



THE EUROPEAN FLAGSHIP FUND FOR THE RECONSTRUCTION OF **UKRAINE**



November 2025

A New Team Europe Initiative for Recovery and EU Integration

The **European Flagship Fund for the Reconstruction of Ukraine** is a landmark initiative to accelerate Ukraine's recovery and support its path to EU membership. Backed by **€220 million** in public catalytical capital (from the EU, FR, DE, IT, PL), the Fund aims for a **first-close of €500 million** by 2026 conducting strategic, impact-driven primarily equity investments. After a successful market sounding, the due diligence phase is now starting with the pre-selected fund manager consortium.

**€220
million**

in impact-first
capital




to create a
flagship fund of
€500 million
by 2026

At a Glance

OBJECTIVE

A fund with first closing of up to €500 million by 2026 to mobilize capital to rebuild **Ukraine's economy via private equity**.

FOCUS SECTORS

-  **Energy** – especially renewable energy
-  **Infrastructure**
-  **Digital transformation**
-  **Industrial modernisation**
-  **Dual-use goods production**
-  **Critical raw materials**

INITIATORS

- **European Commission**
- **France, Germany, Italy, Poland**
- Major **development banks**: European Investment Bank (EIB), Kreditanstalt für Wiederaufbau (KfW), Cassa Depositi e Prestiti (CDP), Proparco & Bank Gospodarstwa Krajowego (BGK)

TIMELINE

- **Introduction:** Market sounding at the Ukraine Recovery Conference 2025
- **Operational:** Fund set-up and initial investments by end 2026

Why This Fund Matters



EU Solidarity in Action: It represents a tangible and strategic European investment supporting Ukraine's recovery

Economic Transformation: It unlocks private capital, creates jobs, and develops new production facilities

Private Sector Engagement: It uses blended public and private finance to reduce risks for investors and attract large-scale private capital

How the Fund Works



Catalytic Capital

- **220 million** from the EU Ukraine Investment Framework, Germany, Poland, Italy, and France
- Public investors provide **junior capital** as a "first-loss buffer" to attract private partners

Possible Investment Models

- **Direct equity and quasi-equity investments** in key sectors
- **Fund-of-funds** to amplify private capital mobilisation
- **Combination of both**

More Than a Fund

The European Flagship Fund for the Reconstruction of Ukraine is more than a financial instrument – it's a signal of solidarity, resilience, and European leadership.

Investing in Ukraine today is investing in the Europe of tomorrow.

The Market Sounding documents are available on <https://enotices2.ted.europa.eu/home>

For any specific enquiry, please contact: enest-EU-UKRAINE-INVESTMENT-FRAMEWORK@ec.europa.eu

Who Is Involved



Confirmed Anchor Investors:

- The European Union (via the Ukraine Investment Framework)
- Development Banks: EIB (EU), Proparco (France), KfW (Germany), CDP (Italy), BGK (Poland).

Who Can Invest:

- All EU Member States
- International partners
- Institutional investors
- Ukrainian funds
- Private investors

Complementary Initiatives: Works in synergy with other EU actions to deepen Ukrainian financial markets, including cooperation with the International Finance Corporation (IFC) High-Impact Equity programme and European Development Finance Institutions Management Company (EDFI MC). The Fund will ensure additionality with local Private Equity and Venture Capital actors.



European Commission: ec.europa.eu/european-neighbourhood-policy/countries-region/ukraine_en

European External Action Service: eeas.europa.eu/delegations/ukraine_en

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