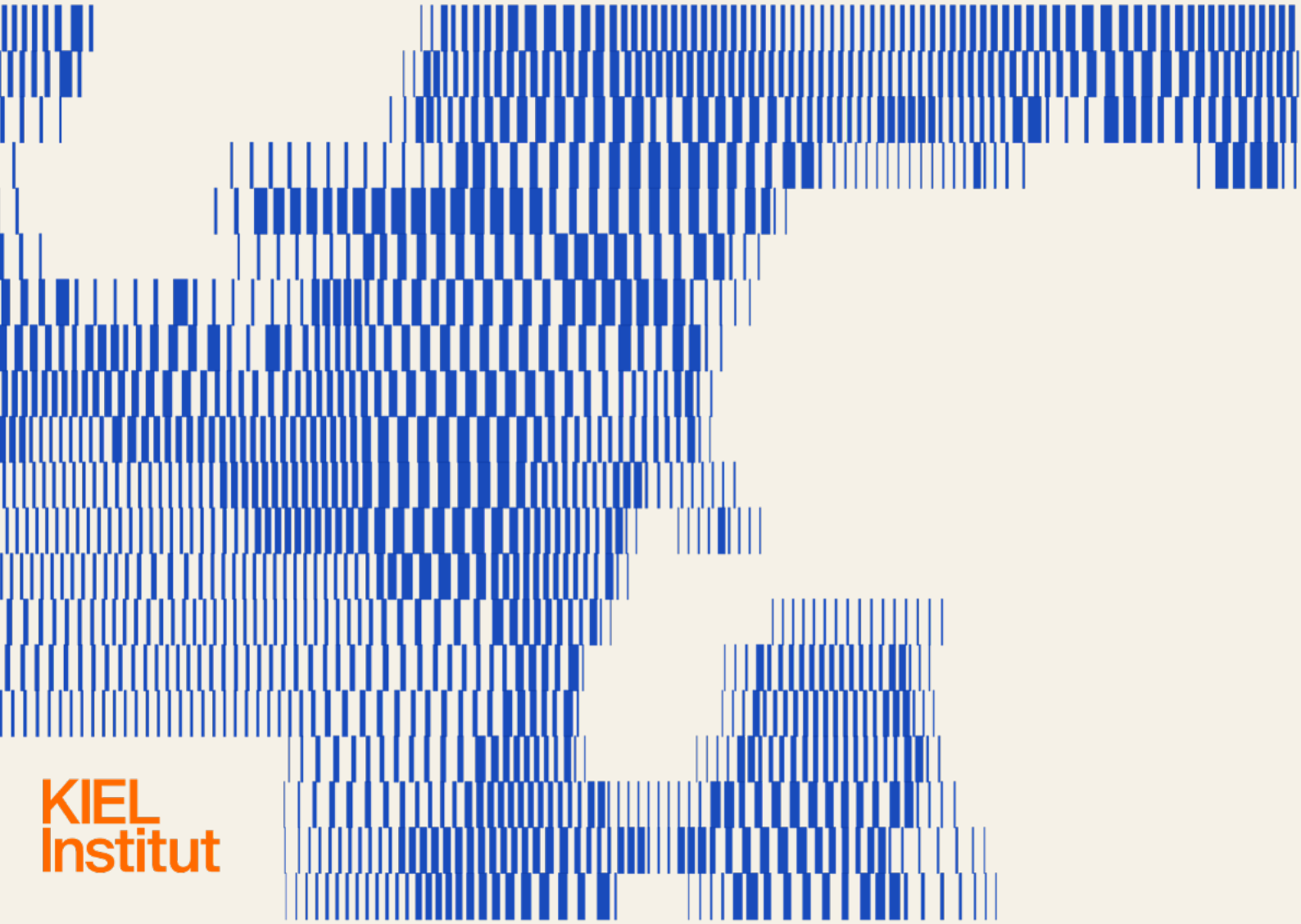
Kiel Policy Brief

November 2026

Ukraine's Aid Squeeze: The European Union as the Last Big Donor

Nathanael Frey, Paolo Lini,
Federico Mellace, Taro Nishikawa,
Christoph Trebesch

No. 222, ISSN 2944-0785
Kiel Institute for the World Economy



KIEL Institut

Overview

This report documents the increasingly crucial role of EU-level aid for Ukraine and draws lessons for the current debate on a new EU loan. We show that EU institutions now account for more than 60% of Ukraine's budget support, roughly twice their share in 2022. Other donors continue to reduce their aid. As a result, total budget support has declined markedly in 2026 and could fall further in 2027. Even with a new EU loan, Ukraine risks a major funding gap in 2027 due to increasingly strict reform conditions and growing payment delays. Our main findings are:

- **Aid to Ukraine is falling notably.** Budget support is on course to decline by roughly 25% in 2026. Military aid allocations also fell by 18% in the first ten months of 2026 compared with the same period in 2025. Budget support currently committed for 2027 is even lower, far below 2025–26 levels.
- **The EU is the last big budget supporter.** The EU's share of Ukraine's foreign budget aid has doubled since 2022, reaching more than 60% in 2026 (or 80% excluding the one-off G7 ERA loans). The US has stopped providing new support, many donor countries have scaled back, and the IMF and World Bank now contribute little in net terms.
- **EU funding is becoming harder to access.** Ukraine faces increasingly strict conditions on the budget support it receives from EU institutions. The number of reform conditions fulfilled rose from 4 in 2022 to 62 in 2026. A growing share of the conditions also involves deep structural reforms, and payments now require full rather than partial fulfilment of the relevant conditions.
- **Payment delays are growing.** The stricter reform conditions contribute to growing payment delays. As of October 2026, the disbursements on the Ukraine Facility were around EUR 9 billion below the planned schedule. By the end of 2026, we still project a total payment shortfall of EUR 4 billion.
- **Ukraine performs well on reforms in international comparison.** Ukraine increasingly struggles to meet reform deadlines. Yet it still performs better than most other EU accession candidates receiving similar aid, even though these countries are at peace.
- **Lessons for the new EUR 45 billion EU loan.** Without the additional loan, Ukraine faces a severe funding crunch in 2027. But the experience of 2026 shows that the loan's design will also be crucial. Strict reform conditions and long disbursement procedures can cause substantial payment delays. Our data suggest that these delays are likely to persist or worsen. If this happens, Ukraine could still face a serious funding gap in 2027, even if the EU agrees on the new loan.

Keywords: Ukraine, European Union, budget support, conditionality, macro-financial assistance, Ukraine Facility, Ukraine Support Loan, Ukraine Support Tracker

Overview 2

1. Introduction 5

2. The EU is the last major budget supporter 6

2.1. Total support for Ukraine has fallen in 2026 6

2.2. Trends by donor group: the United States has stopped, the others have scaled back 7

2.3. The G7's ERA loans 2025–26: a one-off 9

2.4. The EU has become the dominant source of budget support 10

3. How EU budget support works 11

3.1. The EU supports Ukraine by raising loans on financial markets 12

3.2. How EU support reaches Ukraine: MFA and the Ukraine Facility 13

4. Tougher conditions, growing delays: EU reform requirements and payments since 2022 16

4.1. More and deeper conditions 16

4.2. Paid only after full fulfilment 17

4.3. Payment delays are growing 18

4.4. International comparison: Ukraine completes more reform steps on schedule than most comparable countries 20

5. Conclusion: implications for a new EU loan package 22

Appendix 23

A. Support by source: data and method 23

B. Measuring the depth of conditions 28

C. Ukraine Facility: payment by instalment 34

Authors



Nathanael Frey
Kiel Institute for the World Economy
Research Associate
nathanael.frey@kielinstitut.de



Paolo Lini
Kiel Institute for the World Economy
Research Associate
paolo.lini@kielinstitut.de



Federico Mellace
Kiel Institute for the World Economy
Kiel Institute Researcher
federico.mellace@kielinstitut.de



Taro Nishikawa
Kiel Institute for the World Economy
Kiel Institute Researcher
taro.nishikawa@kielinstitut.de



Prof. Dr. Christoph Trebesch
Kiel Institute for the World Economy
Research Director
christoph.trebesch@kielinstitut.de

The responsibility for the contents of this publication rests with the authors, not the Institute. Any comments should be sent directly to the corresponding author.

1. Introduction

On 26–27 November 2026, EU leaders will gather for a special European Council meeting focused on support for Ukraine.[1] According to the European Commission, Ukraine faces a financing gap of about EUR 70 billion in 2027, roughly EUR 30 billion for the state budget and EUR 40 billion for defence.[2] Press reports suggest that the EU aims to cover around two-thirds of this gap, about EUR 45 billion, with a new loan.[3] The gap already takes into account the support planned so far, including the EUR 45 billion the EU has earmarked for 2027 under the EUR 90 billion Ukraine Support Loan (USL).[4] An informal meeting of EU leaders in Dublin on 13 November 2026 discussed the gap but took no decision.

The reported financing gap for 2027 consists of two parts: about EUR 30 billion for Ukraine's state budget and EUR 40 billion for defence. Budget support helps Ukraine pay pensions, public wages and social benefits, but also to repair and rebuild infrastructure damaged by Russian attacks. Military support finances weapons purchases, including air defence systems needed to protect Ukrainian cities and infrastructure against Russia's air war.

This brief uses the latest data from the Kiel Institute Ukraine Support Tracker and focuses on the budgetary side, i.e. financial aid. We document two key aspects of EU support for Ukraine.

- **First, we show that the EU has become the last major lender.** The United States has stopped providing new budget support and other countries have scaled back notably, while the IMF and World Bank also contribute much less in net terms. In addition, the G7's one-off ERA loans are almost fully disbursed. As a result, the EU now provides most of Ukraine's foreign budget support, but it has, thus far, not filled the gap left by the retreat of other donors (Chapter 2).
- **Second, we show that EU funding has become increasingly difficult to access.** We systematically collect and analyse the reform conditions attached to EU budget support and document a sharp increase in both their number and depth. Since 2025, the EU has required conditions to be fully met before payments are released. And more and more conditions require deep reforms. These stricter requirements have been accompanied by growing payment delays. Yet Ukraine's reform performance remains comparatively strong: it completes reform steps on schedule more often than most other EU accession candidates, e.g. in the Western Balkans (Chapter 4).

---

[1] European Council, notice of meeting CM 8/26, 4 November 2026 (provisional agenda of the special meeting of 26–27 November: "Next Multiannual Financial Framework" and "Ukraine – financing for 2027").
[2] The split follows Ukraine's finance minister, who put the gap at about EUR 69 billion, of which EUR 29 billion for the functioning of the state and EUR 40 billion for military spending (Le Monde, 30 Sept. 2026, as reported by Forbes Ukraine, 1 Oct. 2026, https://forbes.ua/news/nova-finansova-potreba-ukrayini-vazko-proxodit-u-briusseli-kijevu-potribno-eur69-mlrd-na-2027-rik-le-monde-01102026-42543).
[3] Commissioner Valdis Dombrovskis, 9 November 2026, as reported by European Pravda, "European Commission explores additional EUR 45bn loan for Ukraine in 2027", 9 November 2026, https://www.eurointegration.com.ua/eng/news/2026/11/9/7249606/.
[4] Commission spokesperson Balázs Ujvári, as reported by Interfax-Ukraine, "European Commission examines EUR 70 bln financing gap for Ukraine in 2027, looks to partners' support", 19 October 2026, https://en.interfax.com.ua/news/general/1222765.html.

