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UKRAINE COUNTRY PROGRAMME 2025–2028 (PHASE 1)



FOREIGN POLICY
STRATEGY
2024-2027



UKRAINE
COUNTRY
PROGRAMME
2025-2028
(PHASE 1)

Foreword

The level of destruction and loss of life in Russia's war against Ukraine are on a scale not seen in Europe since the end of the Second World War. It is not only the country that is under attack, but fundamental values such as democracy, freedom and security. The serious violation of the prohibition on the use of force enshrined in the UN Charter by a permanent member of the UN Security Council is a historical turning point and calls for a realignment of European security policy.

The Federal Council attaches strategic importance to supporting and reconstructing Ukraine, as set out in the Foreign Policy Strategy 2024–27¹ and in the IC Strategy 2025–28.² Switzerland responded swiftly to Russia's attack on Ukraine. Since February 2022, the Federal Council has bolstered its diplomatic and humanitarian support and sent out clear signals, such as adopting EU sanctions, granting protection status S to refugees, strengthening international cooperation, and organising international conferences such as the Ukraine Recovery Conference (Lugano 2022), the Summit on Peace in Ukraine (Bürgenstock 2024) and the Ukraine Mine Action Conference (Lausanne 2024).

The Federal Council plans to invest long-term in the reconstruction of Ukraine and is providing CHF 5 billion for this purpose in the period from 2025 to 2036. For the first phase up until 2028, CHF 1.5 billion has been earmarked. This will be financed as part of the IC Strategy 2025–28, and was approved by Parliament in late 2024. For the second phase (2029–36) the Federal Council is reviewing additional sources of financing for the remaining CHF 3.5 billion.



The Federal Council has approved this Ukraine Country Programme 2025–28 for the first phase. It is designed as a strategic framework for the support and reconstruction of Ukraine and implements the legislative programme for the period 2023–27 (measure 91). It draws on Switzerland's long-standing presence in Ukraine and combines established international cooperation instruments, such as humanitarian aid, development cooperation and peacebuilding with new approaches such as humanitarian mine action and targeted reconstruction. A focal point is Swiss private sector engagement in order to leverage expertise and innovation for the recovery and to mobilise investment.

On the basis of the country programme, a results framework will be developed which defines concrete outcomes that the various instruments are designed to achieve. It will measure success, provide accountability to stakeholders and monitor progress on an ongoing basis.

Due to the special significance of the Ukraine country programme, a Federal Council delegate for Ukraine has been appointed. They will report directly to the heads of the FDFA and EAER, and will manage and coordinate the work of the SDC, SECO, and the Peace and Human Rights Division (FDFA State Secretariat)

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¹ www.eda.admin.ch > Foreign policy > Strategies and key aspects > Foreign Policy Strategy 2024–27

² www.eda.admin.ch > Foreign policy > Strategies and key aspects > Thematic strategies > International Cooperation Strategy

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1. Context analysis

1.1. Political context

When the country programme was drawn up (in winter 2024) it remained unclear how long the war would last, whether it could escalate, and how it would end. The situation will remain volatile for the foreseeable future. Ukraine's priorities centre on securing a just and lasting peace and Euro-Atlantic integration with a focus on EU accession talks. The EU candidate status granted in June 2022 is driving reforms, but financial resources are lacking due to high defence spending, and qualified workers are in short supply due to mobilisation and the displacement of large numbers of people. In February 2024, 84% of the population supported EU membership. For the EU, too, Ukraine remains a top priority, with its pledge to support the country for "as long as it takes".

Remarkable progress has been made in the digitalisation of public services, which has ensured access to services, promoted transparency and combated corruption despite the war. Decentralisation has also bolstered resilience as it brings decision-making closer to the people and their needs. However, martial law limits reforms, diminishes the powers of local authorities and reinforces the influence of regional military administrations. Freedom of expression and association remain largely intact despite martial law, while there has been a noticeable crackdown on the right to peaceful assembly and growing pressure on independent media. Domestically, institutions are weakened: elections could not be held under martial law, which the opposition accepted. Trust in President Zelenskyy is waning, but the majority still support him. Passing legislation now requires greater involvement of the opposition, in some cases with former pro-Russian parties.

The mobilisation of armed forces is placing a heavy strain on Ukraine, yet despite the loss of life, air strikes and power outages, the resilience of the government, the administration and the people is impressive, as is their determination to defend their country. Mobilisation is becoming a stress test for the Ukrainian armed forces.

1.2. Economic context

Ukraine is reliant on international financial assistance, particularly from the EU, the United States, the IMF and the World Bank, as domestic revenues are primarily being used for security and defence. Public spending rose by 270% in 2023, and the budget deficit reached USD 41 billion³. The assistance is subject to reforms of fiscal policy, governance and efforts to combat corruption. Additional reforms are taking place as part of EU accession, in particular to access the EU single market.

The war has hit the Ukrainian economy hard, with GDP plummeting by 29% in 2022, before stabilising in 2023 with 5% growth. Russia's aggression has exacerbated old weaknesses and caused massive damage to infrastructure and energy supply, affecting more than 50% of the country's energy capacities. Businesses face labour shortages and trade is severely restricted. Despite everything, Ukraine is continuing to contribute to global food security thanks to successful efforts in Black Sea trade.

Many companies are relocating their activities to safer locations, which offers opportunities for regional development. Western and Central Ukraine offer advantages in terms of security, infrastructure, support from the authorities and proximity to EU markets. Despite risks, the south remains logistically important, for example for the grain corridor. Meanwhile, inequality is growing: industrial regions in the east, which have been heavily destroyed and occupied, are losing their locational advantage and are less of a focus for reconstruction aid. The country's economic recovery also faces challenges of an environmental nature. Principles such as 'build back better' and 'green recovery and growth' are key, especially in underprivileged regions. Other priorities are the rule of law and ensuring a level playing field for local and international businesses, as well as effective reforms in the areas of combating corruption, justice and investment protection.

