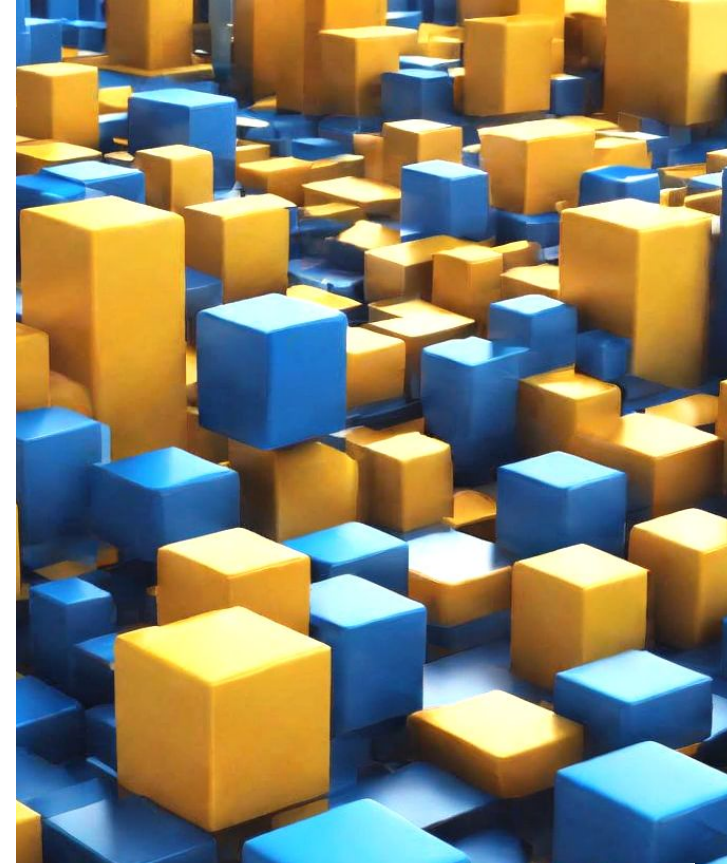


# Energy Efficiency Fund Strategy

for the years 2024–2026

Supported by:

on the basis of a decision  
by the German Bundestag



## Mission and vision of the EEF's activities



### The EEF's Mission

Improving the quality of life and reducing public utility costs for building owners by providing support in the implementation of energy-efficient measures, as well as the implementation of state policy in the field of restoration of damaged MAB (multi-apartment buildings). The long-term and medium-term task is to remain an effective tool for the implementation of state programs in the relevant fields, to achieve understanding and appropriate actions by the authorities.



### Vision

The EEF is a leader in the field of energy efficiency and restoration of damaged HOA buildings, which is trusted by clients, partners and the state. The EEF is a driver of international standards that promotes innovative, technical and financial solutions. The EEF contributes to the formation of a culture of rational consumption of energy resources.



### Ambition — 2026

to become a state institution that is a reliable partner of international donors, a model of transparency and efficiency and the main tool of the government of Ukraine for the implementation of energy-efficient measures in housing.

## SWOT-analysis

### Strengths

- Presence of corporate management and qualified personnel
- Customer orientation and flexibility in implementing new tools
- Ensuring sustainable operation of the EEF under conditions of martial law
- Accompaniment and technical support of the EEF from donors
- Absence of competitors of the ENERGDIM Program at the state level
- Availability of almost 70 million euros of donor funds for grants co-financing
- Presence of a network of IFC regional advisors, providing direct on-site contact with HOAs
- Presence of a partner bank that provides lending for HOAs during the war
- Development of programs and launch of new ones under martial law
- Equal access of all possible beneficiaries to the EEF's programs