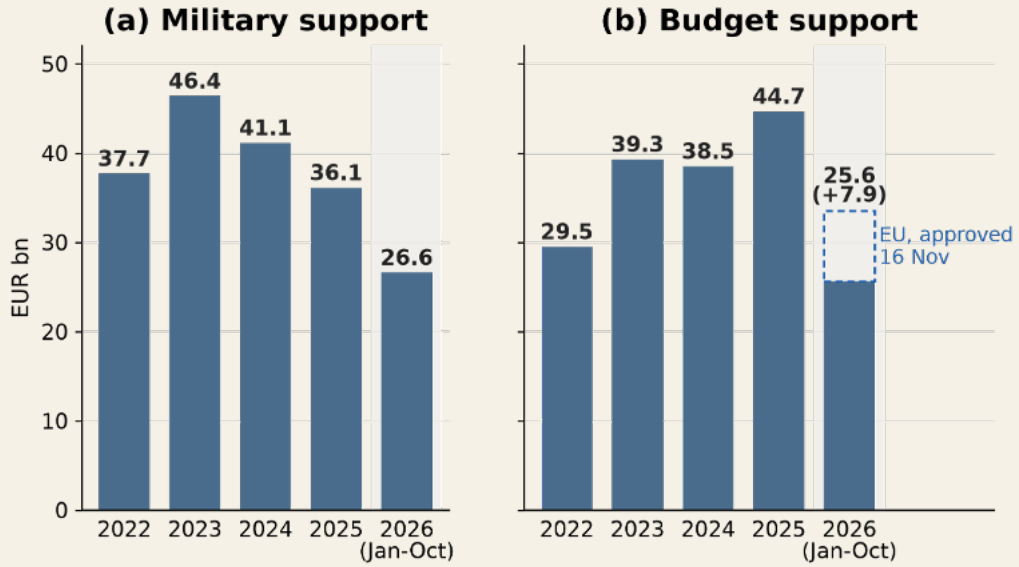
2. The EU is the last major budget supporter

To finance its civilian spending needs, Ukraine almost entirely depends on foreign budget support. This is because the enormous costs of fighting against a much larger enemy nation far exceed the fiscal capacity of Ukraine. All tax revenue and domestic borrowing are earmarked for defence, including soldiers' pay.[5]

Foreign donors thus finance much of the rest, such as public wages, infrastructure repairs, hospitals and social spending. This chapter shows that foreign budgetary aid is declining, and that the EU institutions have become the dominant financial supporter.

2.1. Total support for Ukraine has fallen in 2026

Figure 1: Military and budget support to Ukraine, 2022–2026 (EUR billion)



Note: Panel (a) shows military support as allocations by year, for 2026 from January to October. Panel (b) shows budget support, that is, grants and loans paid into Ukraine's state budget (general fund) by year of disbursement, for 2026 up to 28 October. IMF disbursements are shown gross, before repayments (Appendix A.5). The dashed boxes show the EU payments after 28 October, EUR 3.7 billion paid on 5 November and EUR 7.9 billion approved by the Council on 16 November. The United Kingdom's ERA loan is earmarked for defence and not included in budget support. Data from Release 32 of the Ukraine Support Tracker are preliminary and may still be revised, especially for recent months. The method is described in Appendix A. Sources: Ministry of Finance of Ukraine; Ukraine Support Tracker (Release 32, preliminary); IMF; European Commission.

Figure 1 shows the military and budget support Ukraine received in each year since 2022.

[5] Under Ukraine's 2026 budget, all revenues and borrowing raised domestically are earmarked for defence, including military pay, weapons procurement and logistics. Defence spending accounts for almost 60% of total budget expenditure. Ministry of Finance of Ukraine, "Budget 2026: 100% of domestic revenues directed to national defence", 4 December 2025, https://www.kmu.gov.ua/en/news/biudzhet-2026-100-dokhodiv-na-oboronu-krainy.

Military allocations peaked in 2023 and fell to EUR 36.1 billion in 2025. This decline in military aid appears to continue. From January to October 2026, foreign donors allocated a total of EUR 26.6 billion, which is 18% less than in the same time period in 2025 (EUR 32.3 billion).

Budget support has also declined in 2026. Budget aid peaked last year, rising from EUR 29.5 billion in 2022 to EUR 44.7 billion in 2025. This peak, however, was the result of the one-off G7 ERA loans, which are backed by the proceeds of Russia's frozen assets – a structure that cannot be repeated (Section 2.3). By October 2026, budget support had reached EUR 21.9 billion, considerably less than in October 2025. While major disbursements are pending in November, the 2026 total is likely to reach EUR 33.5 billion, which is about 25% less than in 2025 (EUR 44.7 billion). To reach this total, we considered both the EUR 3.7 billion paid on 5 November and the EUR 7.9 billion Ukraine Facility instalment approved on 16 November.

Taken together, both military and financial aid to Ukraine are likely to fall by around a fifth in 2026, despite growing spending needs and Russia's increasingly destructive air war against civilian targets.

2.2. Trends by donor group: the United States has stopped, the others have scaled back

Figures 2 and 3 break down military aid and budget support by donor group respectively, showing that, except for the EU institutions, every donor group has scaled back its support in recent years. This section summarises these trends, quantifying their impact on support to Ukraine.

The United States was the largest donor in 2022 and 2023 and was still a significant supporter in 2024. Since 2025, however, it has scaled back its support almost entirely. Its military support fell to EUR 0.5 billion in 2025 and to zero so far in 2026. The only US support observable was the US share of the G7 ERA loans, which were still approved under the Biden administration in October 2024 and resulted in payouts of EUR 10.7 billion in 2025 and EUR 6.4 billion in 2026. See Figure 3 as well as Section 2.3 and Appendix A.8.

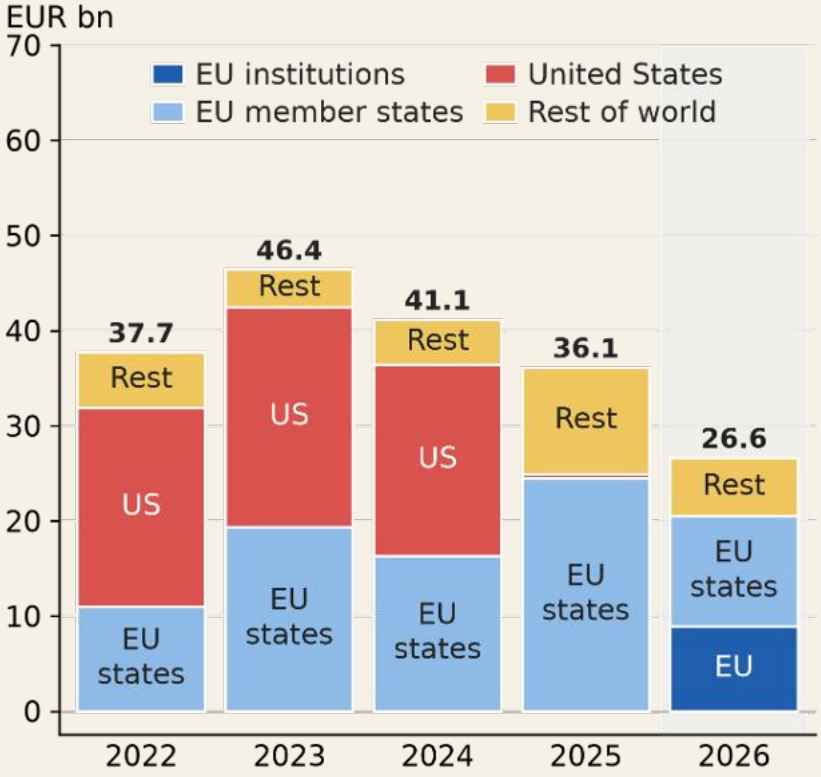
The IMF and the World Bank have also scaled back. IMF disbursements fell from EUR 4.9 billion in 2024 to EUR 0.8 billion in 2025 and reached EUR 1.9 billion by 28 October 2026. World Bank budget support fell to EUR 0.1 billion in 2026. Since Ukraine is already repaying outstanding IMF loans, the net contribution is even smaller, and in 2025 it repaid the IMF more than it received (Appendix A.5).[6]

[6] In 2025, Ukraine received SDR 0.67bn from the IMF and repaid SDR 1.74bn, about EUR 0.8bn and EUR 2.1bn. IMF, "Ukraine: Transactions with the Fund", https://www.imf.org/external/np/fin/tad/extrans1.aspx?memberKey1=993&endDate=2099-12-31&finposition_flag=YES. The IMF's balance-of-payments projections show the same: purchases of USD 0.9bn and repurchases of USD 2.3bn in 2025 (IMF Country Report No. 26/188, July 2026, Table 8, https://www.imf.org/-/media/files/publications/cr/2026/english/1ukrea2026002.pdf).

EU member states focus their support almost entirely on military aid. From 2023 to 2026, they allocated EUR 71.6 billion of military support but paid only EUR 0.5 billion of bilateral budget support. Budget support thus accounted for less than 1% of their total bilateral aid. The EU countries' budget aid goes through EU-level borrowing instead and therefore appears as support by the EU institutions.

The rest of the world mainly provided budget aid in 2025–26 through the ERA loan, which has now been almost fully disbursed. The group of "other" donors includes in particular Japan, Canada, the United Kingdom and Norway. They paid EUR 6.1 billion of budget support in 2023 and EUR 6.9 billion in 2024. In 2025, almost all of their budget support was Canada's share of the G7 ERA loans (EUR 3.0 billion of EUR 3.4 billion). In 2026, they have disbursed EUR 4.4 billion in budget aid so far, of which about 60% is non-ERA, mainly from Japan, Canada, the United Kingdom and Norway. Non-ERA financial support outside the EU is clearly in decline. A notable outlier is Japan, which has scaled up its bilateral budget support through a USD 4 billion guarantee for World Bank loans. Under this guarantee, loans of USD 2.6 billion were signed between May and July 2026 and are now being paid out.

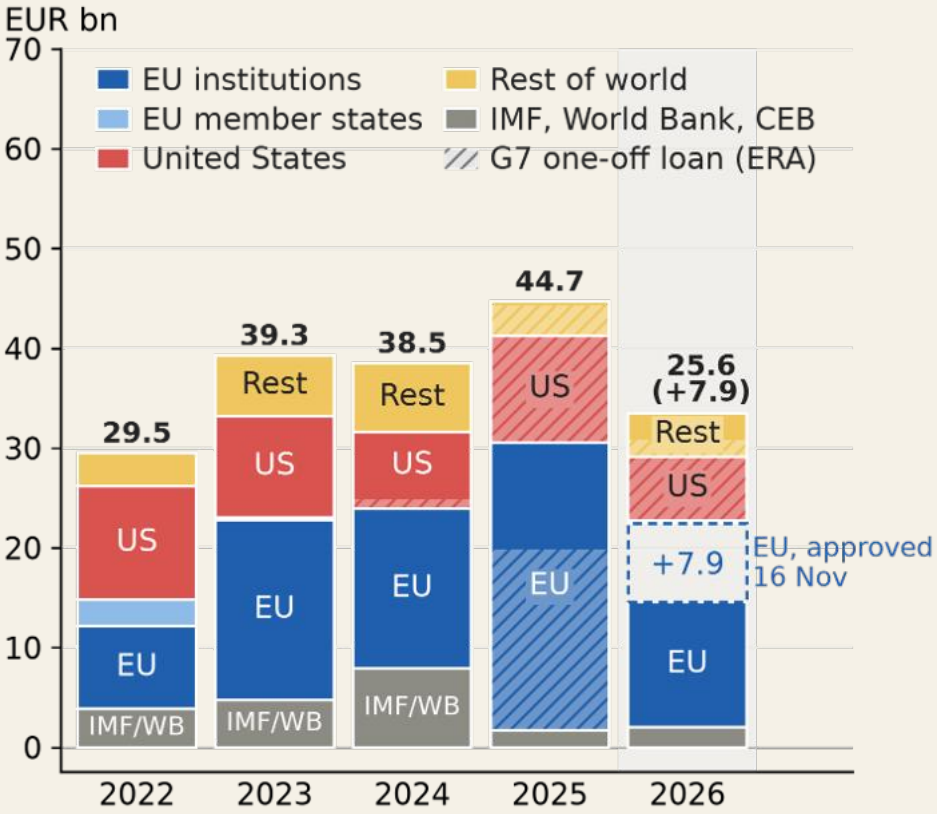
Figure 2: Military support, by donor, 2022–2026 (EUR billion)



Note: Definitions and cut-off dates as in Figure 1. EU institutions comprise the European Commission, the Council and the European Investment Bank. EU member states include bilateral support only. Rest of world covers all other donors, including the United Kingdom, Norway, Switzerland and Iceland. EU military support in 2026 is the defence part of the Ukraine Support Loan. Data from Release 32 of the Ukraine Support Tracker are preliminary and may still be revised, especially for recent months. Further details are given in Appendix A. Sources: as in Figure 1.