³ [https://www.seco.admin.ch/Foreign+trade+and+economic+cooperation+>+Economic+relations+>+Regional+and+country+information+and+bilateral+economic+relations+with+Switzerland+>+Europe+and+Central+Asia+>+Eastern+Europe+and+Central+Asia+>+Ukraine+>+Economic+report+on+Ukraine+from+the+Swiss+embassy+in+Kyiv+\(de\)](https://www.seco.admin.ch/Foreign+trade+and+economic+cooperation+>+Economic+relations+>+Regional+and+country+information+and+bilateral+economic+relations+with+Switzerland+>+Europe+and+Central+Asia+>+Eastern+Europe+and+Central+Asia+>+Ukraine+>+Economic+report+on+Ukraine+from+the+Swiss+embassy+in+Kyiv+(de))

1.3. Social context

The war is heavily impacting Ukraine's demographics: the population is shrinking in frontline regions and rural areas, birth rates are falling and mortality is rising – particularly among men of working age. Society is becoming more female, and 7 million people have sought protection abroad. These changes affect the reconstruction as the composition of society will be different after the war from how it was before.

According to the UN (as at September 2024), around 15 million people (40% of the population) require humanitarian assistance, and in particular 5 million in Russian-occupied territory. Regions close to the frontline and towns in the east are subject to daily shelling. The poverty rate increased from 5.5% in 2021 to 24.1% in 2022, and households can no longer meet their basic needs. Displaced women and girls are particularly at risk of falling victim to gender-based violence. Many children have limited access to education and the health system is under severe pressure. Social systems are in need of reform and are reliant on international aid, while in areas close to the frontline, some social services have collapsed altogether. Older adults and people with disabilities are particularly affected.

Russia's aggression has strengthened national unity, identity and culture in Ukraine, but has aggravated social tensions between different population groups. Russian hybrid warfare seeks to deepen these divisions. The reintegration of veterans and returnees poses challenges, but also opportunities, for example for the labour market.

1.4. Impact on the country programme

The country programme for Ukraine is beset by uncertainty. There is no end in sight for the conflict, and it remains difficult to make predictions. Two factors will determine what happens: military successes and progress on European integration. The status quo – ongoing conflict, uncontrolled zones and advancing EU accession talks – seems the most likely scenario as at the end of 2024.

The dynamic context affects the prioritisation of measures. Switzerland has the flexibility to adapt its instruments, including humanitarian aid, development cooperation, peacebuilding and economic measures. In the event of escalation, the focus will be on humanitarian aid and a geographical shift. In the event of easing, investment, social and economic reintegration and private investment will take priority. Peace, human rights and dealing with the past are crucial in every scenario.

For Ukraine's resilience, strengthening state institutions, basic services, infrastructure and the local economy are key. The support comprises security of supply (heating, electricity, water), jobs, social cohesion, reforms, and humanitarian aid, particularly in frontline areas. Large-scale reconstruction will take place in a subsequent phase. The assistance entails risks, such as the destruction of infrastructure and damage to businesses. These can be reduced through targeted investment in civil and digital infrastructure and capacity development to ensure sustainable support for the population.

In light of the volatile and unpredictable situation in Ukraine, flexible management of the country programme is key. Switzerland's support must continually respond to the changing context in order to remain relevant and effective.

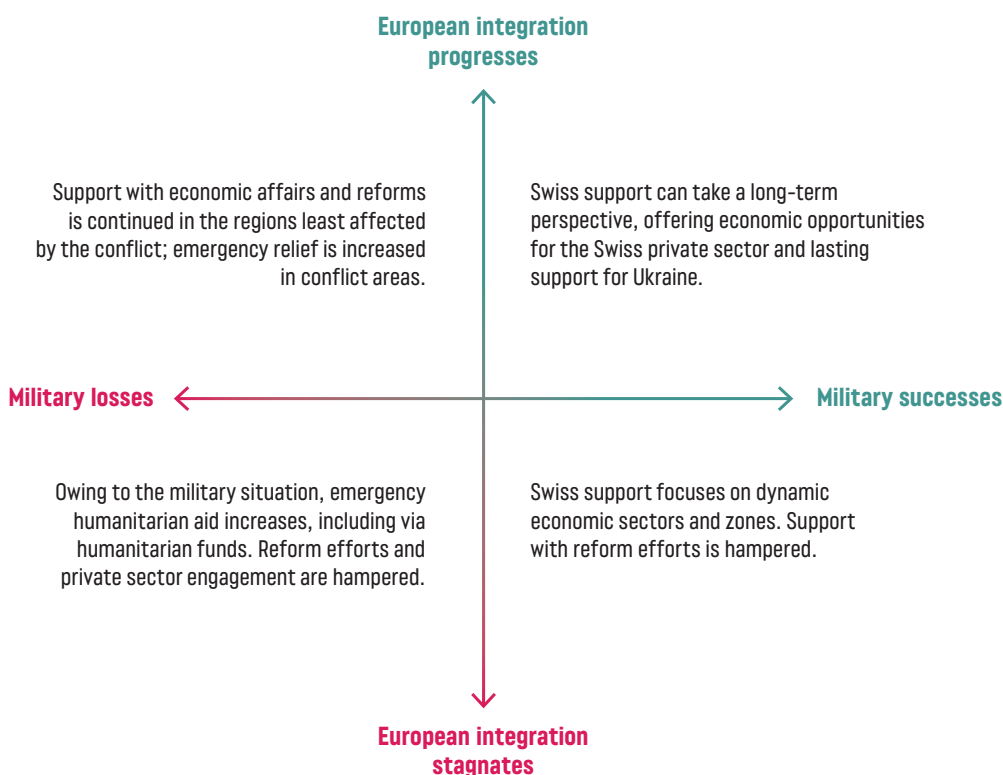


Figure 1: Fundamental factors determining the development of the country programme and their impact on the priorities of the measures (Source: FDFA).

2. Intervention criteria

2.1. Needs in Ukraine

The World Bank estimates the cost of reconstruction and economic recovery in Ukraine at USD 486 billion, a figure that is set to rise as the war progresses. As almost all of Ukraine's revenues are being spent on defence, the country remains heavily reliant on external financial assistance, while its public debt is set to increase to over 90% of GDP by the end of 2024.

The material damage is concentrated in the east, but the war is impacting the whole country. A quarter of the population has been displaced, civil infrastructure has been destroyed, and millions of people have only limited access to food, water, medical supplies, education and a safe place to live. The private sector – particularly SMEs – faces destroyed infrastructure, labour shortages, disrupted supply chains, a fall in demand, and a lack of investment.

