

Ukraine Recovery Cookbook

Photo: klopotenko.com

Introduction



Why Ukraine Recovery Cookbook is Necessary

We hope that the "Ukraine Recovery Cookbook" will be useful to both donors in preparing aid projects and to Ukrainian developers and project implementers on the ground. However, first and foremost, this book is intended for those who are currently discussing the principles, priorities, and mechanisms of recovery and shaping corresponding policies at the highest level.

- #RRR4U has presented key recovery and [reconstruction principles](#) in September 2022.
- The principles and possible policies for Ukraine's restoration, as well as even specific restoration projects, have already been described in several large documents ([1](#), [2](#), [3](#)).
- However, uncertainty remains significant, the situation on the ground is constantly evolving, and institutionalized mechanisms for restoration don't exist yet, while funding is needed now.
- Therefore, it's important for donor projects should be flexible in responding to changing circumstances, such as the movement of the front line or changes in the institutions responsible for the project sphere.
- Rather than waiting for a global project to be institutionalized, it's crucial to use existing tools and resources to fund restoration projects now.
- Therefore, to effectively and quickly develop solutions, it is necessary to be flexible and guided by a set of universal policy principles, as any fixed roadmap risks losing relevance in a matter of months or weeks.
- Clear, well-known policy principles shared by Ukrainian society, the donor community, and implementers, and their strict adherence in the implementation of each project, will help Ukraine attract more funding than semi-transparent government funds.
- This book aims to outline such principles, clearly formulating their practical significance, and propose examples of their application in real conditions of specific sectors, as "recipes" for Ukraine's recovery, composed of a set of universal ingredients.

It is vital to understand:



Healthy nutrition

is foremost an investment in quality produce that guarantees a sustainable, healthy, and extended life - as opposed to fast food of hasty defrosting

Similarly, in the realm of restoration, **long-term reconstruction** is imperative, rather than short-lived annual repairs



Principal Ingredients

Conditions to be ensured in the kitchen

People-Centeredness

Ownership

Private Capital Involvement

Transparency



Trust

“Build Back Better”, including
ecological sustainability
and energy efficiency

Compliance
with EU standards

These ingredients are crucial for all dishes in the **Ukrainian “Restoration Cuisine”**.
Additional spices and components may vary depending on the dish

Universal / multipurpose recipe

To avoid burning of dish

- Blend high quality ingredients
- Don't stray from the stove
- Start cooking already now

Additionally, there are **recipes for recovery**, adapted for different industries, e.g. energy



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RRR4U

Team

(ownership)

Chef

the Prime Minister of Ukraine

Sous Chef

the Ministry of Recovery -
performs important tasks at the
behest of the Head Chef

Purchasing Manager

- The Agency for Restoration
for large and standardized
dishes
 - Local communities (hromadas)
for local dishes
-

Accountant and financier

the Ministry of Finance

Chefs

line ministries

Meticulous oversight of preparation and sanitary conditions is carried out by

- **civil society** - at all stages
of preparation for all dishes
 - **the international community** -
primarily during the
procurement of products
and financing
 - **the Accounting Chamber
of Ukraine** - during funding
and afterwards
-

Blend high quality ingredients

Traditionally in the kitchen, the rule is simple: a delicious dish can only be made from high quality ingredients, but it can be ruined by a failure to follow the proper cooking procedures.

However, it is essential to buy only high-quality products.

It's important to remember that the number of dishes that can be made from certain ingredients is vast, but the number of ingredients themselves is limited.

Therefore, it's necessary to clearly define which dish is being prepared at the outset, and what other dishes can be made when enough of the other ingredients are available.

In the case of **reconstruction**, this primarily concerns sufficient funding.



How to cook?



In Ukraine, there are many territorial communities and there will be many projects that need to be restored, so clear rules are important.

This is just like a restaurant owner who must clearly understand the type of each restaurant, its specifics, and the need for funding, teams, products, and so on. In this regard:

- Funding determines how many restaurants the owner can develop simultaneously. This is similar as financing and defines how many projects can be simultaneously implemented.
- To prepare tasty and healthy dishes, the right cookware - pans, knives, cutting boards, pots - is needed. This is identical to technical assistance in reconstruction and recovery.
- Skilled kitchen teams are needed for cooking.
- In fact, capacity determines the implementation of projects.

