Early Warning System

EBRD-57449

RLF - Kharkiv Emergency Liquidity II

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Quick Facts

Countries	Ukraine
Specific Location	Kharkiv
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	B
Voting Date	2026-06-17
Borrower	City of Kharkiv
Sectors	Infrastructure, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 17.49 million
Project Cost (USD)	$ 17.49 million

Project Description

According to the Bank’s website, the project consists of a senior loan of up to EUR 15 million, to provide emergency support to the City of Kharkiv via liquidity financing to its municipal utilities/operators, to mitigate the effect of the ongoing war on the City's financial position, and to ensure uninterrupted provision of essential municipal services to the City's residents, internally displaced persons ("IDPs") and enterprises.

The Bank's loan is expected to support the key municipal utilities and public transport operators in 2026-2027 by addressing their critical liquidity needs, to ensure uninterrupted provision of essential public services in response to direct damage from the war, additional demand for services due to the presence of a significant number of IDPs and the City's shrinking liquidity.

In the absence of the Bank's support, given the on-going war and its effects on the local economy and ongoing forced displacement and labour market volatility, there is a high risk of disruption in provision of infrastructure services, which are vital for Kharkiv's economic recovery and the City's private sector.

Early Warning System Project Analysis

Categorised B (2024 ESP). The provision of short-term working capital to support liquidity of the City to compensate for temporary revenue losses and additional expenses due to the ongoing military invasion of the territory of Ukraine by the Russian Federation and also support with operating and maintenance costs to the existing client is not associated with any new environmental or social (E&S) risks or impacts.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

A senior loan of up to EUR 15 million.

Private Actors Description

The recipients of liquidity support from the City are planned to be the four municipal operators:

i) the Communal Enterprise "Kharkivsky metropoliten", an existing client of the Bank;
ii) the Communal Enterprise "Trolleybus depot no. 2", an existing client of the Bank;
iii) the Communal Enterprise "Saltiv tram depot"; and
iv) the Communal Enterprise "Kharkiv heat networks".

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

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

Bank Documents

- PSD Translation (Ukrainian)