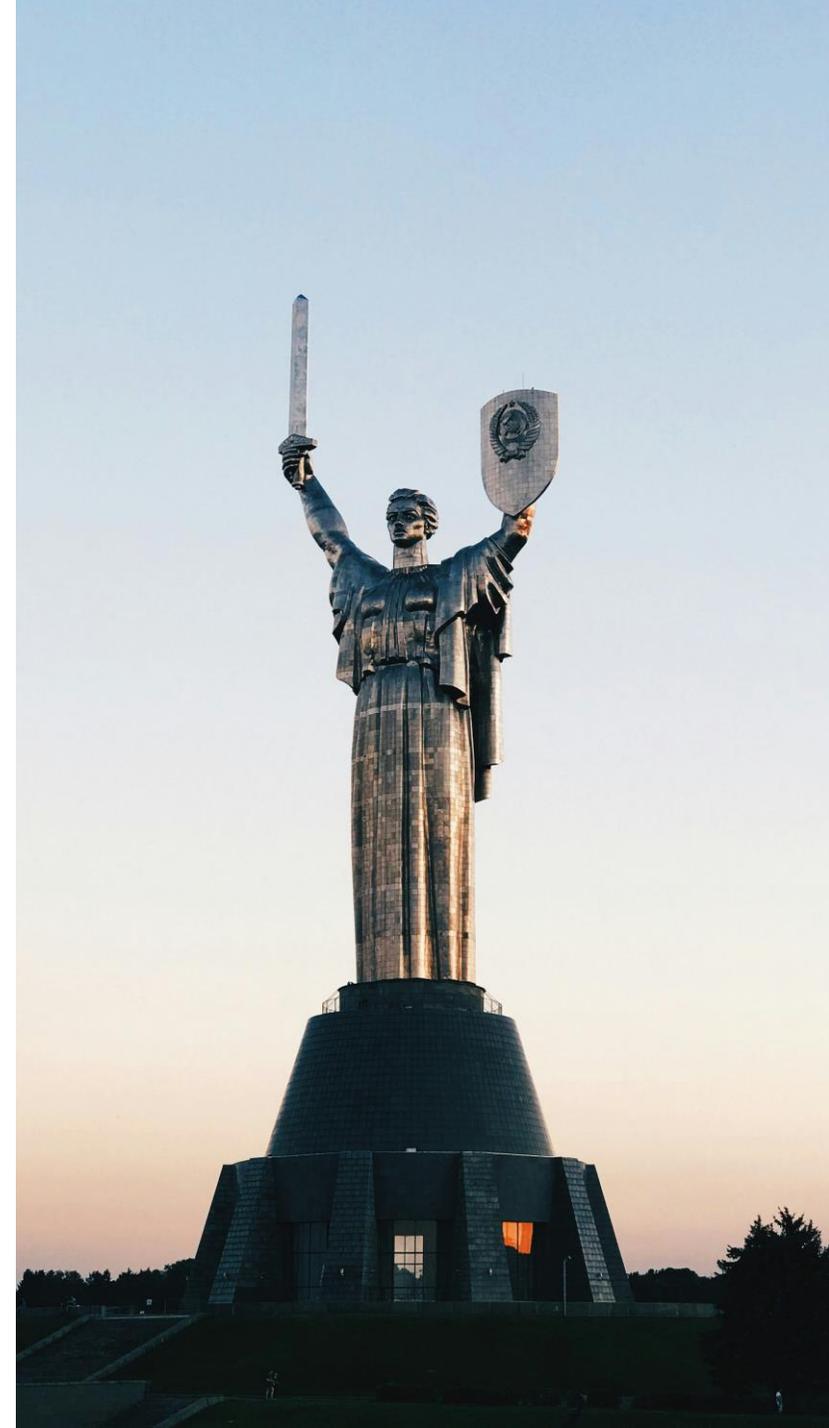


The recovery spending watchdog №21: Reconstruction of Ukraine

#21, August 2025

brp.org.ua

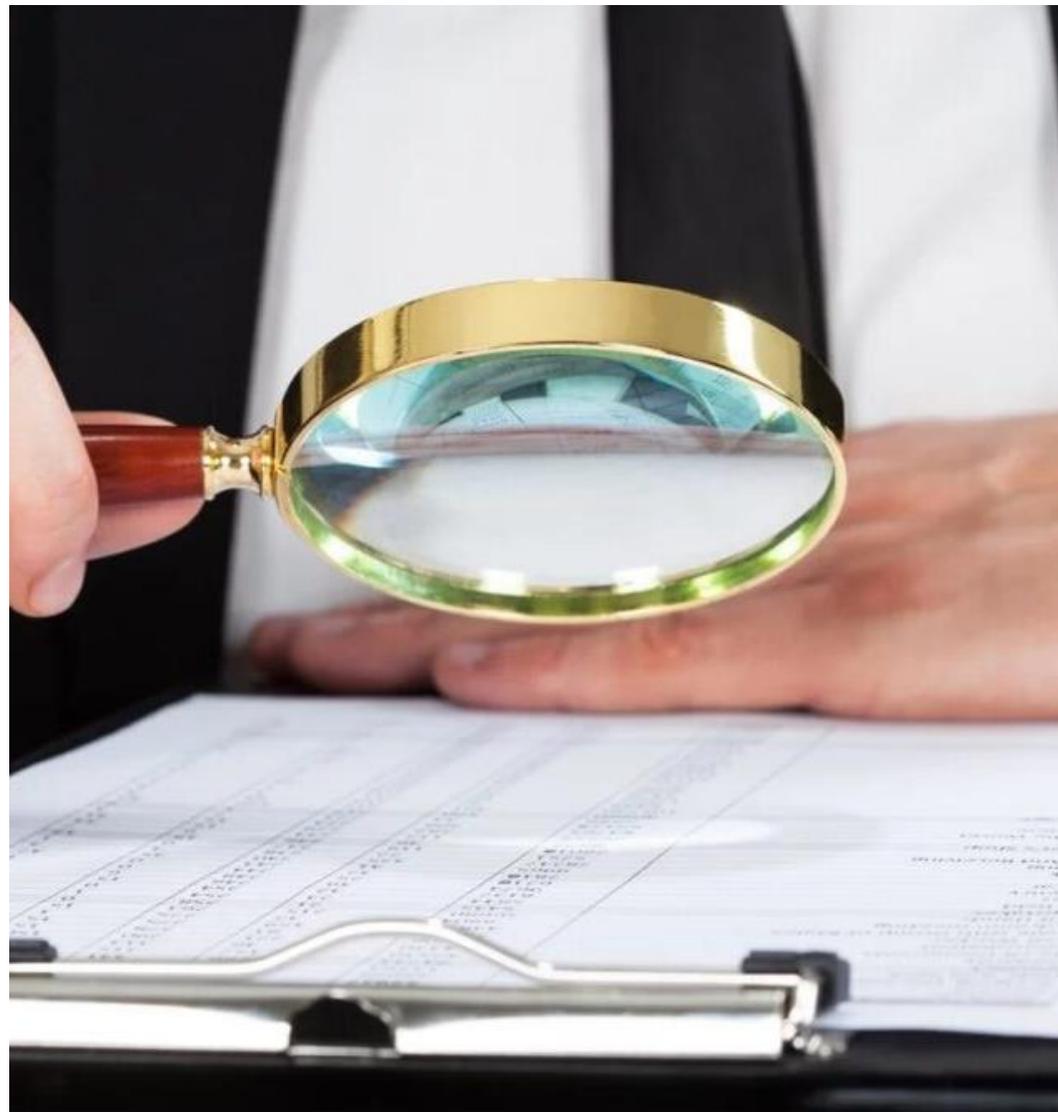


Content

- Legal regulation
- Recovery process and funding
- Analysis of recovery procurement
- Investigative journalism (Reconstruction in the media)
- Monitoring specific areas: education, demining.



Legal and regulatory framework



Regulatory and Legal Framework

- [Postponement of spatial development planning until January 1, 2028](#): The Verkhovna Rada adopted Law No. 9549 (signed by the President on 06.08.2025), which postpones the deadline for emerging comprehensive community spatial development plans to 1.01.2028. For communities in the zone of hostilities, the term is up to 3 years after the lifting of martial law. This decision takes into account resource and security constraints for local councils, ensures flexibility, and supports the continuation of investment-led development.
- [Initiated amendments to the State Building Norms \(SBN\) on pedestrian accessibility of kindergartens in new neighborhoods](#): an addendum to the DBN has been drafted; in particular, it is necessary to ensure comfortable access to kindergartens within 500 m of residential buildings – via ramps and barrier-free sidewalks. This is important for ensuring barrier-free environments and convenience for young families ([SBN text](#)).
- [On August 13, the Government approved the procedure for using the State Fund for Regional Development \(SFRD\) funds for 2025](#): UAH 1 billion has been allocated to finance the SFRD, whose purpose is to support regions and territorial communities in developing infrastructure, improving service quality, and expanding opportunities for residents. Importantly, the SFRD has already been embedded into the new public investment management system, so projects included in the single project portfolio will be considered. Applications will be submitted through the DREAM ecosystem.

