

 Early Warning System

EBRD-142671

Assistance to the Ministry of Economy for Developing a State  
Ownership Policy for State-Owned Enterprises



## Quick Facts

<b>Countries</b>	Ukraine
<b>Financial Institutions</b>	European Bank for Reconstruction and Development (EBRD)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Borrower</b>	Government of Ukraine - Ministry of Economy
<b>Sectors</b>	Industry and Trade, Law and Government, Technical Cooperation
<b>Investment Type(s)</b>	Grant



## Project Description

According to the Bank's website, the EBRD seeks, through this TC Project, to provide support to the Government of Ukraine in the development and adoption of a State Ownership Policy (SOP). This initiative, requested by the Ministry of Economy of Ukraine, aims to enhance the Ukrainian government's efforts to create the country's first-ever overarching SOP, a crucial step for Ukraine to meet IMF and EU Ukraine Plan benchmarks and implement Law 3587-IX on Improving the Corporate Governance of State-Owned Enterprises (adopted by Parliament on 22 February 2024).

Ukraine relies heavily on State-Owned Enterprises (SOEs) to operate and manage key national assets and deliver essential public services. As of 2023, the state held over 3,000 enterprises, with an estimated 85% being loss-making or existing only on paper. The poor financial performance of the SOE sector has created significant fiscal risks for the government, compounded by the Russian invasion of Ukraine.

Since 2014, the EBRD has engaged in several technical cooperation projects to align Ukraine's SOE corporate governance with international standards and best practices, such as the OECD Guidelines for Corporate Governance of SOEs. The future adoption of an SOP aligns with these efforts and international commitments, ensuring SOEs operate efficiently, transparently, and accountably.

The TC Project will support the Government of Ukraine (via the Ministry of Economy) in the end-to-end development and adoption of the new SOP. To do so, the TC Project will engage consultants with established expertise in legal and economic aspects of SOE reforms to assist the Government along two work phases:

**Phase I - SOP Conceptualisation Study:** specialized consultants will work closely with the Ministry of Economy to assess existing documents and initiatives related to SOE governance in Ukraine, analyse structures of SOPs in comparator countries, and propose an overall concept for the SOP to be developed. **Phase II - Development of a Full SOP Draft and Action Plan:** specialized consultants will work closely with the Ministry of Economy and other important stakeholders to produce the first draft of a fully-fledged SOP for Ukraine - and its Action Plan companion - based on the SOP concept agreed upon in Phase I. To support execution of Phase II and ensure optimal quality results, the consultants will also conduct stakeholder consultations, and work to support the Ministry through necessary steps to ensure the adoption of the SOP by relevant Ukrainian authorities, in time for Ukraine to meet its international commitments.

**Phase II - Development of a Full SOP Draft and Action Plan:** specialized consultants will work closely with the Ministry of Economy and other important stakeholders to produce the first draft of a fully-fledged SOP for Ukraine - and its Action Plan companion - based on the SOP concept agreed upon in Phase I. To support execution of Phase II and ensure optimal quality results, the consultants will also conduct stakeholder consultations, and work to support the Ministry through necessary steps to ensure the adoption of the SOP by relevant Ukrainian authorities, in time for Ukraine to meet its international commitments.

Overall, this TC Project aims to create a comprehensive and enforceable SOP, further aligning Ukraine's state ownership system with latest national legislation and OECD Guidelines, and addressing both wartime and post-war economic development objectives.



## Investment Description

- European Bank for Reconstruction and Development (EBRD)

A technical cooperation project.



## Contact Information

*No contacts available at the time of disclosure.*

### ACCESS TO INFORMATION

You can request information by emailing: [accessinfo@ebrd.com](mailto:accessinfo@ebrd.com) or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

### ACCOUNTABILITY MECHANISM OF EBRD

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You can contact the PCM at: [pcm@ebrd.com](mailto:pcm@ebrd.com) or you can submit a complaint online using an online form at:

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You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>