The reconstruction should be closely linked to reforms in order to promote social, political and economic integration in Europe. The aim is to offer returnees attractive conditions so that they can put their skills to use and support Ukraine's economic recovery.

2.2. Switzerland's added value

Switzerland's support stands out internationally with its broad range of instruments that can be used in a flexible, needs-based and geographically-targeted way. The long-standing partnership with Ukraine, which has been developed since the 1990s, allows Switzerland to draw on extensive experience and networks. Its direct presence in various regions lends it credibility and a thorough understanding of the situation on the ground. It also plays a leading role in localisation, strengthens local partner organisations, and thereby lays the foundation for lasting measures that can also be continued without direct Swiss involvement. Other donors are also guided by this approach.

Since 2014 Switzerland has focused on peaceful conflict resolution, for example during its period chairing the OSCE. From 2015 to 2021 it was the only state actor to deliver humanitarian aid on both sides of the line of contact. Its expertise is targeted in areas such as health, digitalisation, energy, urban planning, vocational education and training, SME support, mobility, water, mine action, the search for missing persons, and dialogue promotion. Flexibility remains pivotal so that projects can be rapidly adapted to the changing context.

Switzerland also leverages its neutrality to launch and support international initiatives, such as the Ukraine Recovery Conference (Lugano 2022) and the Summit on Peace in Ukraine (Bürgenstock 2024). Such initiatives are designed to promote just and lasting peace.

2.3. Swiss interests

The Federal Council attaches strategic importance to the reconstruction of Ukraine, as shown by objective 5 in Switzerland's Foreign Policy Strategy 2024–27. Russia's war of aggression violates international law and calls into question democracy, freedom and liberal values. It is forcing Europe to realign its security order. The future of Europe is closely linked to the future of Ukraine. If Ukraine were to fail, Europe and Switzerland would be weakened in their ability to shape and influence geopolitical events. The restoration of Ukraine as a sovereign, democratic state is therefore in Switzerland's interest.

Switzerland responded swiftly with political, humanitarian and diplomatic measures: adoption of EU sanctions, protection status S, humanitarian aid, mine action, support for reforms, war crime investigations, and the Summit on Peace in Ukraine held at the Bürgenstock resort. Arms deliveries and re-exports are excluded for reasons of neutrality. Nonetheless, Switzerland is playing an active role – through urgent financial assistance, peacebuilding and long-term reconstruction.

This support strengthens bilateral relations and creates prospects for returnees and investment. Swiss businesses could be more heavily involved in the reconstruction. As part of the OECD's dual intent approach⁴ Swiss private businesses involved in the reconstruction of Ukraine will seek to employ returnees from Switzerland who previously held protection status S.

The renegotiation of the free trade agreement between Ukraine and EFTA, and cooperation within the EBRD, where Switzerland represents Ukraine, should further reinforce economic relations.

2.4. Regional impact

The Russian war of aggression is having a huge impact on the region, particularly on Moldova, one of the poorest countries in Europe. Moldova has taken in around 120,000 Ukrainian refugees, which is placing a heavy burden on its social, education and health systems. Supply chains have been disrupted, markets have collapsed, and energy prices are skyrocketing. At the same time, social tensions are intensifying, aggravated by Russia's hybrid warfare.

As set out in its Foreign Policy Strategy 2024–27, Switzerland will scale up its support for Moldova in order to cushion the negative impacts of the war and to promote regional stability. The free trade agreement with the EFTA states strengthens bilateral economic relations. In addition, Moldova and Ukraine share a European perspective and both have been granted EU candidate status. The SDC budget for Moldova has been doubled, and 4-5% of the funds from the 'Ukraine and region' programme are earmarked for severely affected neighbouring countries, in particular Moldova. This is why the commitment appropriation designation for this country programme is 'Ukraine and region'.

⁴ This approach aims to maintain and develop the vocational skills of people with protection status S in view of a return to Ukraine. The experience acquired during their stay in Switzerland can be utilised for the reconstruction of Ukraine. The contacts made in Switzerland may also result in business opportunities.

3. References for reconstruction

3.1. Lugano Principles guiding the recovery process in Ukraine

The full-scale reconstruction of Ukraine extends beyond the scope of traditional international cooperation. In order for it to succeed, multi-stakeholder engagement is necessary. Switzerland and Ukraine launched this process at the Ukraine Recovery Conference (URC 2022) in Lugano in July 2022 with the aim of defining the reconstruction priorities and coordinating support. The conference culminated in the adoption of the Lugano Declaration (see Annex), agreed by 41 states and 18 international organisations. The seven Lugano Principles are: (1) partnership, (2) reform focus, (3) transparency, accountability and the rule of law, (4) democratic participation, (5) multi-stakeholder engagement, (6) gender equality and inclusion, and (7) sustainability.

3.2. Build back better – modernisation through reconstruction

Ukraine's broad support and its EU perspective offer an opportunity to utilise the reconstruction for radical reforms. The international attention can be used to drive forward anti-corruption efforts, transparency, an independent judiciary, environmental sustainability, and the quality of infrastructure and services.

3.3. Ukraine Plan, Ukraine Facility and reforms

The Ukraine Plan, which was presented in March 2024, is the central framework for Ukraine's reconstruction, modernisation and reforms. With its official EU candidate status, granted in June 2022, and the beginning of the accession talks in June 2024, success very much hinges on extensive reforms. Switzerland has supported these for years through projects on the ground and political commitment, such as organising the Ukraine Recovery Conference in Lugano in 2022. The Ukraine Plan facilitates the coordination and prioritisation of assistance and reforms and also serves as an important guide for Switzerland's support.

In connection with the Ukraine Plan, the EU approved the Ukraine Facility in March 2024, a financing instrument with up to EUR 50 billion of support for the period from 2024 to 2027 in the form of grants and loans. Third countries can participate. The payments are contingent on reforms in the areas of governance, rule of law, and the fight against corruption and fraud. The Ukraine Plan, which is aligned with the EU accession process, supplements financing agreements with the G7, the IMF and the World Bank, which also depend on reforms.