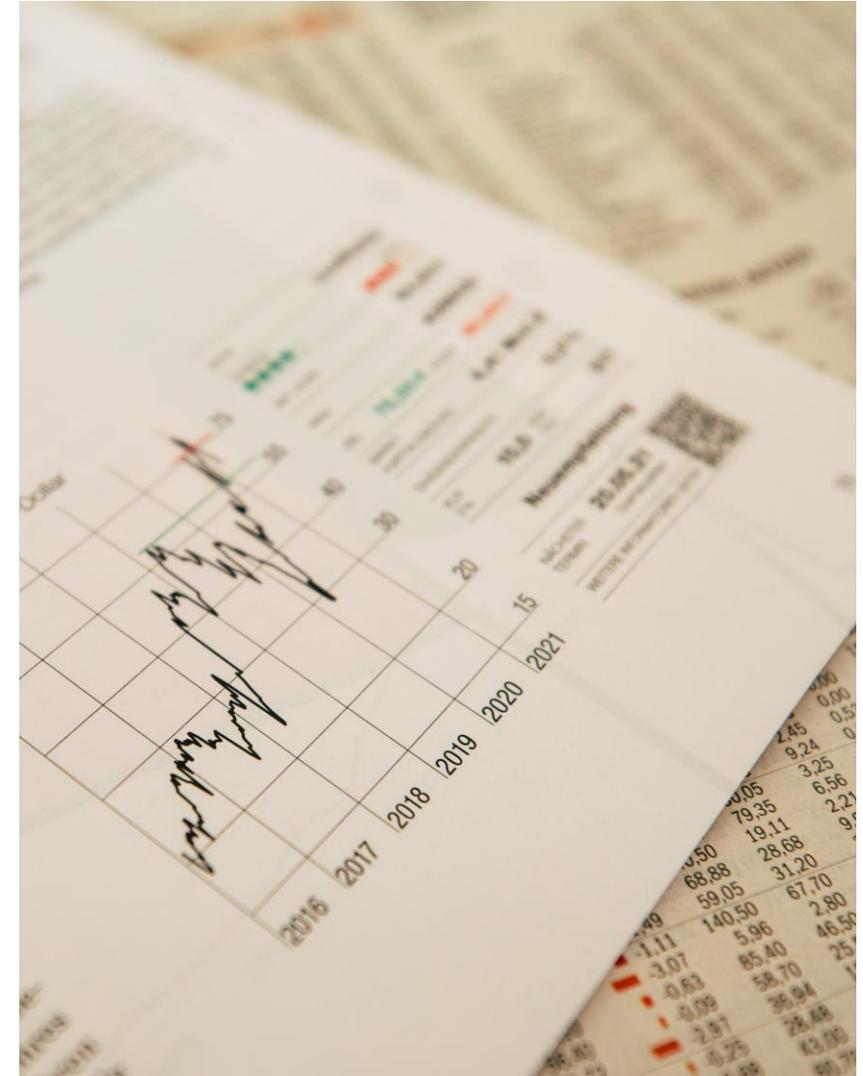


In the field of construction, the changes are currently observable

- [Establishment of a Working Group to improve pricing in construction](#): The first meeting has been held, at which members discussed a framework for the rational assessment of construction works costs — drawing on international best practices, with the use of digital tools and transparent procedures. The Working Group includes representatives of the Ministry for Communities and Territories Development, business associations, civil society organizations, and international experts. By the end of 2025, they plan to develop a new methodology, update cost-estimating standards, and open up pricing data.
- [The National Urban Planning Cadastre Geoportal \(MBKD\) has gone live](#): information on current and new urban planning documentation is available online at kadastr.gov.ua. The implementation of the MBKD is envisaged as a stage in the digitization of urban planning. As the Government expects, this will facilitate faster issuance of permits; allow geodata to be viewed on the map; reduce conflicts in the construction sector; and prevent the loss or forgery of documents.
- [Ministry for Communities and Territories Development analyzed the state of housing recovery in Kyiv and provided recommendations](#): based on an on-site inspection of damaged residential sectors in Kyiv, delays were identified with site clearance and permit issuance. The recommendations include the need to shorten document processing times, secure financing for the reconstruction of utilities, and support condominium associations (OSBB) in the procedures.
- [Publication of the Sectoral Agreement between the Ministry for Communities and Territories Development of Ukraine and the Trade Union of Construction Workers and the Building Materials Industry](#): The Agreement will be in force from 2025 to 2027. The guaranteed tariff rate for employees performing simple and unskilled work increases from 231% to 401% of the subsistence minimum for an able-bodied person; accordingly, as of today, this means raising the minimum base pay from 6995 UAH to 12142 UAH per month. This should help increase wages in the sector, although it has already been forced to raise pay due to a shortage of personnel. As noted by the Ministry, the new Agreement provides for measures to formalize employment in construction, improve workers' qualifications, mechanisms to ensure occupational safety and hygiene, as well as instruments for the collective protection of labor rights.

The public investment regulation system is undergoing reforms

- [Publication of the “Catalog of Opportunities for Communities” \(as a resource base for implementing the MT-PIP\)](#): The Ministry for Communities, Territories and Infrastructure Development of Ukraine has released the August issue of the “Catalog of Opportunities for Communities,” which contains a selection of current grants, support programs, and educational initiatives for local government bodies. The Catalog is aimed at helping communities implement the priorities of the 2026–2028 Medium-Term Public Investment Plan (MT-PIP) at the local level, particularly in the areas of energy efficiency, infrastructure development, and professional training of personnel.
- [In a number of regions, the Government has already held meetings with communities to explain the steps of the PIM reform](#). Thus, conferences in regional capitals bring together community representatives from across the regions, where government officials discuss models of financial coordination, the rollout of digital registries, and monitoring tools for the transparent implementation of recovery projects. The DREAM platform is actively explaining the mechanics of implementing the MT-PIP: project portfolio formation schemes, selection criteria, information support for communities, and video materials.
- [Local Investment Council of the Kovel community endorsed the MT-PIP](#): The First Deputy Mayor emphasized that the MT-PIP is a strategic document that sets the directions for the community’s development and for planning the use of budget funds. Six key investment areas were approved: public safety, municipal infrastructure, transport, culture, healthcare, and education.



Recovery progress and funding

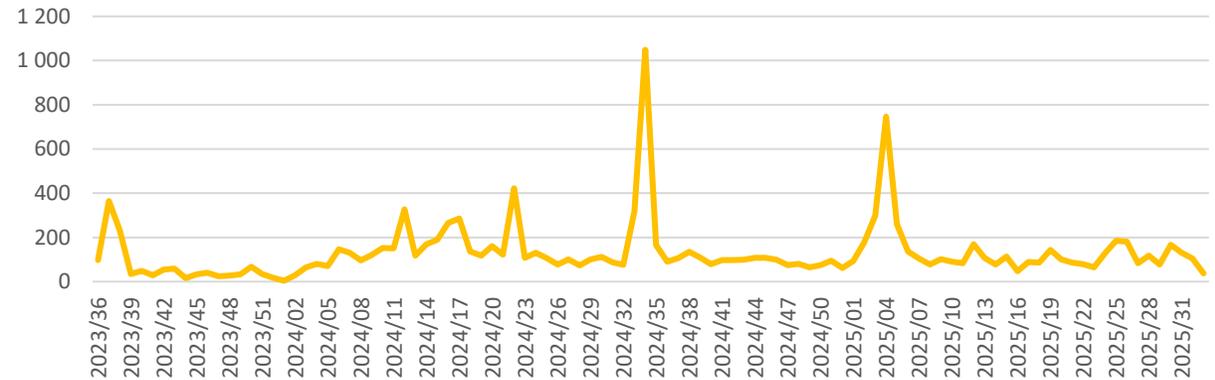


DREAM – changes are expected in September regarding the public investment transparency

DREAM indicators:

- about 1,300 communities are working with DREAM
- 13.1 thousand projects submitted in the ecosystem (12.7 thousand a month ago)
- total funding need — UAH 2.0 trillion, which is UAH 200 billion more than a month ago (while available financing is UAH 169.6 billion and UAH 166 billion, respectively)

