



Rebuilding Ukraine

The dawn is visible



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October 2026

The war in Ukraine has escalated in the last three months. Ukraine's long-range strikes on Russian oil, gas, logistics and military infrastructure have been met with intensified attacks on Ukrainian cities, commercial facilities, and industrial and energy infrastructure. A difficult winter lies ahead, and Ukraine's future might seem doubtful.

But "it is darkest before the dawn", as the saying goes, and for anyone who has been following the country's defence against Russia's unprovoked invasion, that dawn is already visible: post-war Ukraine has been taking shape in plain sight. The evidence from Q3 confirms it.

Ukraine has signed cooperation agreements with Canada worth more than USD 1.4bn and ratified a Free Trade Agreement with Turkey. Norway has become the first non-EU country to fund Ukraine through the Ukraine Facility. Ukraine was a net electricity exporter in July and August, and market coupling with the EU is being prepared. About 40 industrial parks are now active, up from two before the invasion, with more than 50 expected by the year's end. With the Odesa ports under blockade, rail, Danube and road routes carried 46% of required agricultural export volumes in September.

A July analysis of IMF projections points to Ukraine being among Europe's fastest-growing economies when the war ends. Many in Ukraine and across Europe are working hard for that dawn. CMS Ukraine works every day with the people, companies, organisations and investors who are doing so, and our own colleagues and their families are among them—like all Ukrainians. As a Kyiv resident put it in *The Guardian*, "Nothing will stop spring. Spring will definitely come."



Get prepared to do business

CMS's 2026 Guide to Investing and Doing Business in Ukraine gives a clear picture of the business and investment environment, with updates on the key opportunities in Ukraine's reconstruction and economic recovery.

[CMS Investing and Doing Business in Ukraine | Updated 2026 Guide](#)

Investment and Funding Progress

International financing

Q3 2026 announcements:

- *The Carpathian Eight, Ukraine's initiative with Poland, Slovakia, Hungary, the Czech Republic, Austria and Serbia, announced investment projects worth EUR 42.5bn.*
- *Ukraine and Canada signed a Centennial Partnership, with new agreements exceeding USD 1.4bn.*
- *Norway became the first non-EU country to fund Ukraine through the EUR 50bn Ukraine Facility.*
- *Belgian Development Bank added USD 6m to the Ukraine Recovery Fund, bringing Ukraine-related investment to EUR 21m.*
- *The EU will allocate EUR 1.08bn for the reconstruction of Ukrainian communities.*
- *Foreign M&A in Ukraine in H1 2026 reached USD 415m in value.*

The following IFIs offer loan and investment programmes:

- European Bank for Reconstruction and Development (EBRD)
- US International Development Finance Corporation (DFC)
- European Investment Bank (EIB)
- International Finance Corporation (IFC)
- World Bank Group

The following equity funds and investment platforms backed by IFIs and national governments support investments in Ukraine:

- European Flagship Fund for the Reconstruction of Ukraine
- Ukraine Investment Framework (UIF), the equity arm of the EU's Ukraine Facility
- Reconstruction Investment Fund under the US–Ukraine Minerals Deal
- EU for Ukraine Fund (EU4U), managed by the EIB

Private equity funds from Horizon Capital, Dragon Capital and others also target investments in Ukraine. National initiatives in over 15 countries in Europe, North America and Asia support domestic companies participating in Ukraine.

Risk insurance and investment guarantees

Q3 2026 announcements:

- *Ukraine plans a USD 3–4bn fund to compensate businesses for war-risk losses.*
- *Ukrainian insurers paid USD 4m in war-risk claims in H1 2026.*
- *Spain's export credit insurance agency increased coverage for operations in Ukraine to EUR 250m.*
- *Spain's development finance institution announced a EUR 100m credit line to support investment projects in Ukraine.*

The insurance market in Ukraine addresses war risk through an ecosystem of international guarantees, state programmes and private market solutions. The Multilateral Investment Guarantee Agency (MIGA), DFC, KUKE (Poland) and European bilateral agencies provide investment guarantees for foreign capital in Ukraine, and the Ukraine War Risk Insurance Facility provides private-market coverage backed by Lloyd's. Other de-risking programmes are available from the EBRD, the UK, Japan and over 14 export credit agencies. CMS has published a comprehensive guide: [Protecting business in Ukraine](#).