Switzerland is closely monitoring implementation of the Ukraine Plan, also in terms of synergies with the Ukraine Facility. Through various projects, it is supporting Ukraine's reform efforts and helping the country prepare for EU membership despite the armed conflict.

4. Strategic orientation

The Ukraine Country Programme 2025–28 kicks off a 12-year support process to which the Federal Council has decided to allocate CHF 5 billion (including CHF 1.5 billion for the period from 2025 to 2028). The aim is to support Ukraine as a democratic and independent state in its reconstruction, reforms and sustainable development. The programme responds to the consequences of the war, promotes the reform process, and creates the conditions for the return of those who fled the country.

The programme builds on established projects and existing networks with Ukrainian authorities, businesses, cities and civil society, with previous successes being supplemented by new approaches. It focuses on three areas:

- a) economic recovery,
- b) public services, and
- c) protection of the civilian population and peace.

4.1. Economic recovery

4.1.1. Needs and opportunities

The Russian war of aggression has destroyed Ukraine's infrastructure, capital and potential on a massive scale, driven people from their homes, and placed a heavy burden on the economy. Regional differences in security risks and damage call for graduated measures for repairing critical infrastructure, economic stabilisation, reconstruction and modernisation, and the foundations for economic recovery. These processes must continue to take place despite the ongoing war to allow the population to return to normal life.

4.1.2. Switzerland's priorities

Switzerland provides extensive support to Ukraine in economic stabilisation and reconstruction, aligned with the needs of partners on the ground. It prioritises private sector development, in particular that of SMEs and agriculture, and the transparent reconstruction of urban infrastructure.

The focal points are supporting SMEs, integrating them in global markets, setting up industrial parks, market-oriented training – for example in construction – and the integration of women, veterans and returnees in the labour market. In regions that are severely affected by the war, Switzerland supports economic activities to safeguard livelihoods and the reintegration of internally displaced people.

Switzerland is playing a leading role in the maintenance of critical infrastructure and is strengthening the general framework for an investment-friendly economy. This includes supporting the financial sector, ensuring access to finance for SMEs, and promoting a competitive business environment. Measures in the area of monetary policy and debt management contribute to stable macroeconomic conditions. Through greater competitiveness and improved export quality, Switzerland facilitates access to the EU single market. A stable economy attracts investment, which also involves the Swiss private sector. Participation in the EBRD capital increase for Ukraine underscores these objectives.⁵

4.1.3. Expected outcomes

Supporting the reconstruction will bolster local skills, legal frameworks and systems in Ukraine and promote partnerships between Swiss and Ukrainian stakeholders, for example in urban infrastructure. The process will support EU integration, reforms, and modernisation of the Soviet-style infrastructure.

Switzerland will contribute to the development of a resilient economy based on a strong private sector and greater cooperation with Swiss actors. An improved business environment and greater competitiveness will create jobs, foster balanced growth, reduce the trade deficit, and help combat poverty, particularly in war-torn regions.

⁵ According to the Federal Council decision of 13 September 2024 (EXE 2024.1610), the funds for the EBRD capital increase will be reserved via the funds earmarked for Ukraine within the framework of international cooperation. 3/4 of this funding will come from the EAER's budgetary credit A231.0202 'economic development cooperation' (CHF 60 million) and 1/4 from the funds earmarked for Ukraine in the FDFA's budgetary credit A231.0457 'support for Ukraine and region' (CHF 20 million).

4.2. Public services

4.2.1. Needs and opportunities

The provision of basic services – health, education, social services, energy, transport, water and sanitation – remains a challenge for Ukraine while the war continues. These services currently rely heavily on international aid. At the same time, reforms and targeted support in these areas are essential, supplemented by budgetary aid and technical expertise.

The war has driven innovation and digitalisation as survival strategies. Nevertheless, further progress is urgently needed in democratic governance, rule of law, combating corruption, transparency and citizen engagement. The reconstruction calls for robust capacities at all political levels, particularly in the involvement of local authorities and citizens. The requirements of EU accession are a driver of these reforms.

4.2.2. Switzerland's priorities

Functioning basic services are crucial in order to provide Ukraine's population with prospects and to give returnees the possibility of a future in the country. Switzerland continues to support education, health, transport and water supply, incorporated in sustainable urban and spatial planning, through indirect budgetary aid and technical expertise. The focus is on basic infrastructure, such as water, energy and transportation, supplemented by emergency relief in particularly war-torn regions. In the long term, reforms are essential to ensure high-quality public services based on the rule of law. Switzerland promotes innovation, digitalisation and decentralisation to empower local administrations in reconstruction efforts. It capitalises on good governance, with a focus on democratic participation, transparency and accountability.

4.2.3. Expected outcomes

Switzerland will support Ukraine in securing the provision of basic services, thereby creating prospects for the population and for returning refugees. Local and regional authorities will be empowered to shape the reconstruction in an inclusive, transparent and sustainable way. Services such as urban planning, transportation, energy, water, health, education and social services will be efficient, rule-of-law compliant, and accessible to all. Digitalisation will reduce corruption and facilitate access to government services. Through its support, Switzerland will back Ukraine's European reform path.

4.3. Protection of the civilian population and peace

4.3.1. Needs and opportunities

The war in Ukraine is adversely affecting society at many levels. At the end of 2024, 40% of the population were in need of humanitarian aid. The priorities are ensuring access to social services, healthcare and education, and protecting civilians and particularly vulnerable groups. There is also significant need in the Russian-occupied regions but access is restricted. Landmines and explosive ordnance hinder the reconstruction and put lives at risk. The conflict is exacerbating inequality and compromising social cohesion. Switzerland combines targeted political efforts with international cooperation and humanitarian diplomacy to address these challenges.

4.3.2. Switzerland's priorities

In its peacebuilding and humanitarian interventions, Switzerland concentrates on emergency relief and protecting people affected by the war. Frontline regions, which are difficult to access for many international actors due to the security situation, are the priority. In order to reach vulnerable population groups there, Switzerland supports the localisation of humanitarian aid and seeks synergies with actors such as the ICRC and UN. Including victims of war and women in decision-making processes is a focus area. Another priority is humanitarian mine action,⁶ including risk education, victim support and disposal of explosive ordnance to ensure safety, to allow people to return and to make previously affected areas usable again. Searching for and identifying missing persons remains crucial, to reassure family members and to reinforce social cohesion.