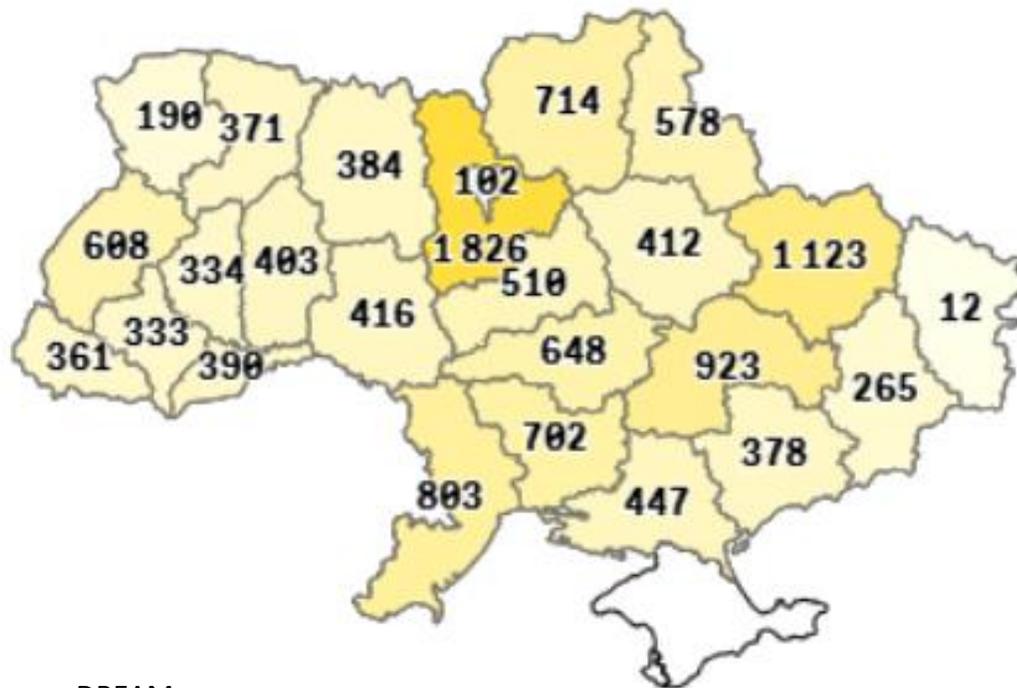
Number of projects by week



As part of the reform of the public investment management system, starting in September more information will be added on [DREAM](#) in the “[Medium-Term Plan of Priority Public Investments](#)” section. As of August 15, the indicators are:

- 50 areas (+1 area over the last month)
- 30 subsectors
- UAH 2.16 trillion — financing need
- UAH 581 billion — upper funding ceiling (+ UAH 90 billion)

A draft [Public Investment Management Guide](#) has been published, which presents, step by step, the main stages of the public investment life cycle — from strategic planning to the evaluation of implemented projects and programs.