To succeed in recovery and reconstruction, the following are needed:

- **Clear prioritization:** defining priorities based on transparent criteria that foster trust and reduce the risks of corruption.
- A consistent and comprehensible **approach to procedures:** from defining priorities and procuring goods and services to distributing them among communities and institutions, much like the allocation of resources across a restaurant's various kitchens.
- Adherence to recipes is as important for a tasty dish as compliance with **standards for reconstruction.**
- **Sustainable financing:** people always want to eat, so funding is needed for years. And if we are already speaking in the language of reconstruction, sustained funding is necessary to maintain the built infrastructure in the future, without relying on donor funds.



The main ingredients
for a tasty dish

1. Transparency

The primary rule for effective reconstruction is transparency: **«Everyone sees everything»**



To promote trust and reduce the risk of corruption, a **transparent kitchen** must be established where the team's work and the ingredients used in preparing dishes are visible to all.

Each **reconstruction project** is akin to preparing a transparent jelly in a clear dish, ensuring that not a single grain is overlooked and that the jelly has the correct consistency.

To achieve this, fruits and shapes must be added in the correct sequence, ensuring that the final product is both delicious and meets the requirements of the project.

Under the “Transparency Rules”, the Digital Restoration Ecosystem for Accountable Management (DREAM) will be responsible for overseeing the reconstruction process. DREAM is currently implemented by the Government with the support of the RISE coalition, whose members include #RRR4U:

- ➔ All projects submitted by government entities, local authorities, state and municipal enterprises are represented in the DRMS
- ➔ The priority projects identified through a clear methodology are to be posted by the Agency for Restoration, line ministries or local communities on the platform of the DRMS.
- ➔ Donors can choose which projects to finance, and the funding provided, as well as budgetary funding, should be reflected in the system.
- ➔ Implementation stages and the readiness of projects are fully visible on the platform.

In the **monitoring stage**, all digital traces are frozen in the jelly, allowing both the head chef and any consumer to detect any problems and risks as well as provide feedback.

2. Capacity

If a restaurant or cafe lacks a head chef or trained assistants, just as much as it would without professional food purchasers or financial specialists, it will soon go bankrupt.

Likewise in reconstruction:

capable institutions are needed both at the central level and locally.

All stakeholders must be able to properly communicate with each other to determine priorities for reconstruction under the conditions of limited fiscal resources.

At the same time, local communities are the primary party that creates the menu for reconstruction: they are primarily responsible for the list of reconstruction projects and must therefore understand what is needed for community development and what the community can finance in the long term.

Communities must be able to create projects, technical documentation, and control project implementation.

Meanwhile, the key stakeholder that needs adequate institutional capacity today should be the Agency for Restoration: strengthening the Agency's capacity and its territorial entities is important because they will implement important large projects and sometimes assist communities that are weak and do not yet know how to work with projects.

Line ministries should be able to identify the necessary principles of reconstruction in their areas, advise communities on these areas, and facilitate reconstruction.



3. People-oriented

Just as diners at a table must find their own dish and not go hungry, recovery projects should prioritize meeting the needs of people and communities. This means focusing on both current necessities, such as housing, medical care, and education, as well as long-term improvements to quality of life.

Decentralization and community capacity building must become fundamental elements and cornerstones of all reconstruction projects. Such projects should prioritize democratization and engage people at the local level, with a focus on creating and preserving jobs in communities, and attracting people and businesses.

To achieve this, community representatives should be involved at all stages of reconstruction projects, from international discussions on reconstruction architecture to decision-making on project prioritization. Community participation must be **clearly documented** in procedures and rules for the allocation of funds, consultations, and participation in committees/working groups.

Under these conditions, communities will be able to understand the overall recovery strategy, represent and defend their own interests, develop their expertise and network of contacts, and increase their capacity to execute projects at both leadership and staff levels, including in the private sector.

Existing tools for local self-governance can be used to meet the needs of recovery, such as strategic development documents for communities and territories, public hearings as a component of transparency in local politics, and participatory budgets.

Rather than relying on state-run canteens, we advocate for the cultivation of a vibrant restaurant and café culture, featuring diverse menus that are not dictated by a centralized authority.

Market mechanisms should be incorporated into reconstruction efforts wherever possible, which will create employment opportunities, foster local business growth, increase tax revenues at all levels of government, and narrow the window for monopolization and corruption.

