EU and Ukraine sign €50 million agreement to support Energy Efficiency Fund

Today Vice Prime Minister Hennadii Zubko and the Head of the Support Group for Ukraine Peter M. Wagner, in the presence of Prime Minister of Ukraine Volodymyr Groysman, have signed a Financing Agreement of €50 million to support the Ukrainian Energy Efficiency Fund.

The agreement will contribute to energy savings and to the reduction of greenhouse gas emissions in Ukraine. The EU, together with Germany, will also support the activities of the Energy Efficiency Fund in providing grants to the energy efficient renovations of multi-apartment houses across Ukraine.

Head of the Support Group for Ukraine Peter Wagner said: “Ukraine remains one of the most energy intensive countries in Europe, with energy consumption per square meter at least twice as high as in the EU. By reducing the energy consumption in the Ukraine's housing sector, we will contribute to the energy security of Ukraine and improve the living standards of Ukrainian citizens. Our implementing partners will ensure a transparent management of the EU's contribution to the Fund and will set-up a regional network in support of these actions.”

Background information:
Financing Agreement implements a key element of the €50 million Energy Efficiency support programme for Ukraine (EE4U) adopted last year by the European Commission. The programme consists of:

- **€30 million** EU contribution to the new Multi-Donor Trust Fund supporting the financing of energy renovation of houses through the Ukrainian Energy Efficiency Fund;
- **€17 million package** of technical assistance implemented by IFC (International Finance Corporation) and UNDP to raise awareness in Ukrainian cities, prepare projects at the local level and support the management of the Fund;
- **€3 million** technical assistance package for supporting the introduction of modern energy efficiency standards and regulations as well as evaluation and audit;

The Ukrainian Energy Efficiency Fund has been set up by the Ukrainian government earlier this year in close cooperation with the EU and Germany. The €50 million Energy Efficiency support programme is part of this effort. Germany will additionally contribute €15 million to the programme, while the Ukrainian government has also committed close to €50 million to the Ukrainian Energy Efficiency
Fund in 2018. Since 2014, the EU has pledged €965 million in the European Neighbourhood Instrument grants to support Ukrainian reforms.

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