Government of Ukraine programmes

Q3 2026 announcements:

- *Ukraine's 2023–2030 Export Strategy targets USD 85bn in higher value goods and services exports by 2030.*
- *Ukraine's parliament ratified its Free Trade Agreement with Turkey, liberalising access for 84% of Ukrainian goods.*
- *Ukraine identified 30+ priority PPP projects in the infrastructure sector, worth over USD 5.7bn.*
- *Ukraine simplified rules for PPP projects worth up to EUR 5.5m.*
- *Ukraine presented a White Paper to develop critical and strategic raw materials and integrate them into European industrial supply chains.*

State support is available for qualifying foreign investments, and foreign investors can directly access debt instruments from the National Bank of Ukraine. Through EU and international support, municipal-level governments are launching reconstruction programmes. The privatisation of state-owned assets is ongoing.

Key Ukrainian agencies and programmes include:

- Ukraine Business Development Fund
- State Agency for Reconstruction and Development of Infrastructure
- Programme of State Support for Investment Projects in Ukraine
- Decarbonization Fund and the Ukrainian National Decarbonization Platform
- National Development Agency
- Green Platform, an online catalogue of over 100 financing programmes
- Big Recovery Platform, a public database of reconstruction projects

Ukrainian tax incentives

Q3 2026 announcements:

- *Ukraine granted its first import-tax privileges under the large-investor support programme, exempting a major investment project from import duty and VAT on production equipment.*

Tax and interest relief and infrastructure subsidies are available for new industrial parks. The Diia.City virtual economic free zone reduces tax and regulatory burdens for participating tech companies. The Defence City regime provides similar support for defence tech.

Key sectors and opportunities

Defence

Ukraine's defence market continues to attract outsized foreign capital. More than 1,000 private defence companies operate in Ukraine, with 2,500 defence-tech startups registered in the Brave1 innovation cluster. Ukraine's international cooperation frameworks—Brave International accelerators, Drone Deal agreements, CORPUS procurement coalition, the EU–Ukraine Drone Alliance, and the EU's AGILE programme—are accelerating Ukraine's integration into Europe's defence-innovation network, driving exports and expansion.

Q3 2026 announcements:

- *Swarmar (Ukraine) will acquire Ukrainian ground-robotics manufacturer Ratel Robotics for up to USD 224m.*
- *Resist.UA launched a EUR 50m fund to finance Ukrainian defence and dual-use technology developers.*
- *DEMZ (Ukraine) will build a EUR 70m ammunition production facility in Lithuania.*
- *Ukraine signed Drone Deal agreements with Norway and Finland, reaching 11 secured agreements.*
- *Airbus Defence and Space will cooperate with Brave1 to test defence technologies in Ukraine.*
- *Ukraine will develop a USD 1.1bn "Starlink lite" satellite constellation by 2027.*
- *Japan and Ukraine will establish a joint drone cluster.*

Energy and renewables

Ukraine's energy sector is rebuilding infrastructure, expanding renewables, increasing cross-border flows and integrating with the European energy market, while creating resilient generation and storage at scale. Battery and storage deployment is on pace to reach 1 GW in 2026. Bioethanol capacity has surged 160%. Development of four new biomethane plants has been announced with a combined investment of over USD 51m. Ukraine was a net electricity exporter in July and August, with August exports up 64% over July. Ukraine's electricity grid is fully synchronised with Europe and will join the EU single energy market in 2028.

Q3 2026 announcements:

- OKKO Group (Ukraine) announced a second-stage bioethanol expansion to increase annual production to 120,000 tonnes.
- DTEK (Ukraine) secured an EUR 85m loan from DFC to expand energy storage.
- Eco-Optima (Ukraine) launched a nearly 40 MW wind farm in the Lviv region.
- Teofipol Energy, Ukraine's largest biomethane plant, began exports to Hungary.
- D.Trading (Ukraine) partnered with Capalo AI (Finland) to increase revenue from energy-storage systems.

Logistics and transportation

Ukraine's ports and logistics networks posted record activity in H1 2026; however, Russia's effective blockade of the Odesa ports since late July is forecast to cost USD 2.5bn in export revenue. In September, alternative routes carried 2.4m tonnes of agricultural exports, 46% of the required volume and up from 33% in August. Rerouting is deepening Ukraine's integration with Europe. The EU–Ukraine Solidarity Lanes have carried nearly 230m tonnes since 2022, and western border-crossing capacity is set to grow 15–20% within a year. A portfolio of 15 priority transport projects, including railway-station concessions and an intermodal freight hub, is open to private investment.

Q3 2026 announcements:

- Ukraine announced plans for USD 1.2bn in road infrastructure projects and road connections with Europe.
- Ukrainian Railways proposed a USD 441m international low-cost rail carrier and expansion of its European-gauge railway network.
- Ukraine will offer concessions for railway stations in Kyiv, Lviv and Odesa.
- The EU will allocate EUR 1.5m to prepare Ukrainian ports for integration into Europe's digital maritime transport space.
- Greece, Bulgaria and Romania are planning a new transport corridor to the Ukrainian border.
- The EU will provide EUR 73.5m for a new European-gauge rail line to Lviv.