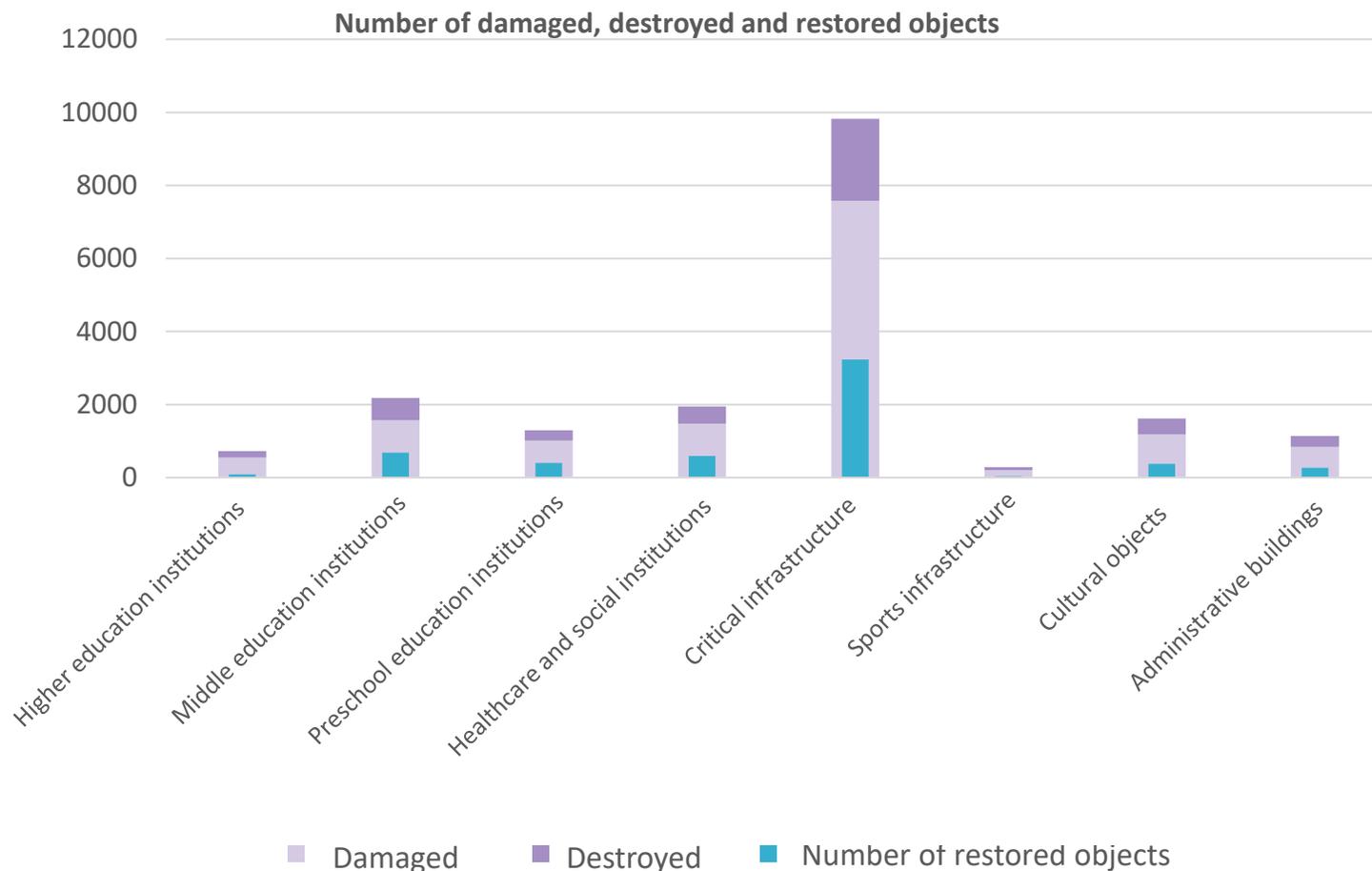


Persistent trend: Damage is done at a higher pace than the recovery is accomplished

From July 4 to August 8, the number of damaged and destroyed housing increased significantly, making affordable housing programs, including the eVidnovlennia program, critically important. Today, the Ministry for Development reports the restoration of about 30% of damaged and destroyed private houses and multi-apartment buildings.

Lifeline infrastructure (water, gas, and heat supply) has also been severely affected by Russian shelling. At the same time, the damaged facilities have been restored fairly quickly.

Five schools and two kindergartens were also damaged. Meanwhile, the restoration covered, respectively, three schools and two kindergartens.



* Selected categories

Source: Ministry for Development, as of August 8 2025

eVidnovlennya: the program financing is ongoing

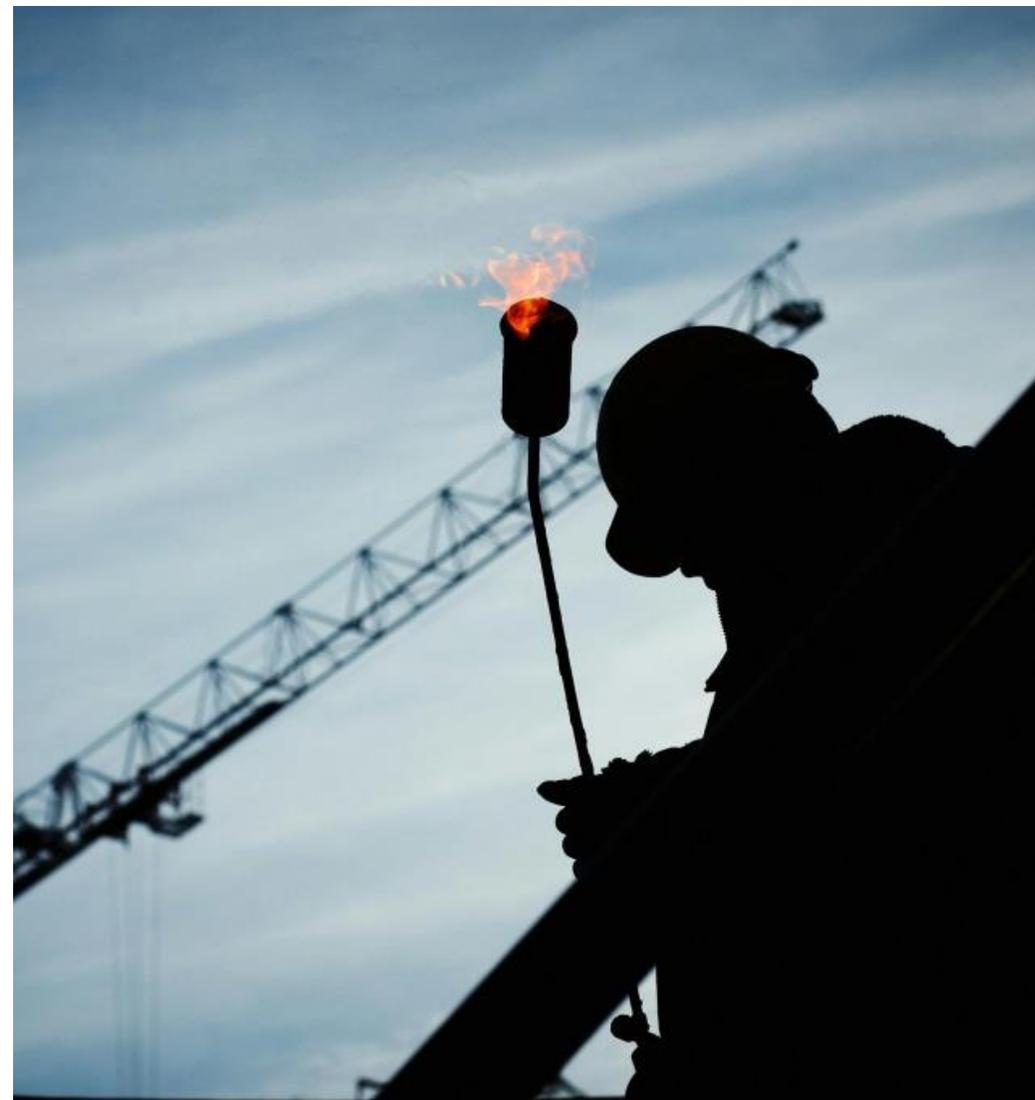
[The Government allocated UAH 1.6 billion](#) for the next phase of the eVidnovlennya program:

- 1.3 billion UAH - for housing certificates, enabling 839 families to purchase new homes to replace those destroyed.
- 335 million UAH - to rebuild houses on their own land for 152 families.

These funds will also be directed to compensation for destroyed housing in areas of active hostilities. This became possible thanks to the recently introduced remote housing inspection [mechanism](#).

