

Rebuilding Ukraine

Strong trends, a clear future



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Business and investment decisions are guided by forecasts, but in the context of Ukraine – where uncertainty and risks are high – making reliable decisions is challenging. Yet Ukraine’s wartime economy is dynamic, with new opportunities arising not only in defence technologies but also across sectors, driven by an ambitious reform programme and new international investment partners. The opportunities exist, but can they be approached with business rigour?

In Q3 2025, Ukraine’s defence sector expanded, including domestic production of ammunition and missile systems, as well as advances in drone and anti-drone technologies. Foreign defence companies invested in Ukrainian production, both within Ukraine and in partner countries, and a government programme to open arms exports was launched. New investments were made in infrastructure, including ports, rail and warehousing. New home construction grew despite the rising cost of materials, and retail space expanded. Renewable energy capacity increased, with energy exports to Europe and new wind and energy storage projects attracting investment. The agricultural sector continued to meet pre-war production levels and attracted investment in domestic processing. Industrial park construction grew, particularly for concrete, glass, steel and other building materials. The privatisation of state-owned assets and companies progressed, and Ukraine’s IT sector sustained historic growth.

These trends point to resilient fundamentals. The fact that they repeat the trends of the two previous quarters, and all of 2024, is a reliable foundation for investment and business decisions. Indeed, it shows that European and international businesses are *already* making those investments.



Get prepared to do business

CMS's 2025 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.

[Investing and Doing Business in Ukraine 2025](#)

Investment and Funding Progress

International financing

Q3 2025 announcements:

- *South Korea, Poland, Japan, Kazakhstan, Switzerland and Denmark announced new programmes to support domestic companies investing in Ukraine.*

The following IFIs offer loan and investment programmes:

- The European Bank for Reconstruction and Development (EBRD)
- US International Development Finance Corporation (DFC), including the US-Ukraine Reconstruction Investment Fund
- European Investment Bank (EIB)
- International Finance Corporation (IFC)
- WorldBank

The following equity funds 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
- US-Ukraine Reconstruction Investment Fund, under the US-Ukraine Minerals Deal
- EU for Ukraine Fund (EU4U), managed by the EIB

Additionally, national initiatives in over 15 countries in Europe, North America and Asia encourage their domestic companies to participate in Ukraine's reconstruction.

Risk insurance and investment guarantees

Q3 2025 announcements:

- *Finnvera and the European Investment Fund (EIF) will offer export credits to Finnish companies investing in Ukraine through the InvestEU instrument.*

The Multilateral Investment Guarantee Agency (MIGA), DFC, EBRD, UK, Germany, France and Japan offer war risk insurance for investments in Ukraine, and over 14 export credit agencies are guaranteeing investments in Ukraine. The InvestEU facility operates in 10 European countries, including Italy, Germany, France and Spain. The Ukraine Renewable Energy Risk Mitigation Mechanism (URMM) specifically de-risks renewable energy investments.

Government of Ukraine programmes

Q3 2025 announcements:

- *The National Bank of Ukraine introduced measures to ease currency restrictions and hedge currency risks.*
- *Ukraine will privatise Motordetal-Konotop, one of Europe's largest engine part factories, and the Odesa Port Plant, one of Ukraine's largest chemical complexes.*

Foreign investors can directly access debt instruments from the National Bank of Ukraine (NBU). Rules for public-private partnerships (PPPs) with both federal and regional governments offer improved guarantees for private partners. State support is available for qualifying foreign investments. 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
- Decarbonisation Fund and the Ukrainian National Decarbonisation Platform

Ukrainian tax incentives

Tax and interest relief as well as infrastructure subsidies are available for new industrial parks. The Diia City virtual economic free zone reduces tax and regulatory burdens for participating tech companies.

Key Sectors and Opportunities

Defence

Ukraine produces over 2.2 million FPV drones annually, has increased cruise missile production by 700% year-on-year, and has accelerated domestic artillery and ammunition production. Ukraine has joint weapons production initiatives with over 21 international partners. Defence firms in Germany, Norway, Sweden, Finland, Portugal, Japan and the US have announced production, repair facilities, joint ventures, and partnerships in Ukraine in 2025. BraveTech, the EU–Ukraine platform for defence-tech innovation, will support further scaling. Ukrainian firms increasingly export expertise and partner with defence sectors in other countries. Over ten venture funds are actively investing in Ukrainian defence tech.

Q3 2025 announcements:

- *Ukraine will open up arms exports to support European drone defence.*
- *The Defence City tax and legal regime for defence manufactures will provide an income tax exemption when funds are reinvested; streamlined customs and export controls; favourable oversight of currency transactions; and enhanced security for production facilities.*
- *A Ukraine–Denmark agreement will allow Ukrainian defence companies to export their technologies for production in Denmark.*
- *Ukrainian Ukrspecsystems will establish a drone factory and testing facilities in the UK.*

Energy and renewables

Sustainability is a pillar of Ukraine’s National Recovery Plan, and Ukraine’s infrastructure is moving to renewables and smart systems. In 2025, wind and solar generation grew, electricity exports increased by 180%, and Ukraine began exporting biomethane. The energy sector is Ukraine’s largest-performing industry, earning USD 21bn in 2024. The NBU estimates that by 2027, Ukraine will no longer require electricity imports. Established and new players in Ukraine are rapidly developing battery and energy storage tech.