### Opportunities

- 80% of 180,000 MAB need comprehensive thermal modernization — potential for expansion of the ENERGDIM Program
- More than 20,000 MAB destroyed or damaged as a result of military operations – potential for the development of the VidnovyDIM Program
- Availability of HOAs in more than 36,000 buildings
- Possibility of attracting additional financing – up to 25 million euros – in case of an increase in the authorized capital by a similar amount on the part of the Government
- Availability in some regions of local programs to support thermal modernization of MAB
- Great potential for the development of the EEF's programs in the green energy market in the private sector
- Implementation of IT tools in the EEF's activities (with the help of GIZ)
- Implementation by the EEF of tasks of the Long-term strategy of thermal modernization of buildings

### Weaknesses

- No state funding from 2022
- Funding is only available for current programs and is limited
- Limited available capital for reserving applications No. 2 and No. 3 with increased values
- Potential outflow of the EEF personnel in 2024-2025 due to low salary
- Institutional weakness of beneficiaries regarding the rapid implementation of projects under the ENERGOPDIM Program
- The EEF's work model is multi-level, which complicates the process of its further scaling
- Lack of official representative offices of the EEF in the regions, project support points
- Increasing cost of program implementation: deterioration of financial conditions from banks and increase in prices for materials

### Threats

- Continuation of the war on the territory of Ukraine
- Secondary priority of the need for energy modernization compared to the need of restoration
- Uncertainty with financing of the EEF by the state for the following years
- Different approaches and visions of the EEF's prospects among key stakeholders
- Limited lending opportunities for program participants, as well as high interest rates and risks of non-repayment of loans
- Low level of support for the EEF's programs and participation in them at the local government level
- Lack of labor resources in the construction sector
- Probability of the destruction of the houses of the participants of the ENERGOPDIM Program as a result of hostilities
- Constant increase in prices for construction materials and works
- Appearance of similar state programs and funds or international projects
- Possibility of abuse by HOAs and contractors due to the advance mechanism
- Present tendency of mistrust of HOAs in banks, as well as that of banks in HOAs

## Strategic objective

### ENERGODIM Program

By the end of 2026, more than 75,000 families in more than **800 multi-apartment buildings** have achieved an average saving of resources at the level of **at least 20%**, improved living conditions and save on utility bills, which ensures a reduction of CO2 emissions by **more than 120,000 t/year**.  
At the same time **300 projects are at the implementation stage**.



### VidnovyDIM Program

As of the end of 2026, **more than 600 buildings** have been restored under the VidnovyDIM Program, which allowed more than 40,000 families to return to their own homes.



### GreenDIM Program

As of the end of 2026, more than 1,000 families in single-family houses and about 4,000 families in more than **140 multi-apartment buildings** have achieved an average energy saving at the level of at least 8 mln kW\*h/year.

## TARGET

Formation of the appropriate reputation of the EEF and construction of an effective system of external and internal communication, which will ensure the fulfillment of the EEF's goals and objectives until 2026.



## Communication strategy

### Tasks for the years 2024–2026:

#### AUTHORITIES

Support and increase **awareness** of the EEF

- Keep the EEF in sight
- Inform about every achievement of all programs
- Promote key executives of the EEF
- Explain the mechanism of the EEF's work

#### DONORS

Support and increase **positive perception** of the EEF

- To inform about the progress of the EEF's work, new programs and achievements
- To inform about internal changes and changes in cooperation with the authorities
- Define donor assistance as support for Ukrainians in difficult times

## Communication strategy: key indicators

### QUANTITY INDICATORS

- Dynamics and quality of mentions of the EEF in the Ukrainian media space
- Dynamics of content format changes
- Perception of the EEF by target groups

### QUALITY INDICATORS

- Dynamics of awareness of the EEF on the part of the authorities
- Decision-making facts
- Lack of alternative projects aimed at HOAs on the part of the authorities

### ON THE PART OF DONORS

- Number of new donors and volumes of donor financing



**An important component of the communication strategy is the presence of an approved action plan in the event of a crisis, as well as an anti-crisis headquarters**