Switzerland also supports respect for international humanitarian law and human rights, and penalties for violations, in order to highlight injustice and to lay the foundation for judicial processing and the process of coming to terms with the past. The aim is to help Ukraine deal with the long-term societal consequences of the war. These measures supplement Switzerland's political efforts in favour of just and lasting peace, for example through its good offices and dialogue. Switzerland also supports the development of Ukraine's peace negotiation capacity.

⁶ On 29 September 2023, the Federal Council approved a package worth CHF 100 million for humanitarian mine action in the period from 2024 to 2027. Implementation of the projects is managed by a coordinating body, made up of representatives from the SDC, SECO and the DDPS (SEPOS and International Relations Defence).

4.3.3. Expected outcomes

Switzerland will help save lives and alleviate human suffering, meet basic needs, and provide optimal support to those affected. Victims will get justice and crimes will be punished. People's resilience will be strengthened and social cohesion within and between communities will be improved. Switzerland can also play a part in preparing for future negotiations on the cessation of hostilities in view of achieving a comprehensive, just and lasting peace in Ukraine based on the UN Charter.

4.4. Federal Council's parameters

In preparation for the drafting of this programme, the Federal Council set out the following parameters on 10 April 2024:

Balanced bilateral and multilateral approach: Use appropriate bilateral and multilateral vehicles for implementation, taking into account Switzerland's visibility;

Private sector engagement for economic recovery: Swiss and Ukrainian businesses should be involved in the work;

Use of different instruments: non-repayable contributions, loans, participations and guarantees will be used to implement the programme;

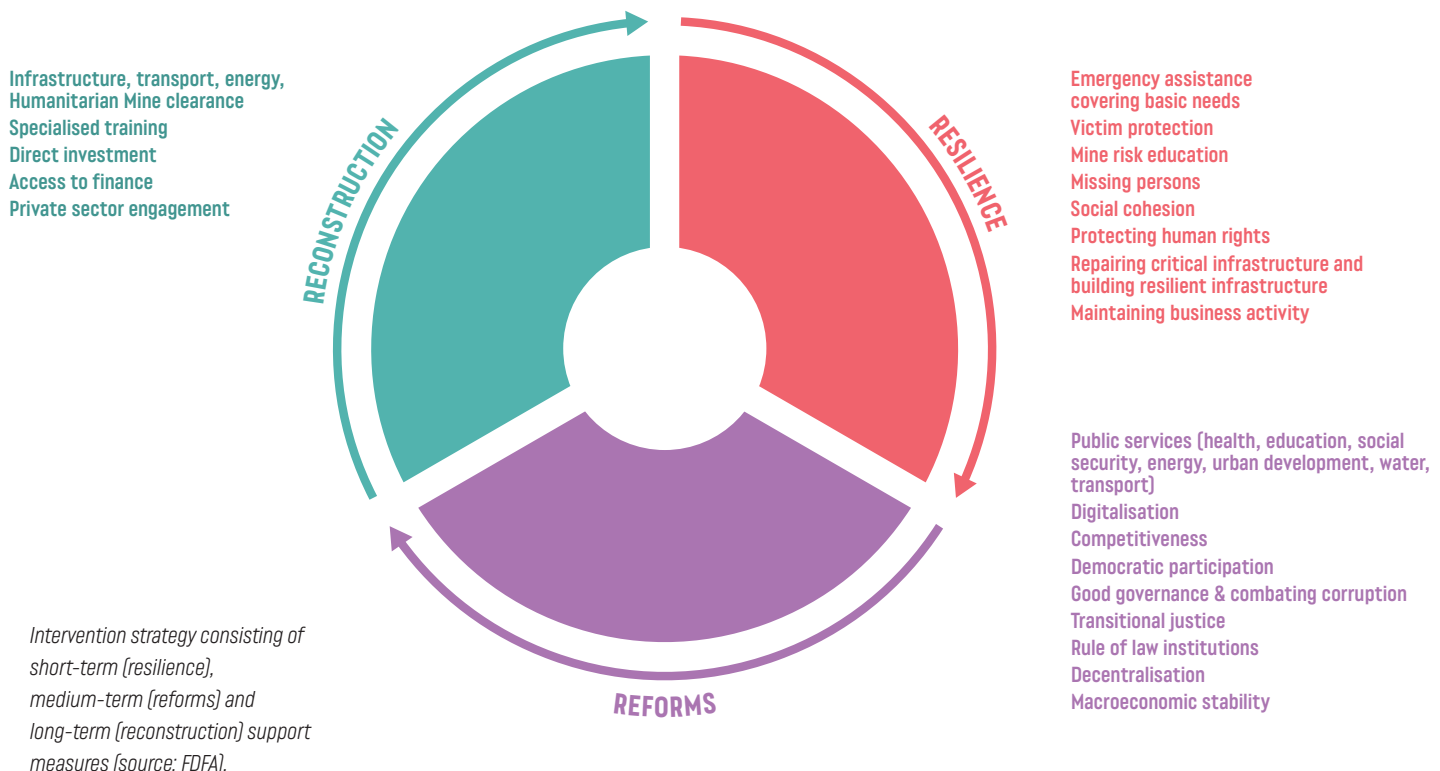
Clarity and accessibility: The benefits of all activities must be transparent and easy to understand both domestically and internationally. They should reflect Switzerland's expertise and be internationally recognisable;

Exit strategy: Depending on how the war evolves, Switzerland must be able to withdraw in an orderly fashion. The situation will be regularly reviewed.

4.5. Intervention strategy

The graphic below shows the intervention strategy for the country programme. Considering the heterogeneous context in Ukraine, the programme will consist of short-, medium- and long-term support, ranging from life-saving measures to private-sector investment measures. Instruments of development cooperation, humanitarian aid, peacebuilding and private sector engagement will be deployed along the three components 'resilience, reform, reconstruction'.