Q3 2025 announcements:

- *Ukraine’s electricity exports in August increased 60%, reaching a record 450,000 MWh.*
- *As of July 2025, Ukraine has issued Guarantees of Origin for 10 million MWh of renewable energy.*
- *InnoEnergy, Europe’s largest investor in sustainable energy, has launched a hub in Ukraine to support startups.*
- *DTEK (Ukraine) and Fluence (US and Germany) are investing EUR 125m in a 200 MW storage system, one of Eastern Europe’s largest energy storage systems.*
- *Oschadbank financed the EUR 10.8m Elios Luchki’s Solar Power Plant and Energy Storage Facility in Transcarpathia.*

Logistics and transportation

In 2024, container transportation increased 28%, cargo handling in Ukraine’s ports increased 57%, and export transportation rose by 51.2%. New investment continues to expand Ukraine’s ports and container terminals, cross-border logistics terminals, and rail connections. In 2025, 250,000 m² of new warehouse space has been announced, with warehouse construction set to reach record levels and still fall short of demand.

Q3 2025 announcements:

- *QTerminals (Qatar) will resume development of the Olvia specialised port in the Mykolaiv region.*
- *Ukraine will allocate USD 100m for port infrastructure repairs and USD 200m for the Pivdenny port and terminal, focusing on railway and transportation infrastructure.*
- *Lemtrans (Ukraine) and Rail Trans Investment (Ukraine) invested USD 7m in the first phase of the Fastiv Container Terminal (Kyiv region).*
- *Ukraine announced a tender for the development of the Chornomorsk Sea Trade Port (Odesa region).*
- *Container Terminal Mostyska, a multimodal terminal and logistics complex, opened (Lviv region).*

Manufacturing and industrial parks

In 2025, new industrial park registrations saw investments from Switzerland, Turkey, Austria and South Korea across diverse sectors. Last year, Ukraine's industrial park sector saw 55 new parks registered across 15 regions; 70% of these had investors at registration. Companies from Europe, North America and Asia are investing in production facilities, notably for steel, glass, lumber and other building materials.

Q3 2025 announcements:

- *Alterra Group (US) will construct the Peretyn logistics centre, a USD 31m trade and logistics centre in the Lviv region.*
- *Italian packaging manufacturer Gualapack is investing EUR 12m in a 10,000 m² facility in the Bila Tserkva industrial park.*
- *EFI Group (US) secured EUR 240m in investment for the NovaSklo Float Glass Plant, Ukraine's first float glass plant.*
- *Planeta Plastik (Ukraine) launched a polyethylene pipe factory powered by solar energy (Kyiv region).*
- *Plants to produce sandwich panels, metalworking tools, and water bottle caps will open in the Formatsia industrial park (Lviv region).*

Agriculture and agro-processing

International companies have expanded seed production capacities in Ukraine, and fertiliser and pesticide production is growing, with the sector adopting AI-driven yield monitoring. In 2025, investments in grain silos, vegetable storage facilities, rail cars, and related logistics, as well as Ukraine's adoption of the ePhyto digital certificate system, is enabling faster exports. In 2025, Ukraine became the EU's leading supplier of corn and India's top supplier of sunflower oil. Domestic agro-processing grew 12% in 2024 and new processing facilities have been announced in 2025.

Q3 2025 announcements:

- *Gold Romi (Ukraine) will expand its refrigerator capacity for fruit storage from 3,000 to 10,000 tons.*
- *Potato Agro (Ukraine) has begun construction of a USD 110m French frying factory in the Biosense industrial park (Cherkasy region).*
- *Agrosem (Ukraine) invested EUR 20m in the MOST Logistic Terminal to expand exports to Europe.*
- *Ukrainian agroholding company IMC invested USD 22m in rolling stock and can now transport 80% of its grain.*

A new European partner

Q3 2025 announcements:

- *The European Commission announced it would complete its screening of Ukrainian legislation ahead of opening negotiation clusters on Ukraine's EU accession.*
- *The European Council is considering changing voting rules that require unanimity to enable progress on Ukrainian accession.*

Ukraine's progress towards EU membership 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 now integrate European law and follow the principles of the International Organisation of Securities Commissions (IOSCO).*
- *Ukraine's energy sector is integrated with Europe's. Ukraine's electricity grid and natural gas network are accredited by the European Network of Transmission System Operators (ENTSO) and are governed by the REMIT Law.*
- *Ukraine's legislation has passed EU compliance screening, enabling Free Movement of Goods chapter negotiation with EU.*
- *Ukraine's product monitoring regulations meet EU requirements for industrial visa-free travel.*

CMS Can Help

We are helping companies inside and outside Ukraine, both 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:



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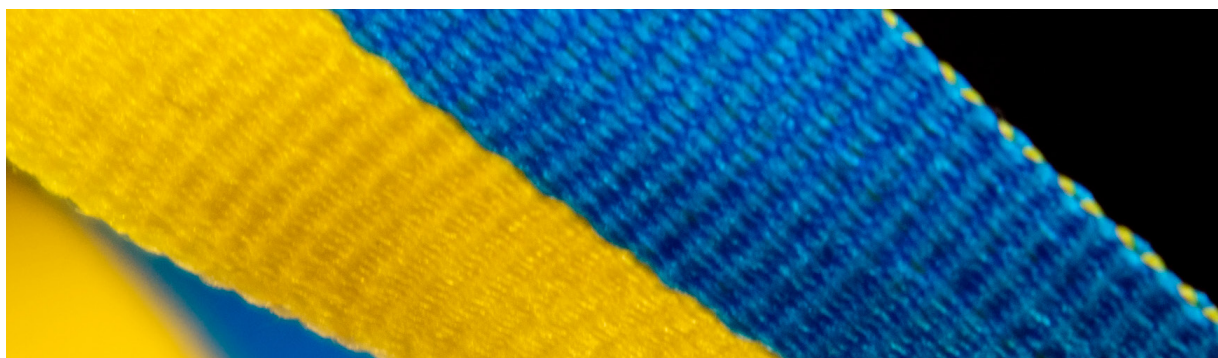
risk assessment and contingency planning



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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