## Variants of development scenarios

### Scenario 1 Pessimistic

Main indicators	2024	2025	2026
Grants paid by the EEF under the ENERGOPDIM Program, mln UAH	636,3	748,6	24,0
Number of projects under which civil works are completely or partially finished under the package "A" (Superlight)	30	66	48
Number of projects under which civil works are completely or partially finished under the package "A"	15	20	0
Number of projects under which civil works are completely or partially finished under the package "B"	75	115	0
Grants paid under the VidnovyDIM Program, mln UAH	345,2	284,2	26,5
Number of completed projects under the VidnovyDIM Program	173	181	42
Grants paid by the EEF under the GreenDIM Program, mln UAH	20	52,7	13,7
Number of completed projects under the GreenDIM Program	114	235	41
Maintenance costs of the EEF, mln UAH	80	85	90
Balance of the EEF's funds without replenishment, mln UAH	1544,7	1064,5	967,5
Balance of MDTF funds, mln UAH	1806,7	1116,3	1059,2
Ratio of the maintenance costs to the amount of grants	7,99%	7,83%	140,4%

- The EEF has no obstacles to the use of authorized capital
- Availability of advances under the ENERGOPDIM Program until the end of 2024
- Low popularity of package "A" (Superlight)
- Insignificant popularity of the VidnovyDIM Program caused by the presence of a large number of other state and non-state restoration mechanisms
- Successful implementation of the pilot stage of the GreenDIM Program without extension to the main stage
- Withdrawal of MDTF from co-financing of the EEF's programs at the end of 2025, the EEF completes the implementation of the submitted projects



## Variants of development scenarios

### Scenario 2 Basic

Main indicators	2024	2025	2026
Grants paid by the EEF under the ENERGOPDIM Program, mln UAH	929,8	1297,3	1033,2
Number of projects under which civil works are completely or partially finished under the package "A" (Superlight)	36	72	126
Number of projects under which civil works are completely or partially finished under the package "A"	15	38	38
Number of projects under which civil works are completely or partially finished under the package "B"	120	150	36
Grants paid under the VidnovyDIM Program, mln UAH	519,3	422,5	39,1
Number of completed projects under the VidnovyDIM Program	173	181	42
Grants paid by the Fund under the GreenDIM Program, mln UAH	35,7	141,1	134,5
Number of completed projects under the GreenDIM Program	204	622	541
Maintenance costs of the EEF, mln UAH	97	105	110
Balance of the EEF's funds without replenishment, mln UAH	1267,5	454,4	-301,2
Balance of MDTF funds, mln UAH	1583,4	430,5	-130,6
Ratio of the maintenance costs to the amount of grants	6,53%	5,64%	9,12%

- The EEF will not be hindered from using the authorized capital
- Replenishment of the authorized capital in 2025 — 1.2 billion UAH, in 2026 — 1.5 billion UAH
- Availability of advances under the ENERGOPDIM Program
- Sufficient popularity of package "A" (Superlight)
- The number of applications under the VidnovyDIM Program is approximately commensurate with the indicators of 2023 (funds – 20 + 5 million euros – should be exhausted by the end of 2025)
- Expansion of the list of activities of the VidnovyDIM Program
- Launch of the GreenDIM Program (private households and HOAs) and successful completion of the pilot stage
- Withdrawal of MDTF from co-financing of the EEF's programs at the end of 2025, financial resources are transferred to another administrator or EEF

