

Ukraine Facility: EU approves third payment of close to €3.5 billion

March 18, 2025



On 17 March, the Council of the EU approved a third payment of non-repayable grants and loans to Ukraine under the Ukraine Facility. Ukraine will soon receive approximately €3.5 billion.

The Ukraine Facility, which entered into force on 1 March 2024, provides up to €50 billion of stable financing, in grants and loans, to support Ukraine's recovery, reconstruction, and modernisation for the period 2024 to 2027. With this third disbursement, Ukraine will have received close to €20 billion under the Ukraine Facility since its entry into force a year ago.

The Council concluded on Monday that Ukraine had satisfied the necessary conditions laid down in the Ukraine Plan in order to receive a third disbursement from the Ukraine Facility.

“Ukraine successfully demonstrated that it had implemented 13 different

steps. These include, among others, passing reforms to increase the use of renewable energy; increasing the autonomy of the energy regulator; simplifying border-crossing procedures in line with EU standards; adopting a strategy for agriculture and rural development (including the removal of land mines from agricultural areas); and continuing work on listing its strategic and critical raw materials,” says a press release by the Council of the EU.

The Ukraine Plan sets out Ukraine’s intentions regarding the recovery, reconstruction and modernisation of the country, and a timetable for the reforms it plans to undertake as part of its EU accession process in the next four years.

The Foreign Affairs Council also discussed defence support to Ukraine. EU High Representative Kaja Kallas told journalists after the meeting that there was a “broad political support for [the] defence initiative of [€]40 billion”.

“[In the] last European Council we had the wording that we need to move swiftly with this initiative, and we have done some more work on this. So, hopefully I will be able to really move on because everybody understood, around the table, that we should really show our resolve right now and support Ukraine so that they can defend themselves,” Kaja Kallas said.