COMMISSION IMPLEMENTING DECISION

of 8.3.2024

on the release by the European Union of the first instalment of the exceptional bridge financing of the Ukraine Facility
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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2024/792¹ of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility, and in particular Article 25 thereof,

Whereas:

(1) The Ukraine Facility makes available to Ukraine financial support of up to EUR 50 billion for the period 2024-2027 in the form of non-repayable support and loans. Most of this support is channelled via the “Ukraine Plan” that constitutes the basis for the support provided under Pillar I of the Facility.

(2) Without prejudice to the Ukraine Plan, Article 25 of Regulation (EU) 2024/792 allows the European Union to provide Ukraine with support in the form of exceptional bridge financing. This can be provided to Ukraine while the Framework Agreement between the European Commission and Ukraine is not yet signed, or the Ukraine Plan is not yet adopted by the Council.

(3) The exceptional bridge financing should make available a total maximum amount of up to EUR 6 billion to Ukraine as financial support, payable in two instalments of up to EUR 4.5 billion and up to EUR 1.5 billion respectively. The financial support will take the form of loans under Pillar I of the Facility, pursuant to Article 6(2) of Regulation (EU) 2024/792. Provision of this support is without prejudice to the financing linked to the Ukraine Plan and is complementary to other resources provided to Ukraine by international financial institutions and bilateral donors.

(4) At the moment of the adoption of the present decision, the Ukraine Plan is in an advanced stage of preparation but not yet submitted by Ukraine nor adopted by the Council. The Framework Agreement is not yet signed either.

(5) Ukraine’s progress on the preparation of the Ukraine Plan is considered satisfactory.

(6) The Memorandum of Understanding between the European Union and Ukraine, setting out the policy conditions, the indicative financial planning and the reporting requirements to which the bridge financing is linked, is signed by the parties in March 2024.

(7) The Loan Agreement setting out the detailed terms of the loan is signed by the parties in March 2024, and it will enter into force upon receipt by the Commission of the legal opinion signed by the Ministry of Justice of Ukraine.

¹ OJ L, 29.2.2024.
(8) Ukraine is expected to submit a request for funds in March 2024, in line with the provisions of the Memorandum of Understanding and the detailed terms of the Loan Agreement.

(9) Ukraine continues to fulfil the pre-condition for Union support as set out in Article 5 of Regulation (EU) 2024/792. Ukraine continues to uphold and respect effective democratic mechanisms, including a multi-party parliamentary system and the rule of law, and to guarantee respect for human rights, including the rights of persons belonging to minorities. Fulfilment of this precondition should be verified by the Commission before disbursement of each of the tranches into which the instalment may be divided.

HAS DECIDED AS FOLLOWS:

Sole article

The release of a first loan instalment of up to EUR 4.5 billion as exceptional bridge financing under the Ukraine Facility, as a loan to be disbursed in one or more tranches, is authorised in accordance with Regulation (EU) 2024/792, subject to the entry into force of the Loan Agreement and the receipt by the Commission of a duly signed Request for Funds for a corresponding amount complying with the requirements of the Loan Agreement.

Done at Brussels, 8.3.2024

For the Commission

Olivér VÁRHELYI

Member of the Commission