



Case Study

Government of Ukraine: Kyiv Bridge Reconstruction ECA Financing

The Client

The Ministry of Finance of Ukraine.

The Challenge

Throughout Russia's invasion of Ukraine, critical infrastructure including numerous transport bridges have been severely damaged or even completely destroyed. Bridges near the capital Kyiv that represent critical transport links for both people and goods going in and out of the capital city were badly affected.

Private sector capital is a crucial pillar for financing the recovery and reconstruction of Ukraine but supply to Ukraine has been limited so far given the ongoing war.

The Solution

Citi formed a multidisciplinary internal team, and used its wide network and vast public sector experience to bring key partners together, including White & Case, Ashurst, and United Kingdom Export Finance.

Citi provided EUR 30.7 million financing for the Ministry of Finance of Ukraine, fully guaranteed by UK Export Finance ('UKEF'). Citi acted as Arranger, Agent and Sole Lender on the transaction.¹ The 12 years door-to-door financing will support the reconstruction of 6 bridges in the coming 12-24 months.

The Result

The financing unlocked crucial funds for Kyiv Oblast's Road Service.

The UK Government-backed loan was the first ECA transaction into Ukraine since the commencement of the war in February 2022.

It was also the first ECA transaction into a country confronted with an active military conflict on its own soil.

Ukrainian Finance Minister Sergii Marchenko stated the financial support for restoring the bridges would contribute significantly to Ukraine's recovery efforts: "It will help to accelerate trade turnover, thereby creating better conditions for business development since Kyiv serves as the nation's important logistics hub. It moreover fosters a conducive environment for Ukrainians to return home to, which is vital for the sustained operation of the country's economy and its further recovery."

¹Loan agreement was signed in December 2022 with public announcement in June 2023, and Conditions Precedent satisfied in Q3-2023.