Two examples: Mine action comprises risk education (prevention of accidents, resilience), changes to the legal framework (reforms), the clearance of agricultural land and the recultivation of farmland (reconstruction). The restoration of infrastructure involves repairing destroyed power grids (resilience), tariff-based measures for energy consumption (reform), and the modernisation or maintenance of existing power grids (reconstruction).



5. Cooperation with Swiss actors

In order to leverage its expertise in a targeted way, Switzerland relies on partnerships, particularly with private sector actors, the scientific community, NGOs and public administrations.

5.1. Private sector

The Federal Council sees a crucial role for the Swiss private sector in the reconstruction of Ukraine. Through six targeted measures, their expertise, innovation and quality standards will be leveraged to promote a resilient and sustainable economy – in addition to the existing activities of international cooperation.

5.1.1. Financing of preliminary project studies

For selected infrastructure sectors, preliminary project studies will be financed with the goal of incorporating Swiss expertise (e.g. engineering or planning companies) into Ukrainian infrastructure projects through feasibility studies. As part of the measure, selected projects will also be implemented and co-financed through the facility. Business networks between Switzerland and Ukraine will also be bolstered.

5.1.2. Financial aid in specific sectors

This measure comprises financial assistance for Ukraine to purchase products and services offered by Swiss companies. The goal is for these companies to invest in Ukraine in the medium term and to gain a foothold in the local market. The priority will be sectors in which Swiss international cooperation is already active in Ukraine, those that meet Ukraine's needs and those in which Switzerland is competitive. The focus is currently on the sectors of energy, transport/mobility, machinery, construction, water, and healthcare.

5.1.3. Extension of the GIP mandate

This measure is intended to enable Ukraine to use more Swiss goods and services. At the same time, it should grant the export industry better access to reconstruction projects run by Switzerland, other countries, and multilateral financing institutions. The measure is based on an extension of the project which has sought to improve access to large-scale infrastructure projects (GIP) for Swiss industry since 2021. As part of this measure, Ukraine will be added to the list of this project's priority countries. Suitable GIP activities will be adapted to the specific Ukrainian context. Under certain conditions, Swiss private sector actors could also participate in EU tendering processes as part of the Ukraine Facility.

5.1.4. Communication, stakeholder management

This measure aims to strengthen collaboration between Swiss and Ukrainian stakeholders. Existing bilateral bodies between Switzerland and Ukraine (e.g. JEC, joint chamber of commerce, organisations) should also be utilised to deepen economic ties between the two countries. Supporting measures, such as economic forums, participation in trade fairs, and fact-finding missions are also planned. Relevant information is to be pooled on a public information portal and made accessible to stakeholders.

5.1.5. Increase the risk-bearing capacity of SERV

Through this measure, Swiss Export Risk Insurance (SERV) will expand its coverage of export transactions to Ukraine. This will promote private commercial projects in Ukraine and effectively support reconstruction in the country. Officially this is a purely Swiss measure. It will only be employed when the existing legal framework allows it.

5.1.6. De-risking investments in Ukraine

The federal government – in collaboration with international partners – will assume some of the risks, therefore enabling the private sector to invest in Ukraine (e.g. war risk insurance). This is essential, as financial institutions and insurance providers are either unable to cover the heightened risks or can do so only at very high costs. The de-risking should in principle be carried out via two main instruments: (i) participation in risk mitigation mechanisms with international financial institutions, and (ii) participation in EU risk mitigation mechanisms.

5.1.7. Summary

Implementation of these measures will be closely coordinated with Ukraine. Switzerland will adapt the measures to the needs on the ground and international developments on an ongoing basis, to ensure they are effective. Furthermore, individual measures will not necessarily be implemented simultaneously, as they depend on how the situation evolves and are subject to various conditions (e.g. planning time, demand from businesses).

In an initial phase starting in 2025, a series of individual projects will be implemented that are based on the existing legal framework for international cooperation. As part of this, Switzerland will finance products that are needed by Ukraine for the reconstruction and that are manufactured or supplied in Ukraine and the region by Swiss companies that already have a presence there (e.g. shatter-proof glass panes and materials for the construction of shelters in schools and hospitals). In this way Switzerland will also provide local employment opportunities.

In addition to the individual projects, the Ukraine country programme envisages working with targeted Swiss businesses in the long term, including those that do not yet operate in Ukraine. In this way, a broader package can be put together in a subsequent phase, provided there is interest on Ukraine's part in further developing this measure. This package may involve the delivery of goods and services that are financed by Switzerland and supplied by Swiss businesses. This will require a new legal framework (see section 9).

5.2. Other key actors

Switzerland has successfully developed various partnerships in Ukraine, which make targeted use of its expertise and bolster Switzerland's profile. This cooperation is to be continued and scaled up as part of the new country programme.

Close partnerships with Swiss higher education institutions already exist, particularly in the areas of health (e.g. University Hospital of Psychiatry Zurich, University of Zurich, Geneva University Hospitals, University of Basel, Institute of Nursing Science, Swiss Tropical and Public Health Institute); governance (e.g. University of Basel, University of Teacher Education Zurich); SMEs and competitiveness (e.g. Bern University of Applied Sciences, Geneva Graduate University, Research Institute of Organic Agriculture).

City partnerships are also gaining in importance. Vinnytsia has expressed interest in a partnership with a Swiss city, as have Odessa, Sumy and Kharkiv.

Finally, Swiss NGOs are key actors, for example in the implementation of projects in the areas of vocational skills development, humanitarian mine action, digitalisation, governance, and strengthening civil society.

6. Instruments

6.1. Partnerships

According to the Federal Council's parameters for the country programme (section 4.4), bilateral and multilateral measures should be used in a balanced way, while taking into account Switzerland's visibility.

6.1.1. At bilateral level

Bilateral partnerships enhance Switzerland's profile and the support it provides to the country and people, and increase its visibility. Implementing bilateral activities is human resource heavy, however. In implementation Switzerland relies on local partners (e.g. NGOs and regional authorities), which have stronger local roots and can therefore contribute to sustainable outcomes (see also 5.2).

6.1.2. At multilateral level

Multilateral partners are essential to the reconstruction as they have substantial financial resources and absorption capacity, which go beyond what individual donors can provide. They offer an advantage for major infrastructure and reform projects, are able to rapidly mobilise funds in crisis situations, and provide additional added value through their broad political support and thematic expertise.