## Variants of development scenarios

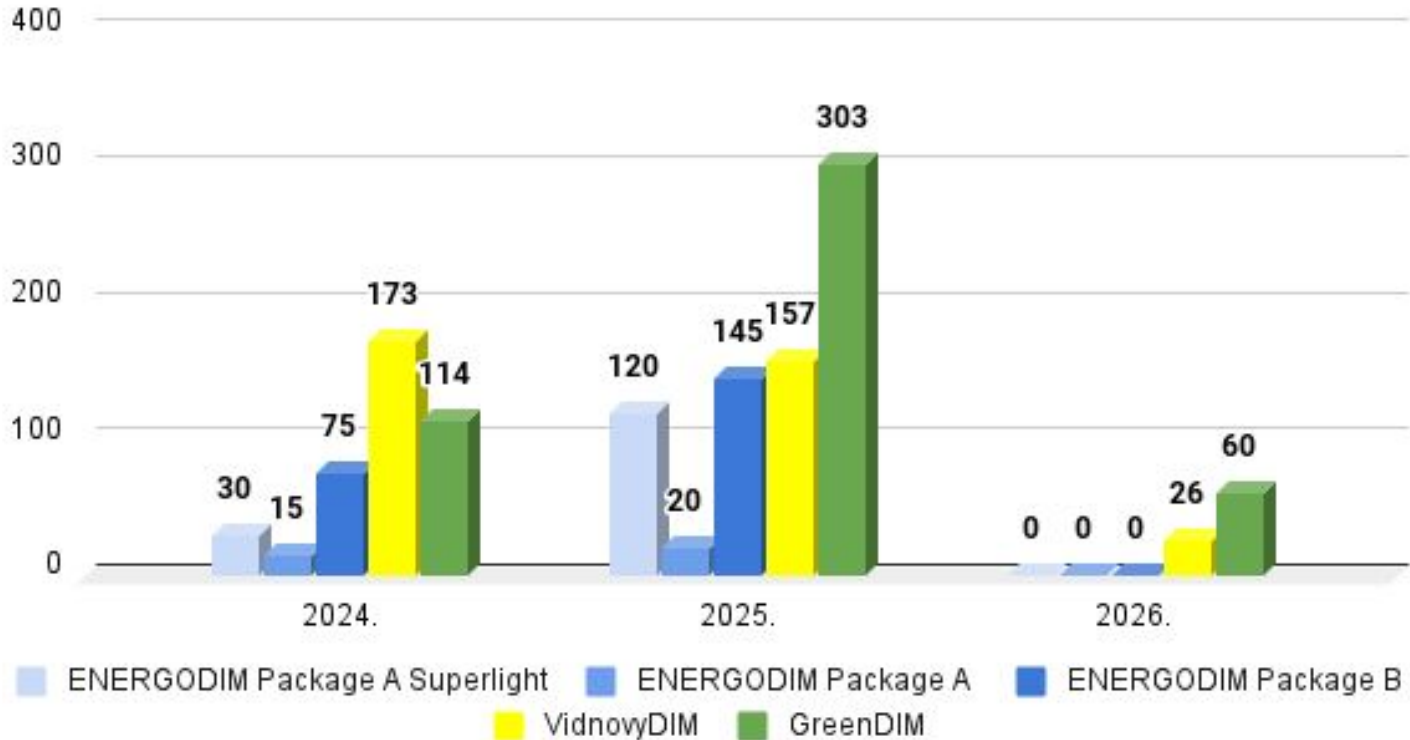
### Scenario 3 Optimistic

Main indicators	2024	2025	2026
Grants paid by the EEF under the ENERGO DIM Program, mln UAH	1113,3	1476,8	1565,8
Number of projects under which civil works are completely or partially finished under the package "A" (Superlight)	48	96	162
Number of projects under which civil works are completely or partially finished under the package "A"	20	54	61
Number of projects under which civil works are completely or partially finished under the package "B"	150	175	42
Grants paid under the VidnovyDIM Program, mln UAH	519,3	422,5	39,1
Number of completed projects under the VidnovyDIM Program	173	181	42
Grants paid by the EEF under the GreenDIM Program, mln UAH	35,7	141,1	298,5
Number of completed projects under the GreenDIM Program	204	622	1305
Maintenance costs of the EEF, mln UAH	97	105	110
Balance of the EEF's funds without replenishment, mln UAH	1145,5	269,6	-902,6
Balance of MDTF funds, mln UAH	1521,9	252,4	-588,7
Ratio of the maintenance costs to the amount of grants	5,81%	5,15%	5,78%