Since 2025, the ERA loans have accounted for all of the United States' budget support and for about 60% of that of the rest of the world. Whether this support continues therefore depends on whether the ERA loans can be repeated.

Figure 3: Budget support, by donor, 2022–2026 (EUR billion)



Note: Definitions and cut-off dates as in Figure 1. EU institutions comprise the European Commission, the Council and the European Investment Bank. EU member states include bilateral support only. Rest of world covers all other donors, including the United Kingdom, Norway, Switzerland and Iceland. The lighter, hatched parts show the one-off G7 ERA loans, counted with each lender in the year they were paid. The first US ERA payment in 2024 (EUR 0.9 billion) is too small to show. The dashed boxes on the 2026 bar show EU payments after the cut-off date: EUR 3.7 billion paid on 5 November and EUR 7.9 billion approved on 16 November but not yet paid. IMF lending is shown gross. World Bank loans guaranteed by donors are shown under the guarantor. Data from Release 32 of the Ukraine Support Tracker are preliminary and may still be revised, especially for recent months. Further details are given in Appendix A. Sources: as in Figure 1.

2.3. The G7's ERA loans 2025–26: a one-off

This section emphasises that much of Ukraine's budget support in 2025 and 2026 came from the G7 Extraordinary Revenue Acceleration (ERA) loans, a one-off financial mechanism that leveraged the proceeds from Russia's frozen assets. In 2025, the G7's ERA loans provided EUR 31.8 billion in budget support to Ukraine, or 71% of total budget support in that year.[7] A further EUR 8.1 billion followed in 2026.

These loans rest on a construction that cannot be repeated. The ERA arrangement is

[7] In 2025, the EU disbursed EUR 18.1 billion from the ERA loans, the United States EUR 10.7 billion and Canada EUR 3.0 billion. In 2026, the United States disbursed EUR 6.4 billion, Japan EUR 1.5 billion and Canada EUR 0.2 billion by 28 October.

a one-off because it borrowed against future profits from Russia's frozen central bank assets. Most of these assets are held in the EU, primarily at the Belgian securities depository Euroclear.[8] In June 2024, the G7 agreed to borrow against the future stream of profits generated by these assets, providing Ukraine with about USD 50 billion in loans to be repaid from these proceeds over the coming decades.

These future profits are now committed to repaying the ERA loans, leaving no room for another loan of this kind. A new loan would have to draw on the frozen assets themselves, which carries greater legal and financial risks. The EU considered this option in 2025 but instead chose joint borrowing through the Ukraine Support Loan.

In sum, no comparable new contribution from G7 donors is in sight and ERA is now almost fully disbursed. Only about USD 1.3 billion from Japan remains for 2027.

2.4. The EU has become the dominant source of budget support

As the other donors stepped back, the EU's share of budget support rose strongly (Figure 4). The EU share was 28% in 2022, 46% in 2023 and 42% in 2024, before rising to 65% in 2025 and again exceeding 60% in 2026. These shares count the EU's own share of the ERA loans as EU support and, for 2026, include the November payments. If we leave the one-off ERA loans aside, the dominance of EU budget support is even starker, rising from 43% in 2024 to 84% in 2025, and reaching 80% in 2026 (including the scheduled November payments). Either way, the clear takeaway is that the EU institutions are now the largest single source of Ukraine's budget support.

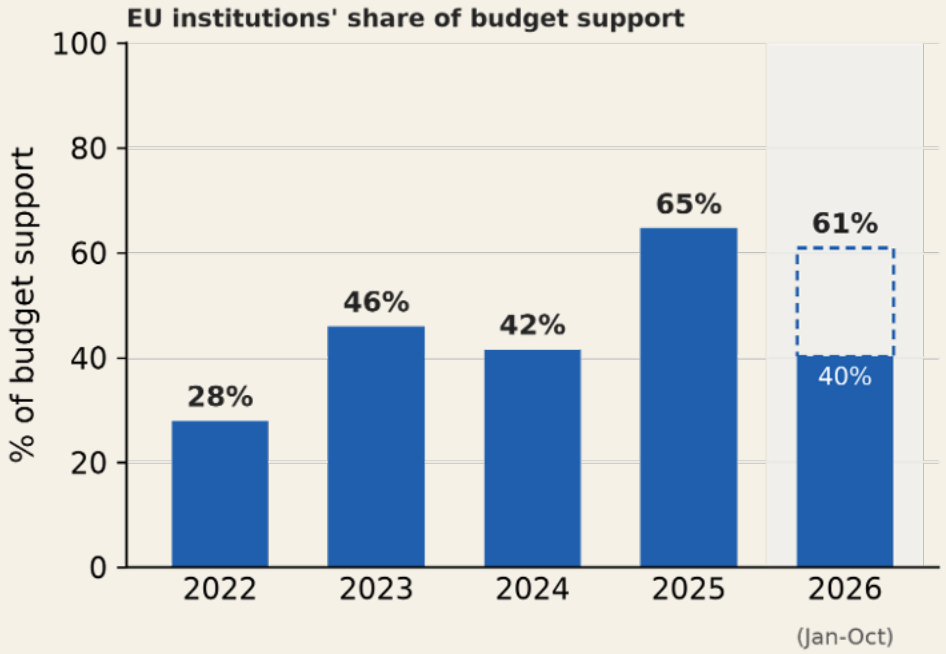
Until 2025, the share did not rise because the EU paid more, but because the others paid less. Outside ERA, the EU institutions paid EUR 18.1 billion in 2023, EUR 16.0 billion in 2024 and EUR 10.7 billion in 2025. All other donors together added only EUR 2.1 billion outside ERA in 2025, the same amount Ukraine repaid to the IMF that year, and EUR 5.0 billion by 28 October 2026. In 2026, the EU institutions' payments rise again, to EUR 20.4 billion including November, while those of the other donors do not.

With ERA almost fully disbursed, there is no second source behind the EU. Any reduction or delay in EU payments in 2027 passes directly into Ukraine's budget, and no other donor is in a position to make up for it.

---

[8] At the end of September 2026, sanctioned Russian assets on Euroclear Bank's balance sheet amounted to EUR 204 billion, most of which belong to the Russian central bank. Euroclear, "Euroclear delivers record business income and accelerates strategic growth", Q3 2026 results, 30 October 2026, https://www.euroclear.com/newsandinsights/en/press/2026/mr-31-euroclear-q3-2026-results.html.

Figure 4: The EU institutions' share of budget support to Ukraine, 2022–2026 (%)



Note: EU institutions (European Commission and Council, European Investment Bank) as a share of all budget support paid into Ukraine's state budget, with the G7 ERA loans counted with each lender. 2026: solid bar to 28 October; dashed: including EUR 3.7bn paid on 5 November and EUR 7.9bn approved on 16 November, assuming the latter is disbursed by year-end. IMF disbursements gross. Excluding the ERA loans from both the EU's and the total amount, the share was 28% (2022), 46% (2023), 43% (2024), 84% (2025) and 64% by 28 October 2026 (80% with the November payments). Sources and donor groups as in Figure 3. Method: Appendix A.

3. How EU budget support works

One of the challenges in understanding the EU's budget support for Ukraine is the complicated structure of its instruments. Budget support is money paid into Ukraine's state budget to cover civilian spending such as infrastructure, health, pensions, or public wages. It is clearly distinct from military aid, which is mostly provided by individual member states and, since 2026, also by the EU itself through the defence part of the Ukraine Support Loan.

EU budget financing has come in many shapes and colours. It has taken the form of loans and grants, under different legal acts, and with many different names. This chapter gives an overview of where the money comes from, how it has been paid, and what the different instruments have in common.

3.1. The EU supports Ukraine by raising loans on financial markets

Since February 2022, the EU has committed EUR 111.7 billion of budget support for 2022–2027, of which EUR 79.1 billion had been disbursed by the end of October 2026, meaning that it had reached Ukraine's budget. The overwhelming majority, EUR 106.3 billion or 95%, consists of loans financed through EU borrowing.

Figure 5 illustrates the key mechanism of EU budget lending to Ukraine. The European Commission raises the money on financial markets by issuing EU bonds backed by the EU budget, and lends the proceeds to Ukraine. Most loans since 2023 are backed by a guarantee that comes from the EU budget's "headroom", which is the difference between the maximum resources the EU can request from member states and the amount needed to finance its spending. This backing allows the EU to borrow at rates Ukraine could not obtain on its own.[9] The earlier 2022 loans used a different arrangement, combining provisions set aside in the EU budget with guarantees from member states.[10]

Only a very small share of EU financing consists of grants, which do not have to be repaid. So far, the EU has committed EUR 5.4 billion in grants financed directly from its budget. Of these, EUR 5.27 billion falls under the Ukraine Facility and EUR 0.12 billion was paid in 2022 as a budget-support grant under the NDICI.[11]

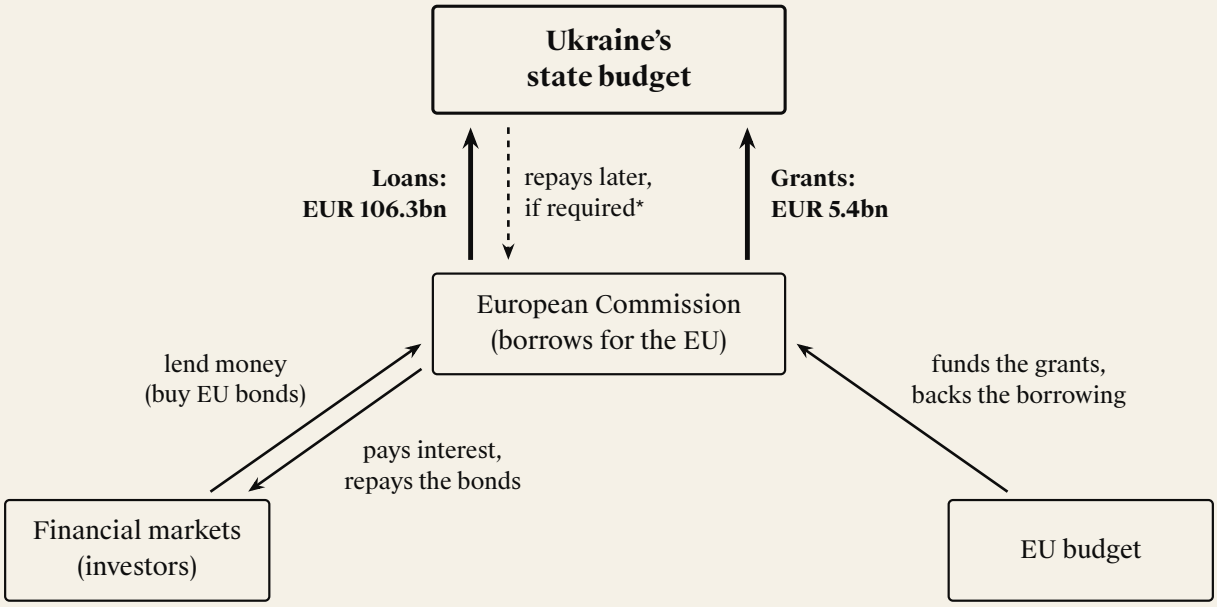
---

[9] The EU is legally bound to service its debt (Article 323 of the Treaty on the Functioning of the European Union) and is rated AAA by Fitch, Moody's (Aaa), Scope, DBRS and KBRA, and AA+ by S&P. European Commission, "EU credit strength", https://commission.europa.eu/strategy-and-policy/eu-budget/eu-borrower-investor-relations/eu-credit-strength_en. For the Ukraine Support Loan, the use of the headroom was set by Council Regulation (EU) 2026/469 amending the multiannual financial framework.

[10] Decisions (EU) 2022/313, 2022/1201 and 2022/1628; the member-state guarantees for exceptional MFA I and II are set out in Decision (EU) 2022/1628.

[11] Regulation (EU) 2024/792 allows up to EUR 17 billion of grants across the Ukraine Facility; Council Implementing Decision (EU) 2024/1447 sets EUR 5.27 billion of grants for the Ukraine Plan.