IT and technology

Ukraine's IT sector remains its most globally integrated industry, with exports of USD 3.34bn in H1 2026, more than 41% of Ukraine's services exports. Ukrainian-founded software companies are global players, now acquiring foreign firms, while Ukrainian startups continue to draw international backing. Job openings in IT remain near their highest level since 2021.

Q3 2026 announcements:

- Boosta spun off Rebels Fund to invest in Ukrainian product-focused IT startups with investments of up to USD 3m.
- Superhuman (Ukraine), creator of Grammarly, acquired meeting-assistant company Fathom (US), expanding its AI ecosystem.
- SoftServe (Ukraine) acquired NewVision Software (India).
- ZAS Ventures (Ukraine) invested USD 400,000 in software startup Robutler (US).

Manufacturing and industrial parks

Ukraine's industrial parks programme lists more than 120 registered parks, with about USD 1bn invested by the start of 2026. The number of factories completed or under construction in the parks reached 37 last year and will exceed 50 in 2026. Domestic production and processing are increasing Ukrainian industry's GDP contribution, up almost 2% in 2025. Industrial and non-residential building is leading construction work, which reached USD 5.8bn in 2025.

Q3 2026 announcements:

- Taiwan Cement will acquire IFCEM (Ukraine) in a deal worth up to EUR 750m.
- Ukraine will launch three plate-glass plants between 2028 and 2030 to reduce import dependence.
- Epicenter is seeking USD 350m for an eco-industrial park in the Khmelnytskyi region.
- Kuyalnyk (Ukraine) will invest over USD 20m in salt production in the Odesa region.
- Ekipazh (Ukraine) will invest USD 16m in a fourth window and door factory.
- EFI Group (Ukraine) plans to double its packaging capacity by 2028.
- Reka Rubber (Finland) will invest EUR 5m in its first manufacturing plant in Ukraine.

Agriculture and agro-processing

Ukraine's agricultural sector entered Q3 2026 with strong momentum: agri-food exports rose 11% to USD 12.6bn in the first half, and the 2026 grain and oilseed harvest is forecast to go up 5.7% from 2025. Russia's blockade of the Odesa ports since late July has disrupted most agricultural exports, but alternative rail, Danube and road routes moved 2.4m tonnes in September. Domestic processing is sustaining better exports: processed products rose to 47.8% of agricultural exports in 2025, with a government target of 63% by 2027.

Q3 2026 announcements:

- Ukraine earned a record EUR 250.8m from frozen raspberry exports, with export volumes increasing 7%.
- Nestlé will invest USD 227m in Ukraine in 2026.
- A USD 62.5m trout-farming and processing complex is planned in the Poltava region.
- Agroenergy Group is seeking USD 20.6m in external financing for a USD 24.2m yellow-pea processing plant in the Kyiv region.
- Frukty Polissia will develop a USD 21.9m blueberry-growing and processing complex in the Volyn region.
- ABM-TRADE is investing EUR 8.5m in a soybean-processing plant in the Volyn region, with production to begin in November 2026.

A new European partner

Q3 2026 announcements:

- The EU opened the sixth cluster in Ukraine's accession negotiations, covering external relations.
- Ukraine will couple its day-ahead and intraday electricity markets with European platforms, moving to full integration of its electricity market with Europe.
- Ukraine is developing a European-style system for assessing investment projects based on sustainability standards and taxonomy of sustainable economic activities.

Ukraine's progress towards EU integration is creating a stable and attractive destination for long-term, impactful investments.

- Ukraine is a member of the EU Single Market Programme and participates in other pan-European programmes offering business opportunities: Horizon Europe, Creative Europe and Digital Europe among others.
- Customs and import–export harmonisation is largely complete.
- Ukraine's capital markets integrate European law and follow the principles of the International Organization of Securities Commissions (IOSCO).
- Ukraine's electricity grid is synchronised with ENTSO-E, and energy market regulation is being aligned with EU rules, including REMIT principles.
- Ukraine is reforming product monitoring regulations to meet EU requirements for industrial visa-free travel.

CMS Can Help

We are helping companies inside and outside Ukraine, multinational and Ukrainian, to operate and succeed in Ukraine in all sectors. With lawyers qualified in Ukrainian and UK law operating in Kyiv since 2007, CMS can advise on:



business relocation



cloud-based operations



documenting and enforcing war damage



war-risk and investment insurance



risk assessment and contingency planning



impact of martial law and legal reforms



financing, investing, and rebuilding and recovery opportunities.



Get involved now

Our aim is to help companies participate meaningfully in the opportunities being created for Ukraine's reconstruction and recovery. We offer specific services that can help your company.

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