- Replenishment of authorized capital in 2024, increase of authorized capital by UAH 2 billion annually in 2025–2026
- Resumption of applications under the ENERGO DIM Program in 2024 (packages "A" and "B"), availability of advances
- Availability of a lending mechanism for HOAs
- Significant increase in the number of projects under the VidnovyDIM Program in connection with the deoccupation of all territories
- Expansion of the list of activities and financing of the VidnovyDIM Program at the expense of the State budget and donors
- Launch and implementation of the GreenDIM Program (PH s and HOAs), increase in funding and launch of the main stage in 2025
- Continuation of co-financing of the EEF's programs by the MDTF in 2026
- In 2024, the State Fund for Decarbonization will begin its work, which provides for expenses to cover % of the own contribution of HOAs participating in the EEF's programs

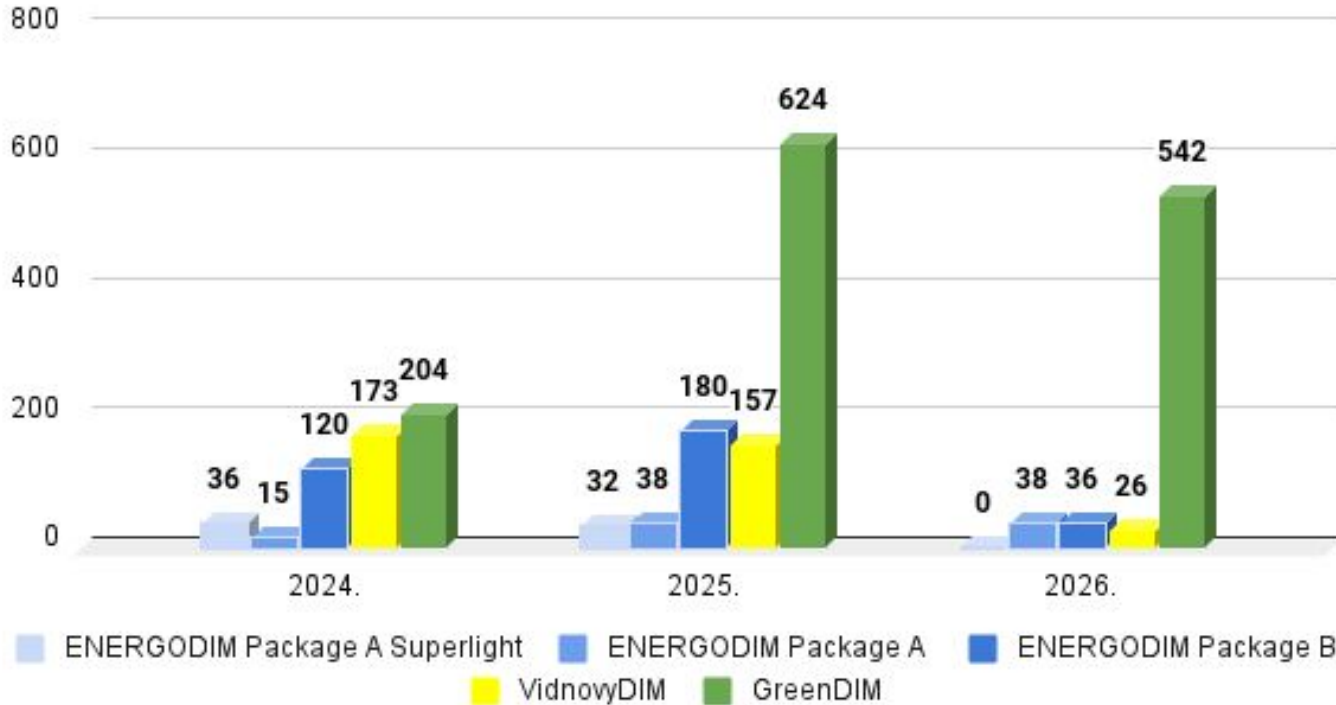
## Expected number of projects: pessimistic scenario