Figure 5: The financing mechanism of EU budget support to Ukraine



Note: Simplified. The EU budget also pays some or all of the interest on several of the loans. The 2022 loans were guaranteed by funds set aside in the EU budget and by member-state guarantees rather than by the headroom. * Who repays differs by loan: Ukraine (MFA of 2022–2023 and the Ukraine Facility loans), the profits on immobilised Russian assets (the EU's ERA loan), or Ukraine only if it receives reparations from Russia (Ukraine Support Loan); see Table 1. Amounts: committed for 2022–2027, as in Table 1; the loans include the EU's EUR 18.1 billion share of the ERA loans. Sources: Regulations (EU) 2022/2463, 2024/792, 2024/2773 and 2026/467; Decisions (EU) 2022/313, 2022/1201 and 2022/1628.

3.2. How EU support reaches Ukraine: MFA and the Ukraine Facility

EU budget support reaches Ukraine mainly through two financial instruments: macro-financial assistance (MFA) and the Ukraine Facility, which differ in how they link payments to reforms.

The EU has used **MFA** since 1990 to support neighbouring countries facing balance-of-payments difficulties. MFA is paid in a few large instalments, each released once the Commission has assessed the conditions agreed with Ukraine in a Memorandum of Understanding. In 2022 and 2023, almost all EU budget support came through MFA, including its largest operation, MFA+, which was designed to provide support "in a predictable, continuous, orderly and timely manner" and paid EUR 3 billion in January 2023 and EUR 1.5 billion a month from March to December.[12] In 2025, the EU's EUR 18.1 billion share of the G7's ERA loans was also paid as MFA (Section 2.3).[13]

The **Ukraine Facility** was introduced in 2024 as a new framework for EU financial support. After an initial phase of bridge financing in 2024 and unlike some earlier

[12] Regulation (EU) 2022/2463. Payment dates: European Commission, "Ukraine", Economy and Finance, https://economy-finance.ec.europa.eu/international-economic-relations/candidate-and-neighbouring-countries/ukraine_en.
[13] Regulation (EU) 2024/2773, which also set up the Ukraine Loan Cooperation Mechanism that channels the profits on the immobilised assets into the repayment of the loan.

Table 1: EU budget support: many names, many instruments

					EUR billion	
Operation	Years	Form	Conditionality	Repaid by	Committed	Disbursed as of Oct 2026
Completed operations						
Emergency MFA	2022	Loan	Half without conditions, half with conditions waived (war)	Ukraine	1.2	1.2
Exceptional MFA I and II	2022	Loan	I: without conditions; II: on progress	Ukraine	6.0	6.0
Budget-support grant (NDICI)	2022	Grant	Budget-support contract	Not repaid	0.1	0.1
MFA+	2023	Loan	Monthly, on progress	Ukraine	18.0	18.0
Ukraine Facility: bridge financing	2024	Loan	Partly without conditions, rest on five conditions	Ukraine	6.0	6.0
EU share of the G7 ERA loans	2025	Loan	All conditions met	Russian-asset profits	18.1	18.1
Subtotal					**49.4**	**49.4**
Ongoing operations						
Ukraine Facility: Ukraine Plan	2024–27	Loan, grant	Per completed reform step, quarterly	Ukraine (loans)	32.3	25.7
Ukraine Support Loan, budget part	2026–27	Loan	MFA: all conditions met; Facility: per reform step	Ukraine, only if Russia pays reparations	30.0	4.0
Subtotal					**62.3**	**29.7**
Total					**111.7**	**79.1**

Note: Years: period of disbursement, including scheduled payments for ongoing operations. Conditionality: what the EU required before paying. “Without conditions”: only general requirements such as reporting or an IMF programme; “on progress”: paid once progress on the agreed reforms was judged satisfactory, even if not all were met; “waived (war)”: conditions agreed before the full-scale invasion and then judged impossible to meet because of it; “per reform step”: each instalment pays for the steps completed, and the money for the others is held back. Committed: as set in the legal acts; the 2027 split of the Ukraine Support Loan (EUR 6.65 billion each for MFA and the Ukraine Facility) is the Commission’s proposal of 30 October 2026. Disbursed: as of October 2026, net of the clearing of pre-financing; for the Ukraine Support Loan, the first MFA instalment (EUR 3.2 billion) and EUR 0.8 billion within the eighth Ukraine Plan instalment. Since then, EUR 3.7 billion was paid on 5 November, and the Council approved the ninth Ukraine Plan instalment (about EUR 7.9 billion net, about EUR 5 billion of it Ukraine Support Loan money) on 16 November. Exceptional MFA I and II: EUR 1 and 5 billion; NDICI grant: EUR 0.12 billion; Ukraine Plan: EUR 27.0 billion of loans and EUR 5.27 billion of grants; ERA: Ukraine is liable only if the profits fall short. Excluded: the defence part of the Ukraine Support Loan, the European Peace Facility and the Swedish and Norwegian contributions to the Ukraine Facility. Sources: legal acts and Memoranda of Understanding, Council and Commission documents (Appendix A.9).

programmes, it has strictly tied payments to specific reforms agreed between the EU and Ukraine. These reforms are set out in the Ukraine Plan, which specifies what Ukraine must achieve and by when. Every quarter, Ukraine reports which reforms it has completed. The EU then checks whether each reform has been fully completed and releases the corresponding funds. If a reform has not been completed, however, the EU withholds the allocated money.

The newest loan, the **Ukraine Support Loan (USL)**, agreed in December 2025, is paid out through both the MFA and the Ukraine Facility instruments. The USL provides EUR 90 billion for 2026–2027, of which EUR 30 billion is budget support and EUR 60 billion is earmarked for defence, the first military support for Ukraine financed through EU borrowing. Of the budget support for 2026, EUR 8.35 billion is allocated to MFA and EUR 8.35 billion to the Ukraine Facility. For 2027, the Commission has proposed to split the remaining EUR 13.3 billion in the same way.[14]

Table 1 provides an overview of all EU financing instruments for Ukraine, distinguishing between completed and ongoing operations. The table shows how confusing the EU's support arrangements can be, even for experts. The many different instruments, names and financing arrangements make it difficult to understand how much support the EU has provided and how exactly the money reaches Ukraine.

Despite the many different names, all EU loans have the same fundamental design: as shown in Figure 5, the Commission borrows on financial markets and lends the proceeds to Ukraine.

The most notable difference across EU loans is their repayment arrangement. Ukraine is responsible for repaying the MFA loans from 2022–2023 and the loan component of the Ukraine Facility, whereas the ERA loan is repaid from profits on immobilised Russian assets, with Ukraine liable if these profits fall short (Section 2.3). Under the Ukraine Support Loan, Ukraine generally repays only if it receives reparations or settlement payments from Russia, while the EU budget covers the borrowing costs.[15]

The loans also differ in how they link payments to reforms, particularly in the number and depth of conditions they impose and how strictly disbursements depend on their fulfilment. MFA+ in 2023 paid on a fixed monthly schedule as long as Ukraine showed progress, whereas since 2025 the EU has released payments only after all relevant conditions were fully met. With the EU now providing most of Ukraine's budget support, these rules increasingly determine when the money reaches Ukraine. Chapter 4 examines how they have changed since 2022.

---

[14] Regulation (EU) 2026/467; Council Implementing Decision (EU) 2026/919 for 2026; for 2027, Commission proposal of 30 October 2026 (COM(2026) 606), https://enlargement.ec.europa.eu/news/commission-takes-key-step-forward-2027-financial-support-ukraine-2026-10-30_en.

[15] Regulation (EU) 2026/467. Repayment is triggered by reparations or settlement payments from Russia, or in specific cases such as fraud or a breach of the loan's conditions; the borrowing costs are covered by the EU budget.

4. Tougher conditions, growing delays: EU reform requirements and payments since 2022

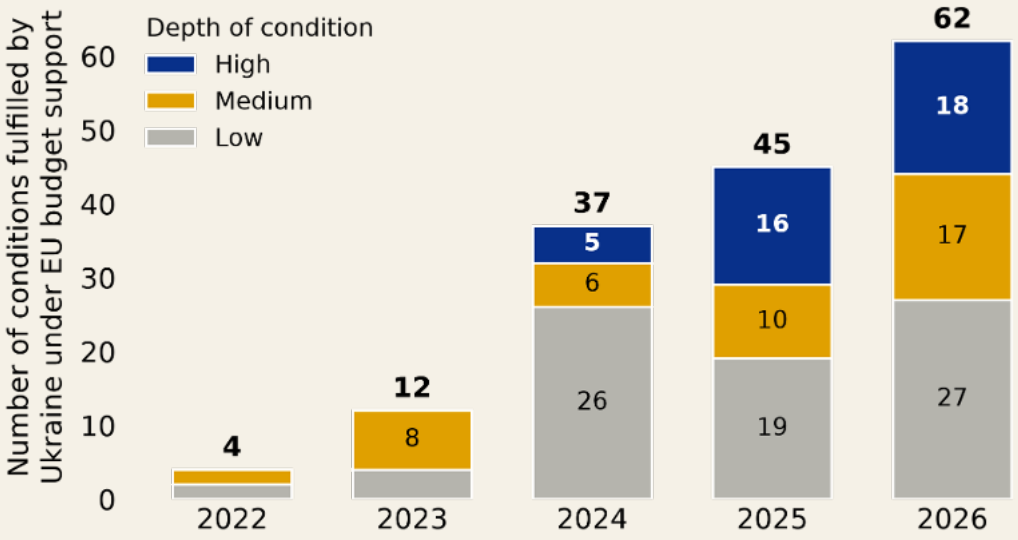
This chapter shows the results of a new, systematic analysis of EU conditionality and loan disbursements over the past five years. The key insights are as follows: Since 2022, the EU has required Ukraine to implement more and deeper reforms to receive budget support. It has also linked payments more strictly to the full fulfilment of these conditions, while disbursements have faced growing delays. Yet Ukraine has achieved higher reform completion rates than most other countries that receive comparable EU financial assistance.

4.1. More and deeper conditions

Our analysis shows that the EU has increasingly required Ukraine to implement more and deeper reforms as conditions for its budget support. To assess reform depth consistently across different EU financial instruments, we adopt the framework developed by the IMF's Independent Evaluation Office (IEO, 2007), which distinguishes between High-, Medium- and Low-depth conditions according to the extent of lasting structural change they require. We apply this framework using an LLM-based classification procedure guided by predefined criteria and examples for each depth category (see Appendix B for details).

Figure 6 shows how many reform conditions Ukraine fulfilled under EU budget support programmes each year. In 2022, Ukraine fulfilled four reform conditions under EU budget support. Since then, the number has increased steadily, reaching 12 in 2023, 37 in 2024, 45 in 2025, and 62 in 2026. This increase was not limited to less demanding reform conditions but also extended to deeper ones. While Ukraine fulfilled no High-depth conditions in 2022 or 2023, it fulfilled 5 in 2024, 16 in 2025, and 18 in 2026 (29% of the total). These trends reflect a shift in EU conditionality towards more numerous and deeper reform requirements.

Figure 6: More and deeper conditions: reform conditions fulfilled by Ukraine under EU budget support



Note: This figure shows how many conditions Ukraine had fulfilled under EU budget support between 2022 and 2026: Each condition is counted in the year of the EU decision that confirmed it as met, up to 16 November 2026. Colours show the depth of each condition; for how depth was classified, see Appendix B. Source: Memoranda of Understanding of the EU macro-financial assistance operations for Ukraine and the Commission's assessments at each payment; Ukraine Plan; Council and Commission decisions approving the Ukraine Facility payments.

4.2. Paid only after full fulfilment

We now examine how strictly EU payments have been tied to reforms. For this purpose, we compare the reform conditions set out in the MFA Memoranda of Understanding and the Ukraine Plan with their assessments at the time of disbursement. Based on this comparison, we classify each EU tranche into three categories:

- **Disbursement based on full fulfilment:** tranches disbursed on the basis of the fulfilment of all required conditions.
- **Disbursement allowing partial fulfilment:** tranches disbursed on the basis of either partial achievement or more flexible standards (e.g. conditions assessed as "broadly fulfilled" or showing "satisfactory progress").
- **Disbursement based on non-reform conditions:** tranches subject only to basic requirements, such as reporting or alignment with an IMF programme, without specific policy reform conditions.

