td>
</tr>
<tr>
<td><strong>Private sector:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Regulators Regional Association (ERRA)</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>REKK Limited Liability Company</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>LeasePlan Corporation N.V.</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Windpark Krammer B.V.</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>[Confidential: private company]</td>
<td>7,000,000</td>
<td>3,500,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>218,329,929</strong></td>
<td><strong>191,829,929</strong></td>
</tr>
</tbody>
</table>

### FIGURE 4
**Share of contribution by donor in total contributions credited to the Fund, in %**

- **Germany**: 67.5%
- **United Kingdom**: 5.9%
- **Private Sector**: 1.9%
- **Austria**: 5.2%
- **Spain**: 2.3%
- **Denmark**: 0.3%
- **Sweden**: 13.2%
- **EU**: 2.6%
- **Iceland**: 1.1%

At the end of the Reporting Period (30 September 2023), the large majority funds credited to the Special Purpose Account have been committed to finance items requested by Ukrainian Counterparties (82% effectively allocated to items requested).

In terms of numbers, the majority of Ukrainian Counterparties requesting support through the Fund are active in electricity distribution (33.3%) and combined heat and power generation (33.3%), followed by gas distribution (19%). In terms of value of the items requested, companies active in combined heat and power generation and electricity distribution are supported predominantly (33.5% and 33.3% respectively).

**FIGURE 5**
Activity of Ukrainian Counterparties supported through the Fund, in % on the basis of their number

**FIGURE 6**
Activity of Ukrainian Counterparties supported through the Fund, in % on the basis of the value of the items requested
Among the categories of items requested by these companies, in terms of value, 35.2% account for transformers, followed by special purpose vehicles (19.5%) and steam turbines (13.9%).

**FIGURE 7**
**Categories of items supported through the Fund, in % on the basis of value**

- Transformers / Shunt Reactors: 35.2%
- Vehicles: 19.5%
- Turbines: 13.9%
- Equipment/Devices: 7.8%
- Nitrogen Compressor Station: 2.1%
- Bar Compressor Station: 1.8%
- Disconnectors/Switches: 10.2%
- Gas Distribution Station: 4.8%
- Other: 4.7%

In the Reporting Period, procurement resulted in the conclusion of 53 Purchase Agreements. The total value of items contracted during the Reporting Period amounts to EUR 37.8 million. At the end of the third quarter, in total EUR 26.3 million have already been disbursed and a further EUR 44.1 million is committed to be disbursed under signed Purchase Agreements.

The Ukrainian Counterparties benefitting from Purchase Agreements concluded in the framework of the implementation of the Fund are mostly active in electricity distribution (37.8%), combined heat and power generation (24.3%) and gas distribution (21.6%), in terms of numbers of companies. Taking into account the value of the items requested, the companies benefitting most are active in electricity distribution (31.7%), electricity transmission (18.7%), and gas transmission (14.9%).

**FIGURE 8**
**Activity of Ukrainian Counterparties benefitting from concluded Purchase Agreements, in % on the basis of their number**

- Gas Transmission: 2.7%
- Electricity Transmission: 2.7%
- Gas Storage: 2.7%
- Renewable: 2.7%
- Other: 5.4%
- CHP: 24.3%
- Electricity Distribution: 37.8%
- Gas Distribution: 21.6%
The Purchase Agreements concluded in the framework of the implementation of the Fund concerned mostly transformers (40%), special purpose vehicles (21%) and gas distribution station (11%).

In the Reporting Period, items subject to 31 Purchase Agreements have already been delivered to Ukrainian Counterparties, who have formally accepted the items, as evidenced by their signed acts of acceptance.