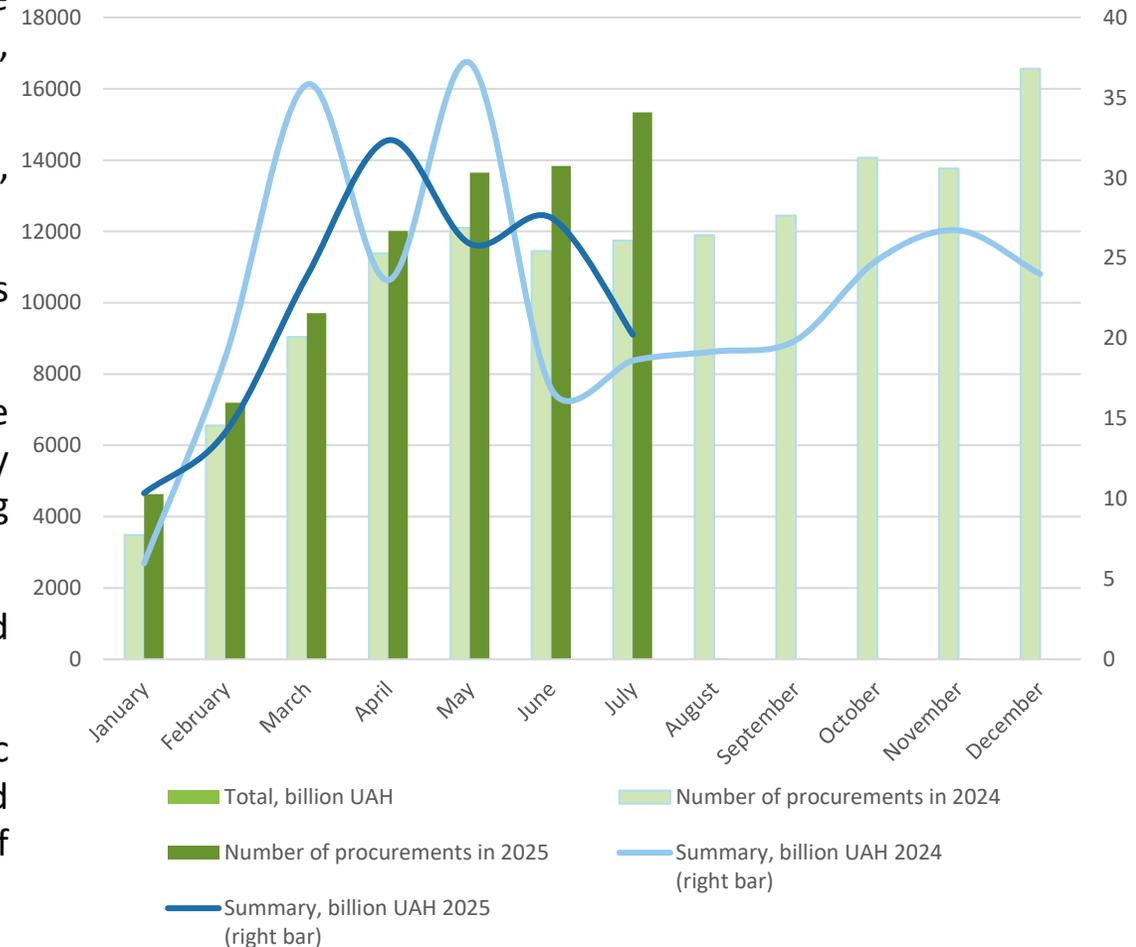


Recovery procurement: 7 months of 2025



Key numbers regarding procurements in January-June 2025 *

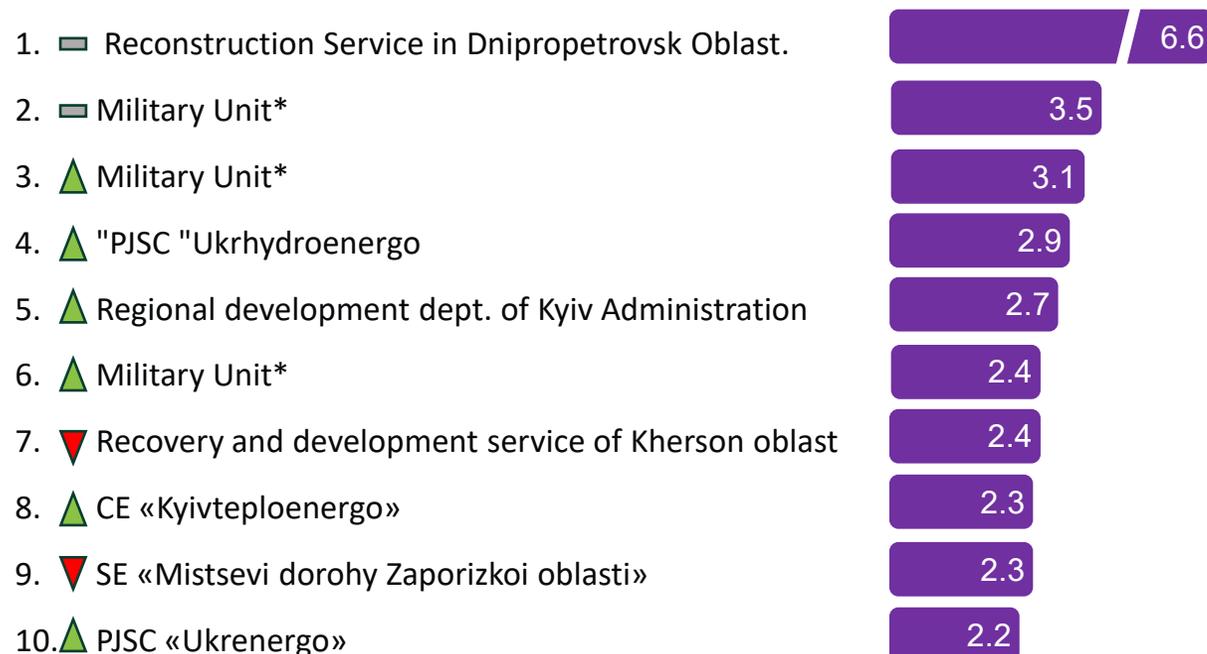
- In January–July 2025, **76.4 thousand** construction procurements were announced. Of these, **91.4% (69.8 thousand)** have been completed, **4.7%** did not take place, **1.6%** were canceled, and **3.3%** are still ongoing.
- The total value of procurements amounted to **UAH 154.4 billion**, including the current amount for July – **UAH 20.2 billion**.
- Compared to January–June 2024, the number of procurements increased by **16%**, while their value decreased by **2%**.
- The **largest procurements** in July remain three related tenders for the design and construction of a new **main water pipeline** to supply the city of Mykolaiv, with a total value of UAH 6.2 billion. The works are being carried out by the **Autostrada Group of Companies**.
- The electronic system was used for **12.4 thousand** completed procurements (**17.8%**) with a total value of **UAH 95 billion (68.5%)**.
- In July 2025, procurements without using the electronic system (basic procedure) stably ranked second by the value of completed procurements – **about UAH 29.4 billion**, while the share by number of completed procurements was **nearly 80%**.
- Defense procurements increased (to **923 procurements in the month**, corresponding to **1.3% of the total number** of procurements).