Our comparison shows that the EU has increasingly linked its budget support to the full fulfilment of reform conditions. In 2022 and 2023, 71% of payments were made under assessment criteria that allowed for more flexible standards, such as reforms being assessed as "broadly fulfilled" or showing "satisfactory progress", while the remaining 29% were subject only to basic, non-reform requirements, such as reporting on the macroeconomic situation or alignment with an IMF programme.[16]

[16] This does not mean that Ukraine fulfilled none of the reform conditions in these years. Under MFA, each

This changed markedly in 2024, when 81% of EU budget support was tied to the full fulfilment of reform conditions. In 2025 and 2026 (as of 16 November), almost all EU budget support payments were based on the full fulfilment of reform conditions.

4.3. Payment delays are growing

As EU budget support has become more closely tied to the fulfilment of increasingly demanding reform conditions, payments to Ukraine have also faced growing delays. Two factors contribute to these delays: some funds are withheld because reform conditions remain unmet, and Ukraine is taking longer to complete reforms and submit payment requests. These developments can be seen under the Ukraine Facility, which has the largest number and highest share of High-depth reform conditions among the EU's budget support instruments for Ukraine since 2022, and directly links payments to individual reform steps.

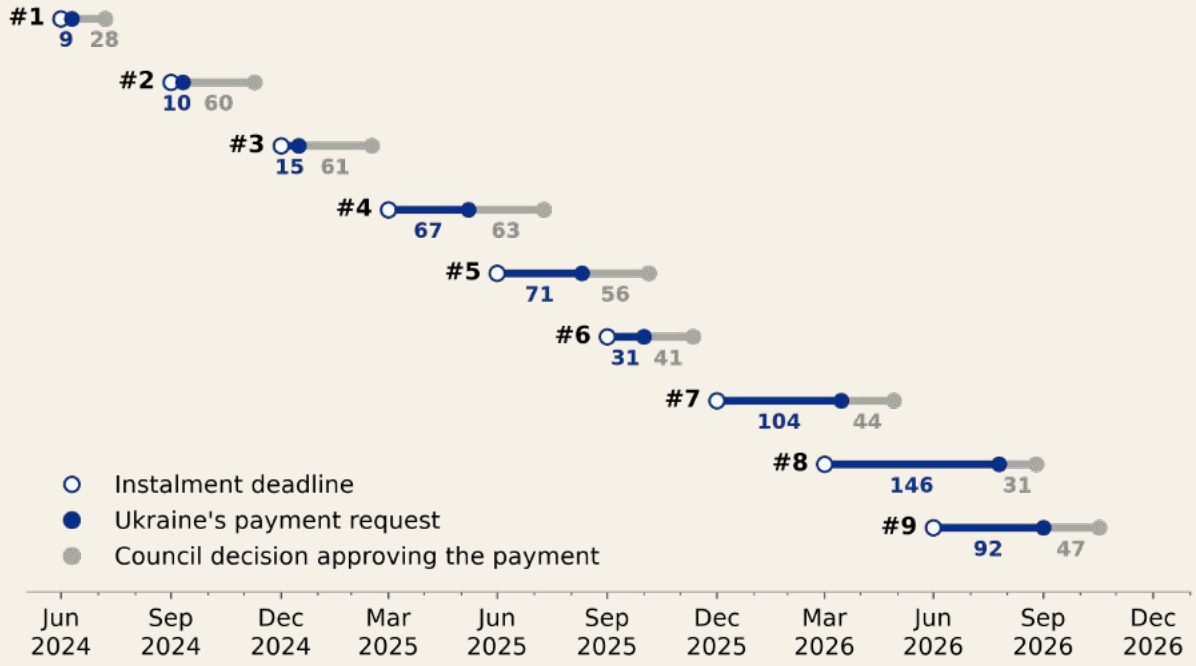
The first three Ukraine Facility instalments were paid in full, with all required conditions fulfilled. From the fourth instalment onwards, however, the EU began withholding funds for unmet reform conditions, initially about a third of each of the fourth to sixth instalments. Since the seventh instalment, Ukraine has partly offset these shortfalls by completing some reform conditions ahead of schedule, but 40% of the seventh instalment and 20% of the eighth were still withheld when the Council approved them (Appendix Figure 13). Some of these funds were released later, after the EU confirmed that the outstanding conditions had been fulfilled. EUR 1.68 billion remained withheld as of 5 November 2026, and about EUR 1.18 billion after the ninth instalment was approved on 16 November (15% of the seventh instalment, 17% of the eighth and 4% of the ninth).

Alongside these partial payments, the gap between reform deadlines and actual disbursements has widened over time. Initially, this gap was mainly driven by the EU's review process. For the first three instalments, Ukraine submitted its payment requests within 9–15 days of the reform deadlines, while the time from submission to the Council's approval ranged from 28 to 63 days for the first six instalments. More recently, the main source of delay has shifted to the time Ukraine takes to submit its requests. From the seventh instalment onwards, Ukraine took three to five months to submit its requests, while the EU's approval process remained relatively stable, taking 44, 31 and 47 days for the seventh to ninth instalments, respectively (Figure 7).

---

tranche was tied to a bundle of conditions, and the Commission released it once progress on the bundle as a whole was judged satisfactory. Within these bundles, Ukraine fully met 16 of the 27 reform conditions the EU assessed in 2022 and 2023 (Figure 6); the other 11 were assessed as broadly fulfilled or showing progress. Because the money was paid without requiring every condition in the bundle to be fully met, none of these payments counts as based on full fulfilment.

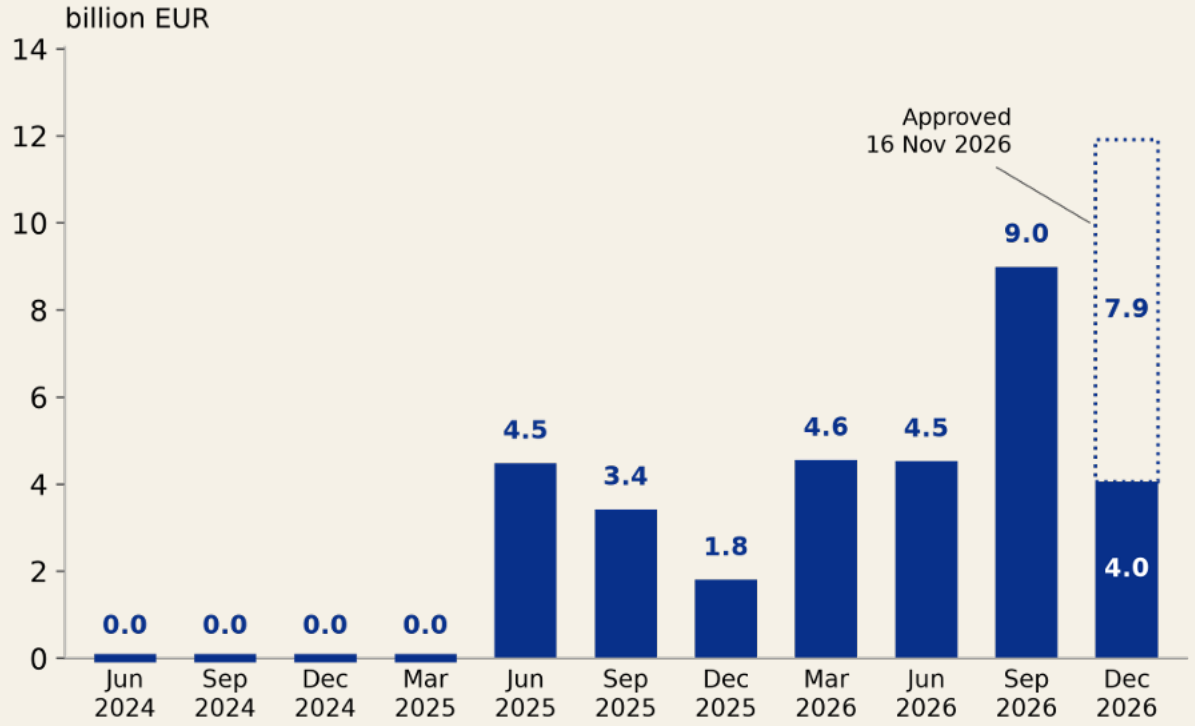
Figure 7: Ukraine Facility: days from condition-fulfilment deadline to payment approval



Note: This figure shows, for each instalment of the Ukraine Facility's Pillar I, how much time passed between the fulfilment deadline for the conditions associated with each instalment, Ukraine's payment request and the Council's approval of the payment. The open circle marks the deadline, the blue dot the date of Ukraine's request and the grey dot the date of the Council decision. The blue numbers give the days from the deadline to the request, and the grey numbers the days from the request to the Council decision. The ninth instalment was approved on 16 November 2026. Source: Council implementing decisions approving the payments of the first to ninth Ukraine Facility instalments; Commission assessments of Ukraine's payment requests.

These delays have widened the gap between actual disbursements and those projected under the initial payment pace, when all reform steps were completed on time and each instalment was paid within three months of the respective reform deadline. Under this scenario, Ukraine would have received a total of EUR 38.4 billion under the Ukraine Facility by the end of 2026. In practice, however, confirmed total disbursements amounted to EUR 26.5 billion as of the end of October. Even if the ninth instalment of EUR 7.9 billion, approved by the Council on 16 November, is paid before year-end, total disbursements will reach only EUR 34.4 billion, leaving a gap of around EUR 4.0 billion (Figure 8).

Figure 8: Ukraine Facility: how far disbursements lag behind schedule



Note: This figure shows how far cumulative disbursements under Pillar I of the Ukraine Facility fall short of the original schedule at the end of each quarter. The original schedule is based on the pace observed in the first three instalments, when Ukraine fulfilled all conditions on time and received each instalment in full within three months of the respective reform deadline. The dotted box represents the ninth instalment (EUR 7.9 billion), which was approved by the Council on 16 November 2026 but had not yet been disbursed as of that date.

4.4. International comparison: Ukraine completes more reform steps on schedule than most comparable countries

We now place Ukraine's reform performance in international perspective, comparing it to other EU accession candidates. The main insight is that Ukraine has achieved higher reform completion rates than most countries receiving comparable EU financial support.