Partnerships with institutions such as the World Bank, the IMF, the UN, the EU Ukraine Facility, the EBRD, the Council of Europe and the OECD allow Switzerland to have an influence on projects that go beyond bilateral budgets. Thanks to its network, credibility and expertise, and its presence on the ground, Switzerland can bolster the impact of multilateral projects in a targeted way.

6.2. Political dialogue

6.2.1. At bilateral level

Switzerland utilises its neutrality, credibility and experience in mediation and dialogue facilitation to promote comprehensive, just and lasting peace. As host of the Summit on Peace in Ukraine at the Bürgenstock resort, it played an active part in developing approaches to end the war, thereby reinforcing European security. As the depositary state of the Geneva Conventions, Switzerland is committed to upholding international humanitarian law and humanitarian access to those in need, including in occupied territories. The Swiss embassy in Kyiv plays a key role in the political dialogue, particularly in the

areas of healthcare, economic affairs and the digital transformation. It coordinates on the ground with the international community, promotes dialogue with civil society and serves as a direct contact point for discussions and the exchange of information. In addition, Switzerland strengthens bilateral relations through interparliamentary cooperation and through dialogue in international parliamentary forums.

6.2.2. At multilateral level

Multilateral bodies and regional organisations, such as the UN, the OSCE, the EU, the ICRC, the Human Rights Council in Geneva, the Council of Europe in Strasbourg, and NATO/PfP in Brussels, provide platforms for cooperation with Ukraine. Switzerland provides political, personnel, material and financial support to these agencies, for example by seconding Swiss specialists to organisations such as the UN, OSCE, IOM and IAEA. Switzerland also promotes mechanisms to monitor human rights and accountability, such as special rapporteurs, commissions of inquiry, the OSCE's Moscow Mechanism, and the Council of Europe's Register of Damage for Ukraine. It advocates its positions consistently in international bodies, in order to strengthen the rights of war victims and bolster protection of human rights.

6.3. Financial implementation

To implement the Ukraine country programme, Switzerland relies on various instruments:

- Financial aid through recognised international financial institutions with corresponding monitoring mechanisms to support the Ukrainian government, for example through contributions to the state budget.
- Technical support promotes projects, reforms and knowledge transfer in a targeted way.
- Guarantees, loans and participations facilitate investment by reducing risks and taking account of the likelihood of repayment.
- Monetary assistance in the form of medium- and long-term loans is also possible.

These approaches are in line with the Federal Council's parameters and best practice.

7. Coordination of donors

7.1. Donor landscape

In order for the support to be efficient and effective, coordination is essential. As is mostly the case, the coordination of donors in Ukraine is also organised at three levels: at the highest political level (minister/ambassador), at the strategic level (heads of cooperation offices) and at the specialist level. At the time of drafting this country programme, this structure is only partially effective, there is a lack of coherence and coordination at several levels, and it is unclear whether the three-level coordination structure between the government and donors will remain as it is or whether it will look different in future.

Switzerland has been an active and prominent member of donor coordination groups for over 20 years. Together with the US, the EU, the UK, Germany, Canada and Sweden, it forms an informal core group of donors based in Kyiv. Switzerland also co-chairs two working groups (on decentralisation and the digital transformation) in Kyiv.

7.2. Ukraine Donor Platform

In order to better meet Ukraine's financing needs, the intergovernmental Ukraine Donor Platform (UDP) was established in early 2023 following a decision by G7 heads of state and government. It brings together senior officials from Ukraine, the EU and G7 countries, as well as partners from international financial institutions, in particular the European Investment Bank, the European Bank for Reconstruction and Development, the International Monetary Fund and the World Bank.

The UDP was established to ensure that support is delivered in a coherent, transparent and effective manner. It seeks to prevent duplication and to better coordinate needs and resources. Close cooperation with the Ukrainian authorities should also ensure that Ukraine's needs and priorities are aligned with the conditions of the main donors and the reform requirements of the EU accession process.

The UDP is led by a steering committee that is co-chaired by Ukraine, the US and the European Commission. The UDP and its steering committee are made up of representatives from Ukraine, the EU, the G7 countries and international financial institutions. Countries that have contributed at least 0.1% of GDP and at least USD 1 billion to Ukraine can become temporary members for a year. Countries that have contributed at least 0.05% of GDP or USD 300 million in support can obtain observer status. At the time of drafting this country programme, the temporary members are the Republic of Korea, the Netherlands, Norway and Sweden. Meanwhile, the following countries have observer status: Denmark, Estonia, Latvia, Lithuania, Poland, Spain, Belgium, Finland and Switzerland (since April 2024). Depending on the scope and type of future support (budgetary aid, reconstruction measures or other financial support that is OECD-DAC eligible but not military or humanitarian aid), Switzerland could soon become a temporary member of the UDP and therefore play a part in setting the agenda.

8. Switzerland's visibility

In line with the parameters set out by the Federal Council (section 4.4), the activities should be communicated both nationally and internationally in a readily understandable and transparent way.

8.1. In Ukraine

Various preparations are under way for Swiss communication activities in Ukraine. Firstly, the embassy in Kyiv has created the storytelling platform [MadeWithSwitzerland](#). The aim is to convey a holistic picture of Switzerland's support, depicting the various cooperation actors, ranging from humanitarian aid, reforms and private sector engagement, to Switzerland's diplomatic, political and cultural initiatives.

Local partners in particular are key multipliers of Swiss communication. The embassy will provide training for these partners to allow effective communication on these channels too. Specific major projects can be showcased, particularly if they illustrate a special link to Switzerland and relevant partnerships. Examples include Swiss trams in the cities of Vinnytsia and Lviv supplied by the transport operators in Zurich, Bern and Basel, and the Diiia Digital Summit held in Zurich in the summer of 2024, driven by Ukraine's deputy prime minister.

8.2. In Switzerland

Clear communication on concrete projects will help ensure transparency around strategic considerations and explain to taxpayers why certain support measures are being taken and when, and raise the profile of Switzerland's substantial support in Ukraine among the Swiss public.