### Pessimistic scenario



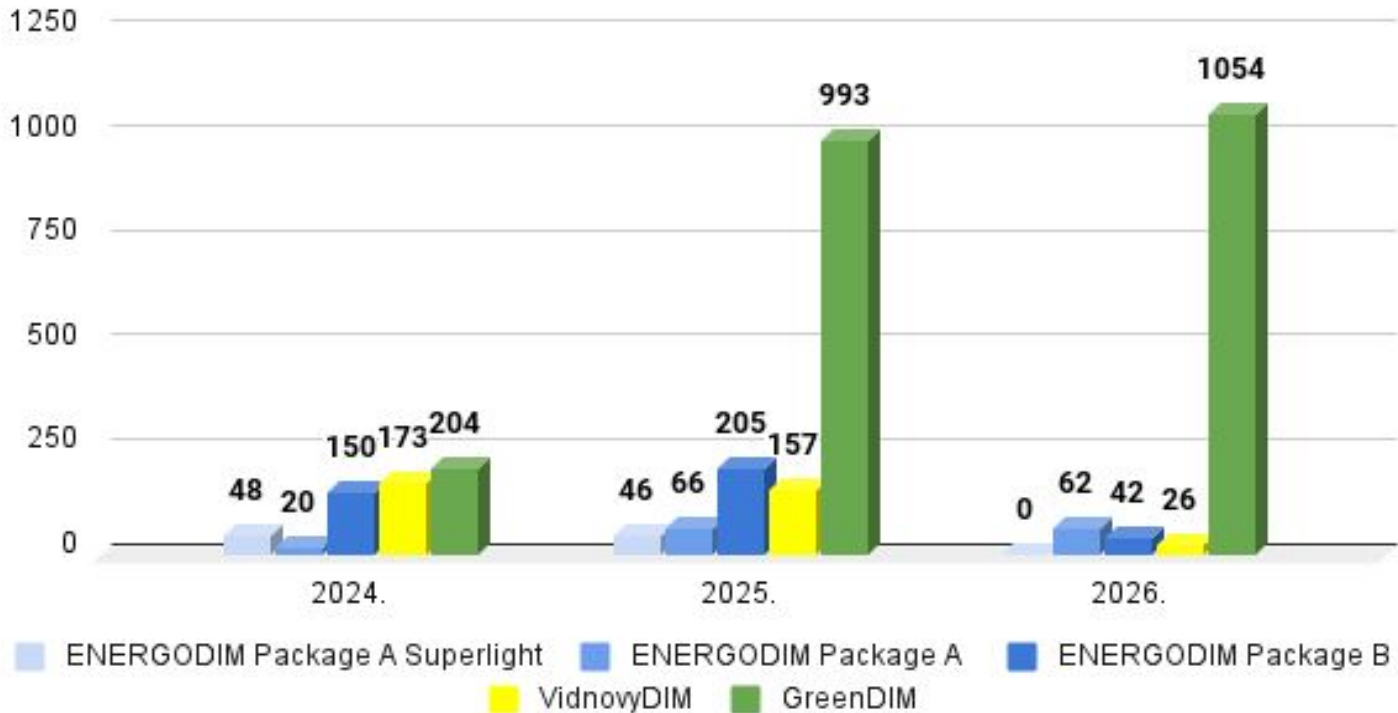
## Expected number of projects: basic scenario

### Basic scenario



## Expected number of projects: optimistic scenario

### Optimistic scenario



## Working with partner banks

To enhance work with partner banks and positive dynamics in lending:

- A program of advances for the start of the implementation of energy-efficient measures has been put into effect, according to which the project and estimate documentation has been approved. This allows HOAs to take a loan for approximately half the amount: less risk for the bank, less financial burden for co-owners.
- A simplified version of package “A” of the ENERGOPROFIT Program has been created: the possibility for HOAs to take loans for significantly smaller amounts compared to the previous version of the Program, lower bank risks.