Market mechanisms entail maximizing the **monetization** of "reconstruction" and social aid. In cases where monetization is not feasible, state or communal procurements should be conducted on market terms via the **ProZorro** system and with widespread advertising of bids.

We suggest introducing **localization** elements in the early stages of restoration - companies from communities undergoing reconstruction should participate in the project to a certain extent by performing work or providing services - and developing **public-private partnership** initiatives.

To incentivize private investment from both domestic and foreign sources, **insurance against war-related risks is required**. Several international organizations are currently working on creating this opportunity for foreign investors (such as the DFC, MIGA, and the governments of Germany and Poland), but a similar mechanism is also needed for Ukrainian investors. It should feature a private insurance market instead of centralized project allocation.



4. Private business engagement

Conditions in the kitchen:

Proper
temperature
and humidity





1. Trust

In a fine restaurant, trust underpins every aspect of its operations: the owner's trust in the head chef and finance and procurement teams, the head chef's trust in the line cooks and assistants, and also the trust of the waitstaff, customers, and all those who work in the establishment.

Trust plays an exceptionally important role in the reconstruction and modernization of a country, and without it, such efforts cannot succeed:

- International donors are, and will continue to be, a major source of reconstruction and modernization funding for Ukraine during and immediately following the war. However, if the government fails to fulfill its obligations, including implementing necessary reforms such as judicial reform, it may be difficult to secure continued large-scale funding.
- Ukraine requires investment from both domestic and foreign businesses, and for this reason, the government must ensure property rights protections and stable working conditions.
- The population must trust both the government and business to work effectively and to encourage those who have left for safer countries to return to Ukraine.

Once trust is broken, it will be difficult to regain the support of clients, donors, businesses, and the public.

2. Build Back Better

The client must not only be satisfied, but also healthy, and food preparation must be as environmentally and energy-efficient as possible. That's why an increasing number of restaurant businesses are focusing not only on using eco-friendly products, but also **eco-friendly equipment**, responsibly using ingredients and minimizing production waste. The "responsible" menu contains maximum information about the composition of each dish, so that even people with allergies can enjoy their food.

And the same rules should be followed in the reconstruction process.

The restored or newly built objects must be:

- **Inclusive:** this is extremely important, especially in the aftermath of a full-scale war, when the number of people with disabilities increases.
- **Energy-efficient:** this will increase Ukraine's energy independence.
- **Environmentally friendly:** this will contribute to improving the environment in the country and thus promote longer healthy life expectancy.

To achieve this, it is crucial to adopt clear State Building Standards and other standards for reconstruction and modernization, both for residential buildings and infrastructure (including schools and medical facilities).

Here, lessons learned from the EU experience would be in handy, as Ukraine still lacks defined standards.

3. The EU accession

Local cuisine

is always highly valued, but trust in the quality of food increases when a restaurant adheres to the highest international standards during preparation.

If **Ukraine** follows the indicators laid out by the **European Green Deal** and adheres to the general rule of law principles governing the EU during reconstruction, it will increase the trust of “food tourists” - foreign investors, for whom the logic of reconstruction will become clear and understandable. The result of reconstruction will also be clear: without emissions, with clean energy, circular economy, and preserved biodiversity and ecosystems.

Integration with the EU in transportation and energy will have a direct impact on how the logistics infrastructure is reconstructed. After the war, the location of infrastructure facilities and population placement will change, in particular, due to the strengthening of economic ties with the EU.

As part of EU accession, it will be important to **use EU structural funds** for long-term reconstruction - Ukraine must take advantage of these opportunities and meet all requirements to access these funds.

At the initial stage, don't stove away from the stove

+ ensure quality
control

In the near future,
invest into smart-
stove



When you have a thousand dishes to prepare, no matter how skilled the chef is, there's always a risk, even if they never leave the stove. That's where automation and digital solutions come in.

For the proper preparation of any dish, a coordinated team effort is required. This team includes those who never leave the stove and keep a watchful eye to prevent burning, as well as those who ensure quality control before the dish is served.

This is where a "kitchen assistant" like a smart stove comes in handy. In its reconstruction, the Digital Restoration Ecosystem for Accountable Management (DREAM) will play a crucial role, automating the process and responding if risk indicators signal that something goes wrong.