* – as of August 15, 2025. There are 5,378 procurements ongoing, including 2,190 as of July.

Procurement leaders in January-July 2025

Top 10 organizers (billion UAH)



The share of the top 10 in all procurements



Top 10 winners (billion UAH)



The share of the top 10 in all procurements



• – The names of the military units are not mentioned in this presentation for security reasons.

Largest Construction Procurements in January-July 2025

No	Procurement	Organizer	Winner	Procurement cost, million UAH
1.	Design and new construction of a water intake from the Southern Bug River and a trunk water main to supply the city of Mykolaiv with water (three tenders dated April 11, 2025).	The Reconstruction and Infrastructure Development Service in Dnipropetrovsk Oblast	LLC «Group of companies «Avtostrada»»	6,228
2.	Construction of the international checkpoint on the Ukrainian-Romanian border	The Reconstruction and Infrastructure Development Service in Zakarpattia Oblast.	LLC «Onur Construction International»	1,987
3.	Road maintenance in Lviv oblast	Department of Road Management of the Lviv Regional State Administration.	PE «Roma»	1,459
4.	Construction of the National Military Memorial Graveyard	SB National Military Memorial Graveyard	LLC «Budivelna Firma ParitetBudInvest»	1,211
5.	Road maintenance in Mykolaiv oblast	SE "Agency of Local Roads of Mykolaiv Oblast"	PE «Mykolaivmagistral»	1,194
6.	Construction of rehabilitation centre in Ivano-Frankivsk	Department of Community development of Ivano-Frankivsk oblast military administration	LLC «Prombudservis-Kosiv»	1,185
7.	Construction of Podilskyi bridge in Kyiv	Kyiv building directorate	LLC «Group of companies «Avtostrada»»	1,182

XXX

Procurements of January-June

XXX

Procurements of July

Procurement competition is on the wane

Number of participants	Number and %		Volume (billion) and % of procurements		Number and %	Volume (billion) and % of procurements		
	of procurements in January-July		in January-July			of procurements in July		in July
1 participant	11,211	80.4%	69.3	70.7%	1,692	88.6%	6.5	84.9%
2 participants	1,677	12.0%	17.7	18.1%	150	7.9%	0.9	12.1%
3 participants	630	4.5%	6.5	6.6%	49	2.6%	0.2	2.8%
4 participants	229	1.6%	1.9	1.9%	11	0.6%	0.0	2.8%
5 participants	107	0.8%	2.2	2.2%	4	0.2%	0.0	0.04%
6 participants	52	0.4%	0.3	0.3%	3	0.2%	0.0	0.03%
7-17 participants	38	0.3%	0.2	0.2%	0	0.0%	0.0	0.0%
The total number of completed procurements using the electronic system	13,950	100.0%	98.0	100.0%	1,909	100.0%	7.7	100.0%

- In July, the already high share of **non-competitive procurements** increased. **Single-bidder** procedures accounted for **87.6%** of all procurements and **84.9%** of the total value of procurements conducted via the electronic system.
- Among all construction procurements in January–July, **80.4%** were non-competitive (single-bidder), accounting for **70.7%** of the total value.
- In July there were only **3 procurements with 6 participants** (the procurement value decreased by an average of **53%**) and **4 procurements with 5 participants** (the procurement value decreased by an average of **22%**).

Prices in most procurements have decreased.

No	Procurement	Organizer	Winner	Cost, million UAH (expected/actual)	Participants
All procurements					
1.	Development of design documentation for the construction of a truck parking lot	Reconstruction and Infrastructure Development Service in Lviv Oblast	PE «Polissya-project»	4.0 / 1.2 (-70%)	17
2.	Ongoing reconstruction of the administrative building	National Bank of Ukraine	LLC «DIA Grupp»	1.9 / 1.4 (-26%)	13
3.	Reconstruction of Irpin gymnasium	Виконавчий комітет Ірпінської міської ради	LLC «СпецТермоМонтаж-Енерго»	215.5 / 192 (-11%)	9
Procurements with a value of more than 20 million UAH					
1.	Reconstruction of sections of trunk district heating networks in Kryvyi Rih	JS «Kryvorizka Teplocentral»	LLC «Kortakoz»	172.6 / 155.9 (-10%)	7
2.	Reclamation of the southern section of the trench of the Verboholiivskiy open-pit mine	SE «Ukrvuglestrukturisatsiia»	LLC«MontazhBudYug»	41.5 / 30.5 (-27%)	6
3.	Construction of a forest roadway in Vinnytsia oblast	SE «Lisy Ukrainy»	PE «Avtomagistral»	30.4 / 20.9 (-31%)	7

Investigative Journalism

Disclaimer. Please note that journalistic investigations may not consider all possible nuances and may be biased in certain cases. It is recommended to approach the information with caution and not use it for final conclusions without further research and fact-checking.