### **A decrease in the NBU discount rate is expected**

A reduction in the lending rate for HOAs to 12–16% per annum will increase the demand for loans, and risks will decrease.

**A new partnership with GLOBUS BANK** — increased competition in lending and increased loans for HOAs with a lower interest rate.



## For more effective use of donor resources and the EEF's capital, work with donors will be carried out in the following directions:

1. An increase in the amount of grants paid by 20% for all HOAs that will participate in the ENERGO DIM Program, not only for the first 500 applications.
2. Change in the ratio of grant funding under the ENERGO DIM Program between the EEF and IFC from the current scheme of 50% to 50% to 20% to 80%. That is, in the same ratio as for the main stage of the Vidnovy DIM Program.
3. Change in the sequence of grant payments: from 2024 to September 2025, 100% of the stated amount of grants will be paid by donors, from October 2025 to the end of 2026, 100% grants will be paid from the authorized capital of the EEF.



These steps will lead to a more efficient use of donor money and will allow projects to be implemented without being time-bound until September 2025, after which donors can no longer pay their part of the grants. This step is very important because the vast majority of projects within the package “B” are implemented within two years. Therefore, the existing scheme will not allow such a long period to be granted, even if the EEF starts accepting applications from January 2024. The change in disbursement, where first donors finance 100% of the grant amount and then the EEF funds 100%, has already shown its viability and provided an opportunity to implement projects during 2022-2023, when the EEF had limited access to resources.

## This will provide the following opportunities:

1. Reducing the EEF's reserves by approximately UAH 800 million by reducing the EEF's portion of the grant amount from 50% to 20%.
2. Starting accepting new applications from 2024 under package "B" with the possibility of implementing projects even after September 2025, when the MDTF will not pay grants.
3. Switching from the pessimistic scenario to the basic scenario, even if the EEF's capital does not increase in 2025, and in general, for the years 2024–2026, paying grants in the amount of more than UAH 4.8 billion (instead of UAH 2.4 billion according to the pessimistic scenario).





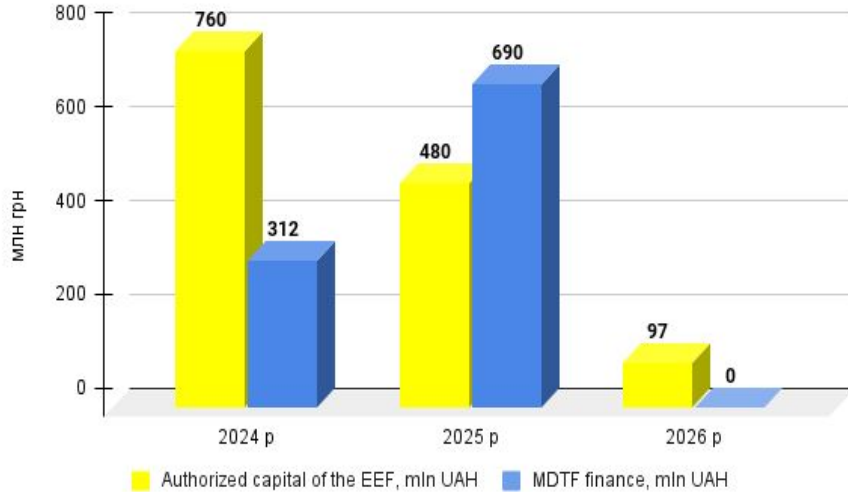
## Alternative variant of the development scenario in the event of 80/20 ratio

Main indicators	2024	2025	2026
Grants paid by the EEF under the ENERGOPROG Program, mln UAH	986.7	1505.3	1423.2
Number of projects under which civil works are completely or partially finished under the package "A" (Superlight)	36	72	126
Number of projects under which civil works are completely or partially finished under the package "A"	15	38	38
Number of projects under which civil works are completely or partially finished under the package "B"	120	150	36
Grants paid under the VidnovyDIM Program, mln UAH	519,3	422,5	39,1
Number of completed projects under the VidnovyDIM Program	173	181	42
Grants paid by the EEF under the GreenDIM Program, mln UAH	35,7	141,1	134,5
Number of completed projects under the GreenDIM Program	204	622	541
Maintenance costs of the EEF, mln UAH	97	105	110
Balance of the EEF's funds without replenishment, mln UAH	2206	641	-1065
Balance of MDTF funds, mln UAH	610	0	0
Ratio of the maintenance costs to the amount of grants	6,29%	5,64%	6.89%