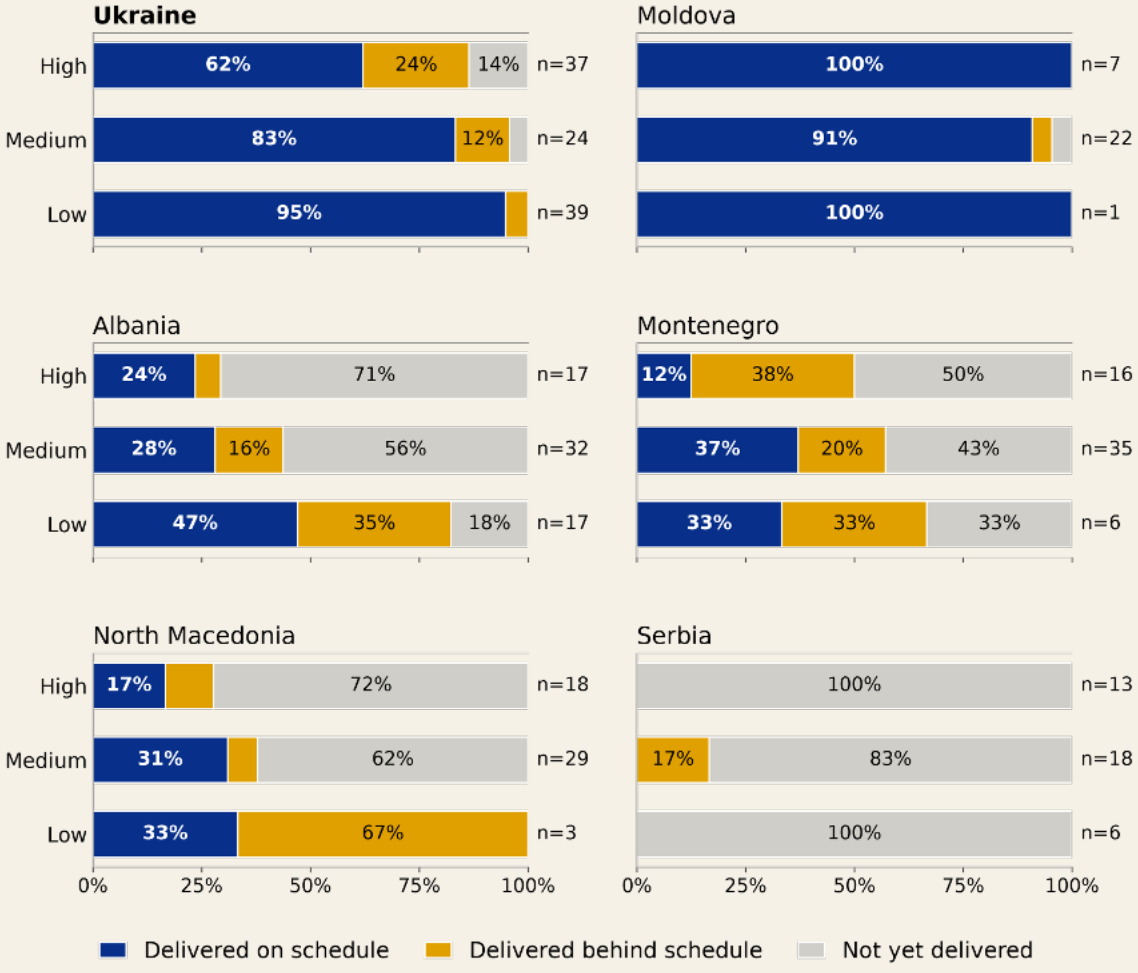
Figure 9 compares Ukraine's performance under the Ukraine Facility with that under two similar EU financing instruments: the Reform and Growth Facility for the Western Balkans, introduced in 2024 and covering six countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia), and the Reform and Growth Facility for Moldova, introduced in 2025. We measure the share of reform steps whose completion was confirmed by the EU within six months of their fulfilment deadlines, broken down by reform depth.

The results show that Ukraine has achieved higher reform completion rates than all four Western Balkan countries included in Figure 9, across all three depth categories, with rates of 62% for High-depth, 83% for Medium-depth, and 95% for Low-depth conditions. As in most other countries, deeper reforms tend to have lower completion

rates in Ukraine. Only Moldova records higher rates overall, with almost all its reform steps confirmed as fulfilled within six months of their deadlines. However, Moldova's facility has been operating for only about a year. If we limit the comparison to the first year of each facility, Ukraine achieved a 100% completion rate across all three depth categories, matching or exceeding Moldova's rates (100% for High-depth, 91% for Medium-depth, and 100% for Low-depth steps).

These findings highlight a growing challenge for the EU in designing its budget support for Ukraine. As conditionality has become stricter, Ukraine has faced increasing difficulties in receiving timely financial support during the war, despite achieving higher reform completion rates than most countries participating in comparable EU financing instruments in peacetime. The EU therefore has to balance its reform requirements with the need to provide timely and predictable financial support to a country facing a full-scale invasion.

Figure 9: International comparison: how many reform steps are delivered on schedule?



Note: This figure shows the share of reform steps that the EU confirmed as fulfilled within six months of their deadlines, by depth of the reform. It covers all steps whose six-month window had closed by 16 November 2026, based on the latest version of each facility's plan. Steps confirmed after six months but before 16 November 2026 are shown as delivered behind schedule. Kosovo and Bosnia and Herzegovina are not shown because the EU had not yet adopted any release decision for them, so none of their steps counted as delivered. For details of the depth classification, see Appendix B.
Source: Council and Commission implementing decisions on the release of funds under the Ukraine Facility and the Reform and Growth Facilities for the Western Balkans and Moldova.

5. Conclusion: implications for a new EU loan package

Ukraine is more dependent on EU financial support than ever before. Other major donors have sharply reduced their contributions, and the G7's one-off ERA loans are almost fully disbursed. Total budget support is expected to fall by about a quarter in 2026, despite Ukraine's growing financing needs. The EU is now the main source of foreign funding for Ukraine's civilian budget. These funds help keep hospitals running, homes heated, trains operating and public employees paid.

Our analysis also shows that EU funding has become harder to access. Reform conditions have grown in number and depth, and payments now require their full fulfilment. These stricter conditions have contributed to growing payment delays. By October 2026, disbursements were about EUR 9 billion behind schedule. Ukraine finds it more and more difficult to meet the required reform conditions. In international comparison, however, its reform performance remains relatively strong compared with other countries receiving similar EU support.

These findings have important implications for the additional EUR 45 billion EU loan currently under discussion. The new loan will be crucial to avoid a severe budget crunch in Ukraine. According to EU sources, Ukraine faces a financing gap of EUR 70 billion in 2027, even after accounting for existing commitments. Our data confirm that total aid is declining rapidly, adding to Ukraine's financing pressures. But our analysis also shows that the design of the loan matters greatly. The strictness of reform conditions and the payment schedule will determine how much money actually reaches Ukraine in 2027. Our data suggest a real risk that payment delays will persist or worsen. If this happens, Ukraine could still face a serious funding gap in 2027, even if the EU agrees on the new loan.

Appendix

A. Support by source: data and method

This appendix describes the data behind Figures 1 to 4, 10 and 11.

A.1. Counting basis

Budget support is counted in the year it reached Ukraine's state budget, as reported by Ukraine's Ministry of Finance in its overview of external budget financing (general fund).[17] The figures for 2022 to 2025 are taken from the Ministry's table as of 22 July 2026, and those for 2026 from its chart as of 28 October 2026. Domestic government bonds, which the chart also shows, are not external support and are left out. One series is the same for all donors, including the IMF, the World Bank and the Council of Europe Development Bank, so all budget support is on one cash basis.

There is one exception. For 2026, the Ministry's figure for the EU includes the defence part of the Ukraine Support Loan, which is paid into a special fund for defence. EU budget support for 2026 is therefore taken from the Ukraine Support Tracker (the seventh Ukraine Plan instalment and the first MFA instalment of the Ukraine Support Loan, both June 2026), plus the eighth Ukraine Plan instalment of EUR 2.9bn paid on 2 October. Two later EU payments are shown separately as dashed boxes: EUR 3.7bn paid on 5 November and the ninth Ukraine Facility instalment of about EUR 7.9bn approved by the Council on 16 November (Table 1).

Military support is counted in the year it was allocated, as recorded in the Ukraine Support Tracker (Release 32, preliminary, data to 31 October 2026; EU institutions and the United States to August 2026); 2026 covers January to October. Military allocations without a known date (EUR 7.7bn, all from European donors) are not included.

---

[17] Ministry of Finance of Ukraine, "Ukraine's state budget financing since the beginning of the full-scale war", table "Received external budget financing since February 2022 (general fund)", as of 22 July 2026, and chart "External financing of the state budget since the start of 2026", as of 28 October 2026, https://mof.gov.ua/en/news/ukraines_state_budget_financing_since_the_beginning_of_the_full-scale_war-3435, accessed 17 November 2026.

A.2. Sources and treatment

Table 2: Sources of the budget-support data by series

Series	Source	Treatment
EU institutions	Ministry of Finance (2022–2025); Ukraine Support Tracker and Commission press releases (2026)	By date of receipt; includes the EIB; 2026 without the defence part of the Ukraine Support Loan; the payment made on 5 November and the instalment approved on 16 November are shown separately
Bilateral donors	Ministry of Finance	By date of receipt; World Bank loans guaranteed by donors listed under the guarantor, as in the Ministry's table
ERA loans	Ministry of Finance (total); split by lender from Commission, Ukraine Support Tracker and World Bank F.O.R.T.I.S. trustee reports	With the lender, in the year received; United States by elimination; United Kingdom excluded
IMF	Ministry of Finance; IMF, Transactions with the Fund: Ukraine	Disbursements (purchases) before repayments
World Bank, CEB	Ministry of Finance	Disbursements before repayments, excluding loans guaranteed by donors
Military support	Ukraine Support Tracker	By allocation date; January 2022 to October 2026

A.3. Donor groups and attribution

Donors are grouped into the EU institutions (the European Commission and Council and the European Investment Bank), the EU Member States (bilateral support only), the United States, the rest of the world (all other bilateral donors, including Japan, Canada, the United Kingdom, Norway, Switzerland and Iceland) and the international financial institutions (the IMF, the World Bank). Each payment is attributed to the donor whose funds it is, not to the institution that channels it, as in the Ministry's table: grants paid through World Bank funds remain with the donor, and World Bank loans guaranteed by a donor are shown under the guarantor. EU Member States' contributions through the EU budget and EU borrowing are shown under the EU institutions.

A.4. The ERA loans

The Ministry reports the ERA loans as one total (USD 1.0bn in 2024, USD 37.9bn in 2025 and USD 10.5bn in 2026 to 28 October). We split this total by lender and count each part with the lender in the year it was received. The EU's EUR 18.1bn was paid in ten tranches in 2025 and is converted at the monthly exchange rate of each tranche.

Canada's contribution was paid in 2025 (CAD 2.5bn and CAD 2.3bn) and February 2026 (CAD 0.2bn); Japan's tranches of February and April 2026 (USD 1.8bn) are taken from the trustee reports of the World Bank's F.O.R.T.I.S. fund. The United Kingdom's contribution (GBP 2.26bn) is earmarked for defence and paid into Ukraine's special fund. It is therefore removed from the total and not counted as budget support. The United States' contribution is the remainder: USD 1.0bn in 2024, USD 12.1bn in 2025 and USD 7.5bn in 2026, together USD 20.6bn. This matches the USD 20bn the United States paid into the F.O.R.T.I.S. fund plus about USD 0.6bn of the fund's investment income that was passed on to Ukraine. The last part of Japan's contribution, JPY 193.45bn (about USD 1.3bn), is due in 2027.

A.5. IMF, World Bank and CEB: gross and net

The figures for the international financial institutions are shown before Ukraine's repayments (gross), like all other donors, whose loans are also counted when paid and not net of later repayments. For the IMF, the difference matters: Ukraine repays earlier IMF loans every year, EUR 1.9bn in 2022, EUR 2.4bn in 2023, EUR 2.2bn in 2024, EUR 2.1bn in 2025 and EUR 1.5bn in 2026 to 28 October. Net of these repayments, the IMF, the World Bank and the CEB together provided EUR 1.9bn in 2022, EUR 2.4bn in 2023, EUR 5.7bn in 2024, minus EUR 0.4bn in 2025 and plus EUR 0.5bn in 2026. In 2025, Ukraine repaid the IMF EUR 2.1bn while receiving EUR 0.8bn from it. IMF repayments are taken from the IMF's list of transactions with Ukraine[18] and converted from SDR at the exchange rate implied by the Ministry's USD figures. World Bank repayments are not deducted in either version, as no creditor-level series of repayments is available to us; most World Bank money since 2022 has been grants passed through its funds or new loans with long grace periods.

These choices do not drive the results. Without the IMF, the World Bank and the CEB, budget support amounts to EUR 25.6bn in 2022, EUR 34.5bn in 2023, EUR 30.6bn in 2024, EUR 43.0bn in 2025 and EUR 19.9bn by 28 October 2026, and the EU institutions' share rises from 32% in 2022 to 67% in 2025. On the basis of Figure 4, without the ERA loans, the EU institutions' share without the IMF, the World Bank and the CEB rises from 32% in 2022 to 96% in 2025.

A.6. Exchange rates

Amounts in US dollars are converted to euros at the annual average of the monthly exchange rates used in the Ukraine Support Tracker (USD per EUR: 1.054 in 2022, 1.082 in 2023, 1.082 in 2024, 1.129 in 2025 and 1.167 in 2026, January to June). The EU's ERA tranches are converted at the rate of the month in which they were paid.

