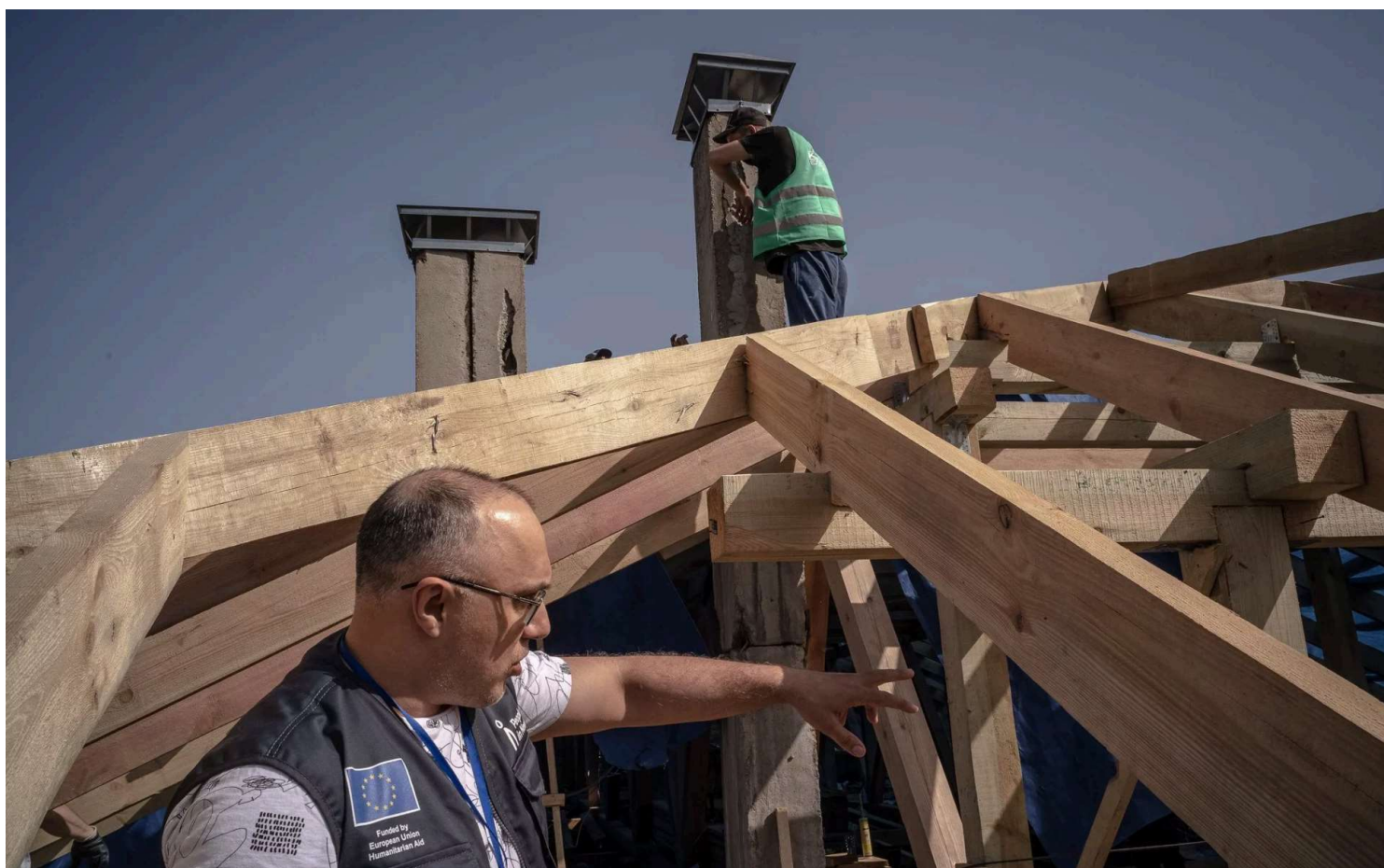


Forth Rapid Damage and Needs Assessment in Ukraine: total cost of reconstruction and recovery estimated at €506 billion

February 25, 2025



The total cost of reconstruction and recovery in Ukraine is €506 billion, according to an updated joint Rapid Damage and Needs Assessment (RDNA4) released today by the Government of Ukraine, the World Bank Group, the European Commission, and the United Nations. It covers damages incurred over almost three years – from 24 February 2022 to 31 December 2024.

This total cost is approximately 2.8 times the estimated nominal GDP of Ukraine for 2024.

The RDNA4 finds that direct damage in Ukraine has now reached €170 billion,

up from €138 billion in the RDNA3 of February 2024, with housing, transport, energy, commerce and industry, and education as the most affected sectors. According to the current assessment, 13 per cent of the total housing stock has been damaged or destroyed, affecting more than 2.5 million households. In the energy sector, there has been a 70 per cent increase in damaged or destroyed assets since the RDNA3, including power generation, transmission, distribution infrastructure, and district heating. Across all sectors, the regions closest to the frontline (Donetska, Kharkivska, Luhanska, Zaporizka, Khersonska, as well as Kyivska) sustained about 72 per cent of the total damage.

Reconstruction and recovery needs are the highest in the housing sector (almost €81 billion). This is followed by the transport sector (€75 billion), the energy and extractives sector (almost €66 billion), commerce and industry sector (over €62 billion), and agriculture (over €53 billion) sector. Across all sectors, the cost of debris clearance and management alone reaches almost €12.6 billion.

The RDNA4 also highlights that prioritising investments in recovery and reconstruction will be critical for Ukraine's EU accession and long-term resilience. These efforts aim to rebuild the country's infrastructure, revive its economy, and strengthen its institutional framework in alignment with EU standards. Recovery provides an opportunity not just to address the destruction caused by the ongoing invasion but also to build back better by adopting innovative solutions and reforms that meet the expectations of EU membership.

“The assessment highlights the extraordinary damage Russia has inflicted on Ukraine,” said EU Commissioner for Enlargement Marta Kos. *“The EU is already supporting Ukraine's reconstruction and recovery by mobilising more private investments through the Ukraine Investment Framework, and by helping the country integrate deeper into the EU Single Market. This will be a pillar of Ukraine's recovery and create new opportunities for both Ukrainian and European businesses.”*

The assessment identifies and excludes over €12.6 billion in needs across eight sectors that have already been met by Ukraine with the support of its partners and the private sector.