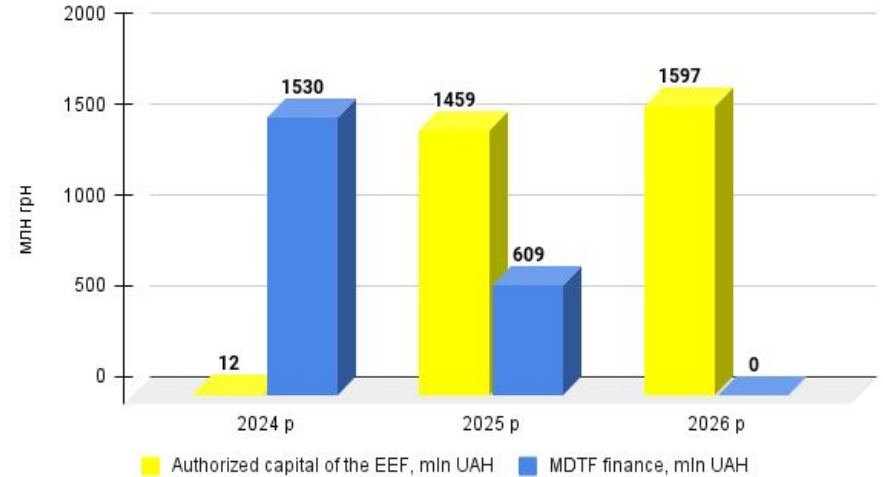
## Expected amount of grants

(in the measures of disbursement ratio of the EEF/IFC 20/80)

### Grant disbursement ratio 50/50%



### Grant disbursement ratio 20/80%



## Strategic directions of the EEF's activities



### Building effective cooperation with partners and donors

- Ensuring the effective operation of the EEF at the center of the energy efficiency ecosystem of buildings
- Effective interaction between donors and the Government of Ukraine
- The development of the EEF as the “gold standard” in the field of energy efficiency and restoration
- Ensuring effective communication of all market participants
- Promotion of the EEF's activities in Ukraine and the world
- Ensuring sustainable support of the EEF's programs in the regions



### Implementation of an IT platform for automation of all processes

- Launch of a web portal to simplify the submission of documents to the EEF
- Creation of IT infrastructure
- Expanding the functionality of the IT platform, improving the CRM system and the ERP system



### Development of products and creation of quality service

- Reduction of the term of consideration of applications/projects
- Improvement of existing products
- Introduction of new EEF's products



### Creation of a high-impact team

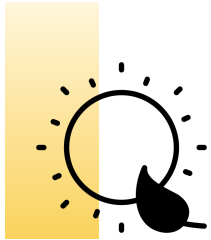
- Performance management
- Development management



### Ensuring stable functioning of the EEF

- Identification and neutralization of corruption and compliance risks
- Ensuring effective operational management

## Main development directions and tasks



**Launch and implementation of the GreenDIM Program**



**Increasing the opportunities of the ENERGO DIM Program participants regarding project financing (particularly, work with banks)**



**Implementation of the main stage of the Vidnovy DIM Program**



**Taking measures regarding maintenance of capital sufficiency and compliance with the parity of the amount of the budget according to international agreements and the amount of the EEF's provisions**



# Energy Efficiency Fund

[www.eefund.org.ua](http://www.eefund.org.ua)

Partners



МІНІСТЕРСТВО  
ВІДНОВЛЕННЯ  
розвитку громад, територій  
та інфраструктури



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