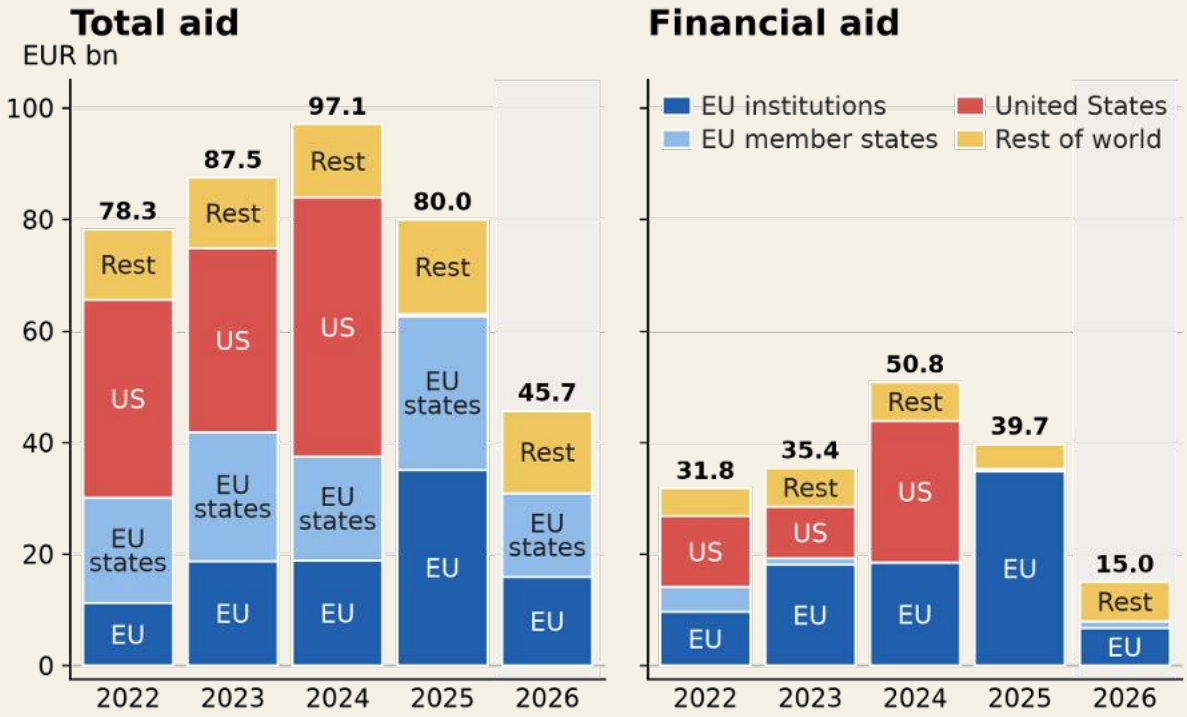
---

[18] IMF, "Ukraine: Transactions with the Fund", https://www.imf.org/external/np/fin/tad/extrans1.aspx?memberKey1=993&endDate=2099-12-31&finposition_flag=YES.

A.7. Total and financial aid

Figure 10 shows all aid and financial aid by the same donor groups, from the Ukraine Support Tracker only.

Figure 10: Total aid and financial aid to Ukraine by donor (EUR billion)



Note: Allocations by year of military, financial and humanitarian aid (total) and of financial aid (loans, grants, guarantees, ERA loans and swap lines); 2026 January to October. EU institutions and the United States in 2026 to August only. Donor groups as in Figure 2. Military allocations without a known date (EUR 7.7bn) are not included. Source: Ukraine Support Tracker (Release 32, preliminary).

A.8. Allocations and disbursements

The Ukraine Support Tracker records support when it is allocated. It defines allocations as aid which has been delivered or specified for delivery, as opposed to commitments, which are announced but not yet specified.[19] Chapter 2 instead counts budget support when it reaches Ukraine's state budget. Figure 11 compares the two bases for the EU and bilateral donors; the IMF, the World Bank and the CEB are not covered by the Tracker and are left out on both sides.

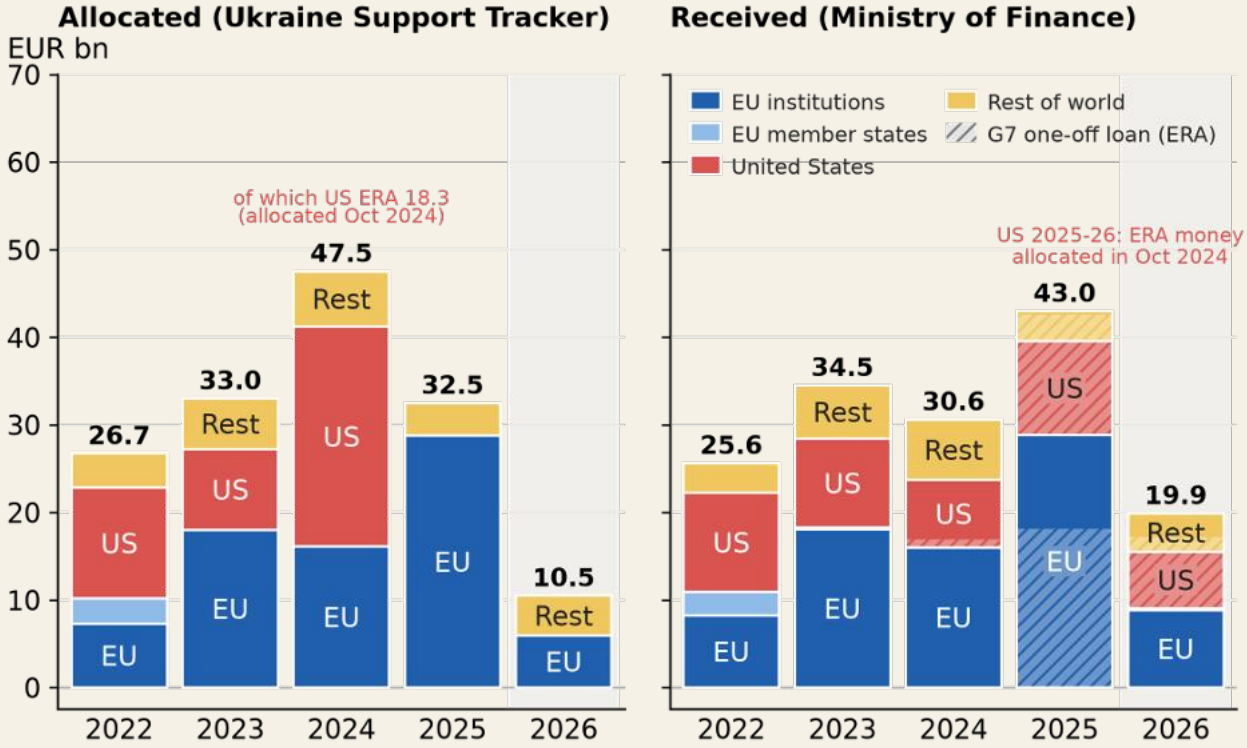
Over 2022–2025, the two bases give similar totals (EUR 139.8bn allocated against EUR 133.8bn received), but they place the money in different years. The largest difference is the United States' contribution to the ERA loans. The Tracker records it in October 2024, when it was allocated, at EUR 18.3bn; this makes 2024 the peak year on an allocation

[19] Kiel Institute for the World Economy, Ukraine Support Tracker, "Methodological Update", February 2024, https://www.ifw-kiel.de/fileadmin/Dateiverwaltung/Subject_Dossiers_Topics/Ukraine/Ukraine_Support_Tracker/Methodological-Update-Feb-2024_UST.pdf.

basis (EUR 47.5bn). The money reached Ukraine's budget through the World Bank's F.O.R.T.I.S. fund over three years: EUR 0.9bn in 2024, EUR 10.7bn in 2025 and EUR 6.4bn in 2026. All budget support Ukraine received from the United States in 2025 and 2026 therefore stems from this allocation of October 2024; the Tracker records no new US budget support since then. For the EU institutions, the two bases are close in most years, because the Tracker records each EU tranche at its payment date. In 2026, the Tracker does not yet record the eighth Ukraine Plan instalment (EUR 2.9 billion), paid on 2 October.

We use disbursements in Chapter 2 because the chapter asks how much money Ukraine's budget had available in each year, to pay pensions, wages and social benefits. On an allocation basis, the ERA money would appear in 2024, although Ukraine could spend most of it only in 2025 and 2026. Disbursements also put all donors, including the IMF and the World Bank, on one basis from one source.

Figure 11: Budget support from the EU and bilateral donors: allocated and received (EUR billion)



Note: Both panels exclude the IMF, the World Bank and the Council of Europe Development Bank, which the Ukraine Support Tracker does not cover. The left panel shows allocations classified as direct budget support in the Ukraine Support Tracker, by month of allocation, for 2026 from January to October. It excludes the United Kingdom's ERA contribution and the defence part of the Ukraine Support Loan (EUR 8.4 billion in June and July 2026). The right panel shows receipts of Ukraine's state budget (general fund) as reported by the Ministry of Finance of Ukraine, as in Figure 1, for 2026 up to 28 October and without the EU payments after that date. On both sides, ERA loans are counted with the lender and shown in a lighter shade. Donor groups as in Figure 2. Data from Release 32 of the Ukraine Support Tracker are preliminary and may still be revised, especially for recent months. Sources: Ukraine Support Tracker (Release 32, preliminary); Ministry of Finance of Ukraine.

A.9. Notes to Table 1

Disbursements are counted to 31 October 2026, net of the clearing of pre-financing. The 2027 part of the Ukraine Support Loan is split as proposed by the Commission on 30 October 2026, pending the Council's decision.

The table draws on the legal acts and Memoranda of Understanding of each operation, namely Decisions (EU) 2022/313, 2022/1201 and 2022/1628, Regulations (EU) 2022/2463, 2024/2773, 2024/792 and 2026/467, and Council Implementing Decisions 2024/1447, 2026/919 and 2026/1923. It further draws on Council documents ST 12788/26 and ST 14730/26, the Commission's MFA reports, Commission press releases of 25 June, 2 October and 27 October 2026, the Commission proposal of 30 October 2026 and the Ukraine Support Tracker (Release 32, preliminary).

A.10. Limitations

Four limitations apply. First, budget support is counted when received and military support when allocated. The two series measure different stages and can move apart for reasons of timing alone. Second, the periods covered for 2026 differ: budget support to 28 October, with the EU's payments of 5 November and the instalment approved on 16 November shown separately, and military support to 31 October. Third, the Ministry does not split the ERA loans by lender; the split rests on the payments documented for the EU, Canada, Japan and the United Kingdom, with the United States as the remainder, and assumes that the Ministry's 2026 ERA figure includes the United Kingdom's April 2026 tranche, which is not stated in its chart. Fourth, data for 2026 are preliminary.

B. Measuring the depth of conditions

Chapter 4 analyses the depth of the conditions attached to EU budget support, using a classification by a large language model (LLM). This appendix describes the method in detail. Section B.1 defines how conditions are counted, Section B.2 sets out the classification procedure, Section B.3 assesses its consistency, and Section B.4 shows how the results change when the conditions on which the coders disagreed are classified differently.

B.1. Counting conditions

We define a condition as a requirement whose fulfilment the European Commission assesses as the basis for its decision to disburse budget support. We focus on requirements that are clearly specified in the respective programme document and that

ask the recipient government to make concrete progress on policies or institutions. Under this definition, we exclude two types of requirements, even where a programme document lists them.

- **Preconditions:** requirements that act as prerequisites for several or all disbursements under a budget support instrument. Instead of asking for the completion of a new policy or institutional action, they typically require that an existing situation be maintained (e.g. democratic institutions, the rule of law, respect for human rights, macroeconomic and fiscal stability, and no backsliding on anti-corruption measures) or that an ongoing process towards a set goal continue (e.g. the normalisation of relations between Serbia and Kosovo).
- **Reporting obligations:** requirements that the recipient provide the EU with information on the implementation of the financial instrument (e.g. progress on each condition and the use of funds) or on broader indicators that could affect its implementation (e.g. the macroeconomic situation).

The unit of count is a single action or result that a programme document attaches to a specific disbursement. Requirements that concern the same subject but require different actions or results are counted as separate conditions. For example, the MFA part of the Ukraine Support Loan requires the submission to the Verkhovna Rada of a draft law abolishing the tax exemption for imported parcels for the first instalment, and the adoption of that law for the second instalment. These are counted as two conditions, as they require the completion of different legislative stages of the same law. Conversely, where a programme document links a requirement to several disbursements but requires its full fulfilment at only one of them, the requirement is counted as one condition. This applies to the policy conditions of Exceptional MFA II (2022) and MFA+ (2023), whose Memoranda of Understanding require satisfactory progress for the second to the penultimate instalment and full fulfilment for the final instalment.