Monitoring is carried out by:

- CSOs and public activists: regular monitoring of planning, procurement, compliance with standards, and the final result.
- The State Audit Service of Ukraine: monitoring procurement to buy the best products from the best suppliers and avoid overpaying.
- The Accounting Chamber of Ukraine: monitoring the spending of state and local budgets on reconstruction projects.
- Businesses: active participation in public procurement and reporting possible violations.

They are also responsible for quality control.

Start cooking - now

All recovery concepts must include the principle of immediate action. It is important to **start acting now**, using existing institutional mechanisms and flexible approaches instead of a prolonged design of the recovery architecture.

This approach fully corresponds to the work of the **Ukraine Multi-agency Donor Coordination Platform's Steering Committee** in the format of the "Financial Ramstein". The principle of immediate action can and should be integrated into the platform's activities.

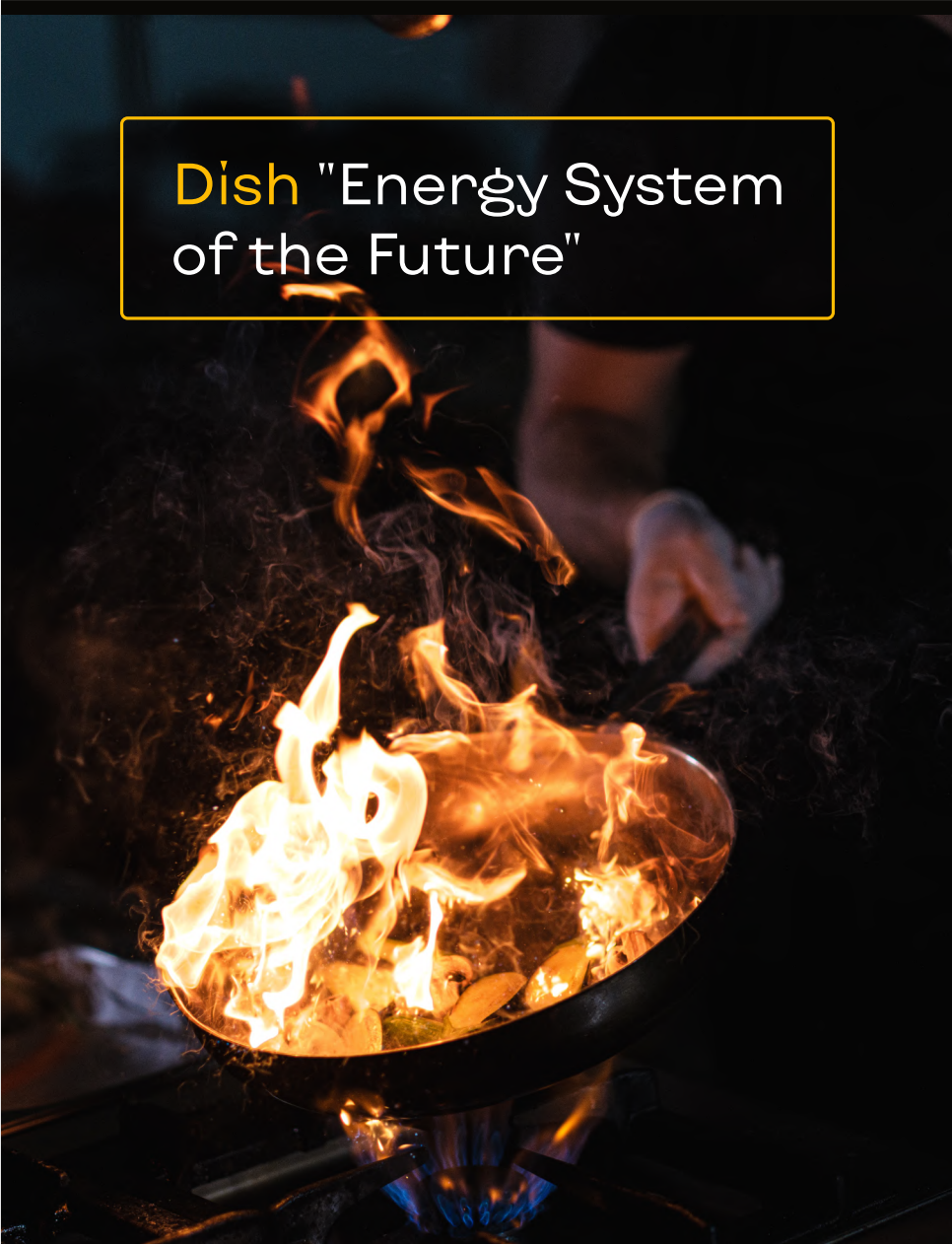
Funds for urgent capital expenditures need to be allocated for several reasons:

- **Timely reconstruction supports the stability of the economy:** every destroyed and unreconstructed building or power plant means that people and businesses lose opportunities and the very sense of working in the area, make them to seek opportunities elsewhere or result in a situation where they need social assistance.
- **Reconstruction will cost more later than it does now:** now, part of the objects destroyed by Russia may require conditionally moderate costs for restoration - repairing the roof or replacing windows, or at least preserving the state of the building. However, if the building is left in a semi-destroyed state for a long time, it will become unsuitable for reconstruction, or reconstruction will be significantly more expensive.
- **Reconstruction will support local businesses:** by raising capital expenditures from the current almost zero level, donors and the state will increase local demand for goods and services, allow preserving jobs (and taxes), as well as working businesses and human capital. Their presence and readiness to work will be crucial for any post-war recovery projects. The launch of demining will allow farmers to cultivate the land now.



And now an example:

Recipe in Energy Sector

A close-up photograph of a chef's hands cooking in a large, dark metal pan. The pan is filled with a large, intense flame that is rising and spreading, creating a dramatic effect. The chef is wearing a white glove on their right hand. The background is dark, and the lighting is focused on the pan and the flame.

Dish "Energy System of the Future"

Ingredients:

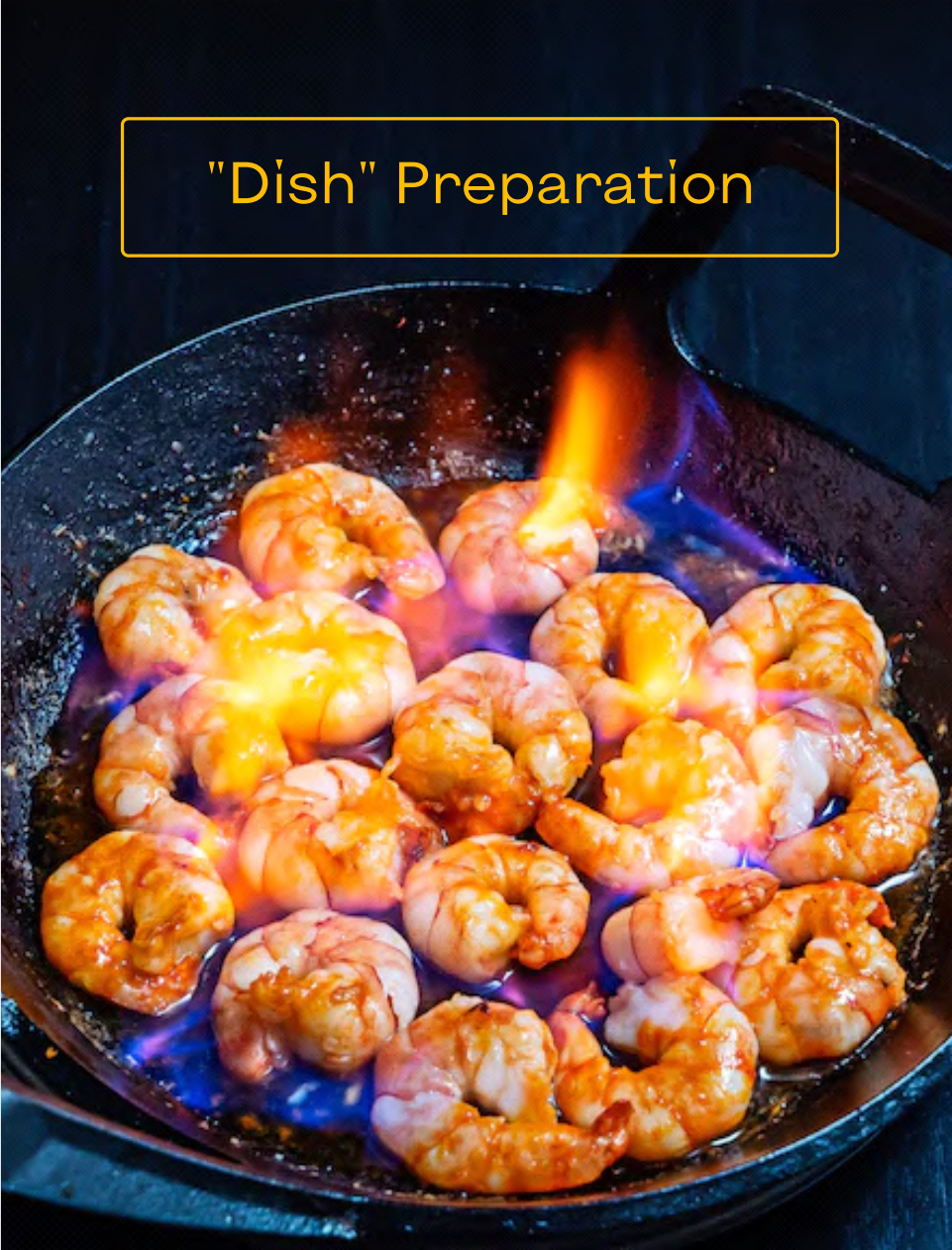
- Existing energy system
(destroyed/damaged due to war)
- Procedures and data processing
- Government and local authorities
- Companies and people (industry workers)
- Financing (access to resources)
- EU standards