Journalistic investigations over the last month.

Top 5 media outlets by the number of investigations on reconstruction



НАШІ ГРОШІ



General features of journalistic investigations on procurements

- With the revival of procurement activity, investigations into violations during reconstruction have also become more frequent.
- The most common topics for media coverage are possible procurement irregularities, the opening of criminal cases, and the handing down of convictions.
- Another theme for the media is the imperfections of procurement procedures and ways to remedy them. This topic has potential for further development.
- Amid a gradual increase in procurement competitiveness, reports are rising about tenders tailored to a specific bidder or the rejection of “unapproved” bids.

Top 5 news of the month on the topic:

15 of August НАШІ ГРОШІ

The Tsyrkunivska Village Council (Kharkiv Oblast) ordered a shelter for UAH 136 million for a lyceum 20 km from the front line, with a probable overpayment of UAH 2.6 million.

15 of August СУСПІЛЬНЕ

In Kyiv, a possible misappropriation of over UAH 440,000 is being investigated in connection with inflated payments for the repair of a shelter at a school in the Podilskyi District.

13 of August СУСПІЛЬНЕ

In Zhytomyr, a capital repair of the canteen at Lyceum No. 4 is planned for UAH 17.2 million with a 10-year warranty, under the Ukraine Facility agreement between Ukraine and the EU.

11 of August НАШІ ГРОШІ

Inflated prices were included in the cost estimate for the school shelter in Mykhailivka, priced at UAH 47 million and funded under the Ukraine Facility. The likely overpayment amounts to nearly UAH 2 million.

29 of July НАШІ ГРОШІ

The Ivano-Frankivsk Regional State Administration commissioned the construction of a rehabilitation center for UAH 1.19 billion, awarding the contract to Prombudservis-Kosiv LLC, with an overpayment of over UAH 23 million.

* – For the period from June 1 to July 12, 2025.

Monitoring of specific areas



- [As of August 1, 2025](#), since the start of the full-scale invasion, Russia has damaged or completely destroyed 2 419 medical facilities: 2 108 (+32 over the month) were partially damaged, and a further 311 (+3 over the month) were completely destroyed and are not subject to restoration.
- The Donetsk, Kharkiv, Luhansk, Kherson, and Zaporizhzhia oblasts have suffered the greatest destruction.
- Over this period, 666 (+2 over the month) facilities have been fully restored across various regions of Ukraine, and 317 (-5 over the month) — partially restored. Medical services continue at most damaged facilities: 1 466 are operating fully or partially, while another 227 have been evacuated.
- [As of August 2025, the capital renovation of Okhmatdyt's treatment-and-diagnostic complex is ongoing](#): the façade and insulation are being upgraded, new windows are being installed, five floors are being repaired, the bone marrow transplantation department is being prepared, and utility systems are being modernized — while medical care for children continues uninterrupted.
- There are already 940 (+14) healthcare facilities on the [DREAM](#) platform that are in implementation — new construction and capital renovation.
- [During July–mid-August 2025](#): +135 projects with a total budget of 3 billion UAH (financial coverage — 12.9%). The largest number of projects is in Odesa (40), Kirovohrad (26), and Cherkasy (11) oblasts.



Education

- Since the start of the full-scale invasion, statistics on damaged and destroyed educational institutions as of August 8, 2025:
- **higher education institutions** — 727 facilities (including damaged up to 50% — 552; destroyed over 50% — 175);
- **general secondary education institutions (schools)** — 2 178 facilities (including damaged up to 50% — 1 567; destroyed over 50% — 611);
- **preschool education institutions (kindergartens)** — 1 296 facilities (including damaged up to 50% — 1 014; destroyed over 50% — 282).
- Over this period, across various regions of Ukraine, 84 higher education institutions, 686 schools, and 404 preschools have been fully restored and transferred to the balance.
- Within the U-LEAD initiative with the support of the European Commission, 12 schools were restored in three oblasts under the “[Build Back Better](#)” principle: roofs, windows, doors, premises, and electrical networks were repaired, and inclusive restrooms were installed. Seven schools are already operating in person, the rest — in a mixed format.
- There are already 2 873 educational facilities (+40) on the [DREAM](#) platform that are in the implementation phase — new construction and capital renovation.
- [During July – the first half of August 2025](#): +272 projects with a total budget of UAH 4.6 billion (financial coverage — 11.3%). The largest number of projects is in Cherkasy (76) and Odesa (59) oblasts.



Humanitarian Demining of Ukraine (data as of 15.08.2025)

- Returning land to farmers: In July, farmers regained access to 330 hectares of demined fields.
- Demining under the program: From the start of the program to the end of July, 76 contracts were concluded to clear 14.3 thousand ha of agricultural land, worth UAH 853.1 million.
- Restoration of de-occupied territories: Since the beginning of 2025 alone, nearly 2000 km² of liberated land has been returned to productive use.
- Overall results: To date, 36 942 km² of Ukrainian territory has been cleared, but another 137 058 km² remains potentially contaminated — together with occupied land and waters. Innovations for faster demining: To accelerate operations, the Ministry of Economy, together with Demine Ukraine, the Center for Humanitarian Demining, and UADamage, held the AI Data Jam hackathon. Over two days, teams trained artificial intelligence to automatically detect explosive ordnance in drone imagery.





Thank you for your attention!

**Project «Recovery
spending watchdog»**