Key projects that exemplify Switzerland's approach and expertise will be showcased to illustrate Switzerland's work in Ukraine in a simple and tangible way. Coherent communication will also be ensured between the various affected departments of the Federal Administration. Existing communication channels will be used for this purpose, with close collaboration between those working in Ukraine and policy-makers in Bern.

9. Legal basis

Most of the measures set out in this country programme to support Ukraine are based on the existing legal framework for international cooperation.⁷ However, measures related to Swiss private sector engagement, particularly cooperation with businesses that do not yet operate in Ukraine, cannot always be based on the Federal Act on International Development Cooperation and Humanitarian Aid. While this Act is worded very openly in terms of the forms of cooperation, the legislation is clearly geared towards regions that are in need (object of aid). Such projects would in principle have to be put out for international tender on the basis of the Federal Act on Public Procurement. In order to involve Swiss businesses in a targeted way, a new legal basis would be needed.

The necessary new (formal) legal basis may take the form of an international treaty subject to a referendum, or an ad-hoc Federal Act. It will set out a special solution for Ukraine that is limited in its geographical and temporal scope and will set out the procurement law provisions that allow it to exclude non-Swiss bidders without affecting Switzerland's international obligations.

⁷ Federal Act of 19 March 1976 on International Development Cooperation and Humanitarian Aid (SR 974.0).

10. Resources

10.1. Budget

As part of Switzerland's International Cooperation Strategy 2025–28, a 'Ukraine and region' commitment appropriation was established, which is available for implementation of this country programme. The allocation of funds is planned as follows:

FDFA: 57.3%		EAER: 42.7%	
Swiss Agency for Development and Cooperation (SDC)	State Secretariat, Peace and Human Rights Division (PHRD)	Measures targeted at the Swiss private sector	Economic development cooperation
CHF 836 million	CHF 24 million	CHF 500 million	CHF 140 million

Broken down over the next four years, the planning is as follows:

Dept.	Office		2025	2026	2027	2028	Total 2025–28
FDFA	SDC	Credit for Ukraine and region	125.7	139.9	176.2	226.2	668
FDFA	SDC	Contributions from other credits	42.7	41.65	41.3	42.35	168
FDFA	PHRD	Civilian conflict management and human rights	4.6	5.6	6.5	7.5	24
EAER	SECO	Private sector engagement	93	124.4	140.7	141.9	500
EAER	SECO	Economic development cooperation	35	35	35	35	140
Total (in CHF million)			300.95	346.5	399.65	452.9	1,500

This breakdown is indicative. The uncertainty around how the war will evolve necessitates a certain degree of flexibility. Federal Decree Ia on the 2025 budget with the ITPF from 2026 to 2028 therefore provides for the option of a transfer of credit between the departments of CHF 30 million.

10.2. Project organisation costs

The Federal Council delegate for Ukraine, their staff and their material expenses for the period from 2025 to 2028 will be financed from the support programme budget. Three new positions (FTEs) are planned: the delegate for Ukraine, an administrative officer and an assistant.

Furthermore, the responsible staff members from the SDC, SECO and the PHRD at head office and in the field will be consulted for the work related to the country programme.

11. Governance and steering structure

11.1. Project structure

In view of the unique dimension of this country programme and in order to ensure coordinated implementation, a special project organisation was set up. The details are set out in the Ordinance of 28 August 2024 on the Project Organisation for the Ukraine Country Programme.⁸

The highest strategic management body is the Steering Group. It is made up of the heads of the Federal Department of Foreign Affairs (FDFA) and of the Federal Department of Economic Affairs, Education and Research (EAER).

The delegate for Ukraine will lead the project organisation.

The Steering Group will be advised by the following people:

- State secretary of SECO
- Secretary generals of the FDFA and EAER
- Director general of the SDC
- Head of the PHRD
- Federal Council delegate for Ukraine.

In the development and implementation of the Ukraine country programme, the Steering Group and the delegate for Ukraine will also be advised by a consultative body consisting of Federal Administration staff members and external specialists. The Steering Group will determine the composition of the consultative body.

The responsible offices at SECO, the SDC and the PHRD will provide the project organisation with the personnel resources needed to implement the country programme, and the staff members concerned will report to the delegate for Ukraine for all matters relating to the Ukraine country programme.

11.2. Monitoring

Corruption in Ukraine is an institutional risk to implementation of the country programme. Switzerland will use its regular instruments to correctly assess and minimise risks, and to take appropriate action in the event of violations. These instruments include a risk analysis for each project, partner risk analysis, the internal control system, monitoring and audit instruments, and internal training for staff and project partners.

Considering the volatile context, the exceptional financial scope, and the in some cases unique instruments in this country programme, an enhanced quality assurance process is planned, which will allow timely and context-oriented management of the programme. This will involve monitoring of project implementation by project partners and by the Swiss representation in Ukraine on the one hand, and by an external service provider (third-party monitoring) on the other. The various perspectives and the insights gained should provide a comprehensive picture of the effective implementation of the project and allow appropriate steering and management.

⁸ Ordinance of 28 August 2024 on the Project Organisation for the Ukraine Country Programme (SR 172.211.41).

12. Exit strategy

In view of the volatile, fragile and unpredictable situation in Ukraine, flexible management of the country programme is crucial. Switzerland will have to monitor and analyse the situation on an ongoing basis, regularly review the country programme, and adapt it to reflect developments, both in terms of the use of instruments and the geographical focus.

The more the war of aggression slows and the faster progress is made on integration in European and Euro-Atlantic structures, the more promising measures involving the private sector and investment promotion will become, the more reforms can be supported in a more targeted way and the less humanitarian aid will be needed. Further intensification of the Russian war of aggression, on the other hand, would further weaken the government and economy and further worsen the situation for the civilian population. In this case, Switzerland would shift its focus to humanitarian aid and other measures would become secondary. There is a broad spectrum of potential scenarios in between in which Switzerland can play a part in a targeted and context-appropriate way through its broad range of instruments and adapt where needed.

It is also important to bear in mind that there are major geographical differences in terms of the context and needs within Ukraine. Here, too, it is important to ensure that instruments are deployed appropriately and not to lose sight of national cohesion.

Annex

[Outcome Document of the
Ukraine Recovery Conference URC2022](#)
'Lugano Declaration'



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