What's in the "fridge" and the "kitchen"?

- Synchronized with ENTSO-E **energy system** that requires modernization, as it has been damaged or destroyed or inaccessible due to occupation:
 - 44% nuclear generation
 - ≈90% wind generation
 - 33% combined heat and power plants
 - 75% thermal power stations
 - 40% solar generation
- Well-integrated **gas transportation system** with the EU and the largest gas storage facilities in Europe. However, the gas transportation and distribution network requires optimization and modernization to accommodate the use of renewable and synthetic gases (biomethane and hydrogen).
- High **progress** (71%) in implementing measures under the Association Agreement with the EU in the energy sector, as well as a **"good" level of preparedness of legislation** in the context of future EU accession negotiations.
- Access to more than 50% of data is restricted - more data needs to be opened than before the war (REMIT requirements).
- Low human capacity: some experts have left the country, some are on the front line, and some require better knowledge of "recipes" and "cooking standards."
- A mix of "fast food" and ecological products - additional funding is required to cover debts and develop new support schemes to switch to "healthy" dishes (renewable energy sources).
- High and stable demand from clients - not only for domestic consumption but also for the export of gas and electricity.

"Dish" Preparation



- We are introducing a "transparent kitchen" - opening up access to data, publishing government decisions.
- We are dividing the functions of "cooking dishes" and building a team in the "kitchen" - simplifying procedures, "digitizing" interaction between all stakeholders, introducing a decentralized system, and establishing cooperation between the central government and local authorities.
- We prepare food ecologically and according to international standards - we introduce EU standards, use energy-efficient technologies, and constantly upgrade the "kitchen" for an efficient energy system.
- We are transitioning from "fast food" to ecological and healthy dishes - increasing the share of renewable energy and generating energy from clean energy sources to achieve decarbonization goals. At the same time, we are working on reforming coal regions.
- We continue to train personnel to form a team of professional "chefs."
- We attract financial resources for the purchase of quality products, quality equipment, and professional staff.
- We are looking for the best suppliers of quality products - creating a system of cooperation with Ukrainian and foreign businesses.
- We take care of all customers - special programs and offers for vulnerable consumers.
- Safety in the kitchen is a mandatory component. The National Critical Infrastructure Protection and Resilience System needs to be developed. To make such a system work, it is necessary to create a registry of objects, organize processes for their documentation and monitoring of safety levels, develop and start implementing resilience plans at the local level, and so on.



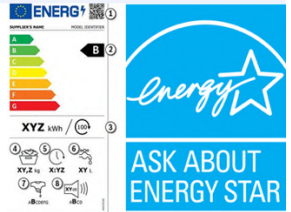
Every ingredient matters.

And that includes the kitchen!

Household appliances consume around 13% of all energy in the home, and the older they are, the more energy is required to power them.



If all the appliances have an energy efficiency class of A, B and have [new energy labels](#) like in the EU, or an "energy star" - everything is fine, you can start cooking.



On the "energy kitchen", this means:

- Reducing losses and emissions in networks (gas, electricity)
- High energy efficiency and minimal emissions in generation
- Meters and smart technologies in consumers
- New energy-saving technologies (batteries, accumulators)
- High level of environmental awareness of the population
- High standards of energy efficiency for new buildings.

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