Figure 6 counts a condition only when an EU payment decision confirmed it as fully met, in the year of that decision. Conditions assessed only as showing satisfactory progress or as broadly fulfilled are not counted. This mainly affects 2022 and 2023, when macro-financial assistance paid on progress: of the 27 conditions assessed at payments in those two years, 16 were confirmed as fully met. The seven conditions of the Emergency MFA, which the Commission assessed as not achievable for reasons of force majeure, are not counted either.

B.2. Classifying the depth of conditions

We classify each condition by how demanding it is, using the measure of structural depth from the IMF Independent Evaluation Office's evaluation of structural conditionality (IEO, 2007).[20]

[20] Independent Evaluation Office of the IMF, "Structural Conditionality in IMF-Supported Programs", Evaluation Report, 2007 (released January 2008), and its Background Documents, available at https://ieo.imf.org.

Structural depth refers to how much lasting institutional change a condition would bring about if it were implemented. The IMF has assessed the depth of structural conditions in every review of programme conditionality since then, from the 2011 Review of Conditionality to the 2026 Review of Program Design and Conditionality.[21] Applying this framework gives us a methodological basis for assessing the conditions of different EU budget support instruments, from macro-financial assistance to the Ukraine Facility and the Reform and Growth Facilities, in a consistent way.

To apply this framework to EU budget support conditions, we developed a codebook that specifies the criteria for each depth category. The codebook draws exclusively on two parts of IEO (2007), the main report and Chapter III of its Background Document. The IEO designs its three categories to be "comprehensive and exclusive, i.e., each condition falls into one and only one category". We adopt the same three categories and rename "Limited" as Medium and "Low or No" as Low. Each category is defined as follows.

- **High:** conditions that would bring about long-lasting changes in the institutional environment. These are mainly legislative changes, that is, the approval, adoption or enactment of legislation by a parliament. The category also includes fiduciary measures to be carried out on a regular or permanent basis, even when no legislation is needed, and conditions with a long-lasting structural impact, such as implementing a civil service reform or a privatisation, that may rest on existing legislation but probably could not be undone without new legislation.
- **Medium:** one-off measures that can be expected to have an immediate and possibly significant effect, but that would need to be followed up or repeated to have a lasting impact. These are mainly one-off fiduciary measures, such as the one-time publication of the budget or a specific audit, and quasi-macro quantitative conditions, such as changes in controlled prices or limits on wage bill growth. The category also includes organisational changes, such as creating a department in a government agency, the establishment of a pilot system or project, the implementation of existing legislation or regulations and the approval of a specific budget law.
- **Low:** conditions that would not, by themselves, bring about any economic change, either structural or macroeconomic, although some may serve as stepping stones for significant reforms. Examples include the preparation or announcement of plans, strategies or legislation, the definition of rules, the drafting or submission of legislation and hiring a consultant to perform a task.

The classification is carried out with an LLM. Three coders, labelled A, B and C, classify each condition. Each coder is an instance of Anthropic's Claude Opus 5.5 (claude-opus-5-5), accessed through the Claude Code command-line interface. All three coders receive the same codebook and the same instructions. The instructions require the coder to rely solely on the codebook and the text of the condition, and to assign exactly one label (Low, Medium or High) based on what the condition requires for fulfilment. Each batch of conditions is processed in a separate session, without memory

[21] IMF, "2011 Review of Conditionality – Overview Paper", Policy Paper 2012/048, 2012; IMF, "2018 Review of Program Design and Conditionality", Policy Paper 2019/012, May 2019; IMF, "2026 Review of Program Design and Conditionality", Policy Paper 2026/031, September 2026.

of earlier batches and without access to tools and files. Coders see the codebook and the text of each condition under a random five-character identifier. The programme, the original identifier and the fulfilment status of the condition are not disclosed. The 1,142 conditions (80 for MFA to Ukraine, 178 for the Ukraine Facility, 731 for the Western Balkans and 153 for Moldova) are pooled, and each coder processes them in its own random order in batches of 20. The final label is the one chosen by at least two coders. If all three labels differ, the condition is classified as Medium, in line with the IEO's treatment of unclear cases.

Table 3 reports the final labels for each instrument and country, with the number of conditions and the number and share of conditions in each depth category.

Table 3: Depth of conditions by instrument (final labels)

Country	Instrument	Conditions	High	Medium	Low
Ukraine	Emergency MFA[a]	7	0 (0.0%)	4 (57.1%)	3 (42.9%)
	Exceptional MFA I[b]	0	–	–	–
	Exceptional MFA II	7	0 (0.0%)	4 (57.1%)	3 (42.9%)
	MFA+	20	2 (10.0%)	13 (65.0%)	5 (25.0%)
	ERA loan (MFA)	14	1 (7.1%)	2 (14.3%)	11 (78.6%)
	Ukraine Support Loan (MFA)	32	7 (21.9%)	3 (9.4%)	22 (68.8%)
	Ukraine Facility	178	64 (36.0%)	62 (34.8%)	52 (29.2%)
Albania	Western Balkans Facility	143	30 (21.0%)	91 (63.6%)	22 (15.4%)
Bosnia and Herzegovina	Western Balkans Facility	113	34 (30.1%)	68 (60.2%)	11 (9.7%)
Kosovo	Western Balkans Facility	111	17 (15.3%)	89 (80.2%)	5 (4.5%)
Montenegro	Western Balkans Facility	130	21 (16.2%)	102 (78.5%)	7 (5.4%)
North Macedonia	Western Balkans Facility	136	32 (23.5%)	100 (73.5%)	4 (2.9%)
Serbia	Western Balkans Facility	98	22 (22.4%)	67 (68.4%)	9 (9.2%)
Moldova	Moldova Facility	153	43 (28.1%)	101 (66.0%)	9 (5.9%)
Total		1,142	273 (23.9%)	706 (61.8%)	163 (14.3%)

Note: Shares in parentheses are of the instrument's conditions and may not add up to 100 because of rounding. Western Balkans Facility: Reform and Growth Facility for the Western Balkans; Moldova Facility: Reform and Growth Facility for the Republic of Moldova. (a) The seven policy conditions of the Emergency MFA (Decision (EU) 2022/313) were assessed together as not achievable for reasons of force majeure, and both instalments were disbursed. (b) Exceptional MFA I (Decision (EU) 2022/1201) was not made conditional on policy reforms or on a disbursing IMF programme. It was paid in a single instalment, subject only to the political precondition and a reporting requirement on the use of the funds.

B.3. Checking the consistency of the classification

We assess the consistency of the classification in two steps. First, we examine the agreement among the three coders. Table 4 reports this agreement for the 1,142 conditions in Table 3. All three coders assign the same label to 1,079 conditions (94.5%). The remaining 63 conditions (5.5%) are decided by a two-to-one majority. No condition

receives three different labels, so the rule that assigns Medium in that case is never applied.

Table 4: Agreement among the three coders by instrument

Instrument	Conditions	Unanimous	Two-to-one majority	Three different labels
MFA, Ukraine	80	74 (92.5%)	6 (7.5%)	0
Ukraine Facility	178	172 (96.6%)	6 (3.4%)	0
Western Balkans Facility	731	690 (94.4%)	41 (5.6%)	0
Moldova Facility	153	143 (93.5%)	10 (6.5%)	0
Total	1,142	1,079 (94.5%)	63 (5.5%)	0

Note: Conditions with three different labels would be classified as Medium. Instruments as in Table 3.

Table 5 shows where the coders disagree. It groups the 63 conditions without a unanimous label by the combination of labels the three coders assigned. All disagreements are between neighbouring categories, either High and Medium (48 conditions) or Medium and Low (15 conditions). No condition is labelled High by one coder and Low by another.

Table 5: Label combinations for conditions without unanimous agreement

Labels assigned by the three coders	Conditions	Share of non-unanimous conditions
High, High, Medium	19	30.2%
High, Medium, Medium	29	46.0%
Medium, Medium, Low	9	14.3%
Medium, Low, Low	6	9.5%
High, High, Low	0	0.0%
High, Low, Low	0	0.0%
High, Medium, Low	0	0.0%
Total	63	100.0%

Second, we repeat the entire procedure twice with different random seeds. These change the order in which the conditions are submitted and the identifiers under which they appear, while the model, the codebook and the instructions stay the same. This yields three trials in total. The final labels of the three trials are identical for 1,094 of the 1,142 conditions (95.8%). The remaining 48 conditions differ by one category only between trials, and no condition is classified as High in one trial and Low in another.

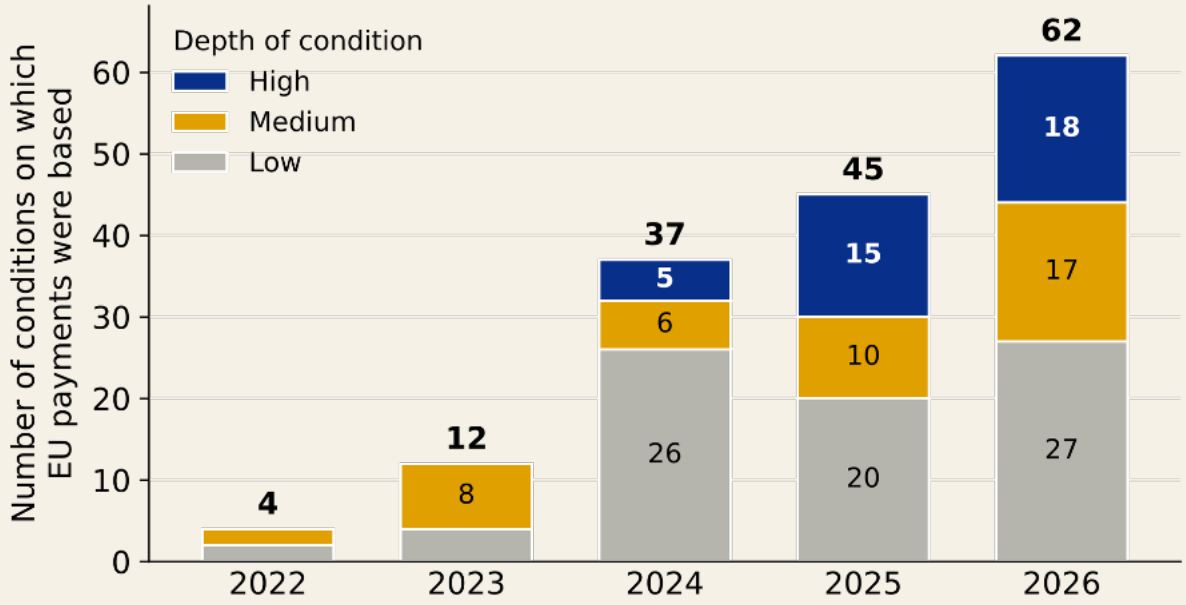
Taken together, the classification is consistent across coders and reproducible across trials, and differences in labels are confined to neighbouring categories. Because all coders use the same model, a bias inherent in the model itself cannot be ruled out. Nevertheless, the method makes it possible to assess the conditions of very different financial instruments against a single framework in a consistent and reproducible way.

B.4. Sensitivity check for Figure 6

Figure 12 shows how Figure 6 changes when each condition without a unanimous label is moved one depth category down, from High to Medium or from Medium to Low. Conditions labelled Low remain Low. All other rules of the figure are unchanged.

Only two of the conditions shown in Figure 6 change label, both of them Ukraine Facility steps counted in 2025. Step 2.8 moves from High to Medium and step 7.10 from Medium to Low. The other conditions without a unanimous label are either already labelled Low or not counted in Figure 6. As a result, the share of High-depth conditions in 2025 falls from 35.6% to 33.3%, and the share of Low-depth conditions rises from 42.2% to 44.4%. All other years are unchanged. The main pattern of Figure 6 therefore does not depend on how the conditions on which the coders disagree are classified.

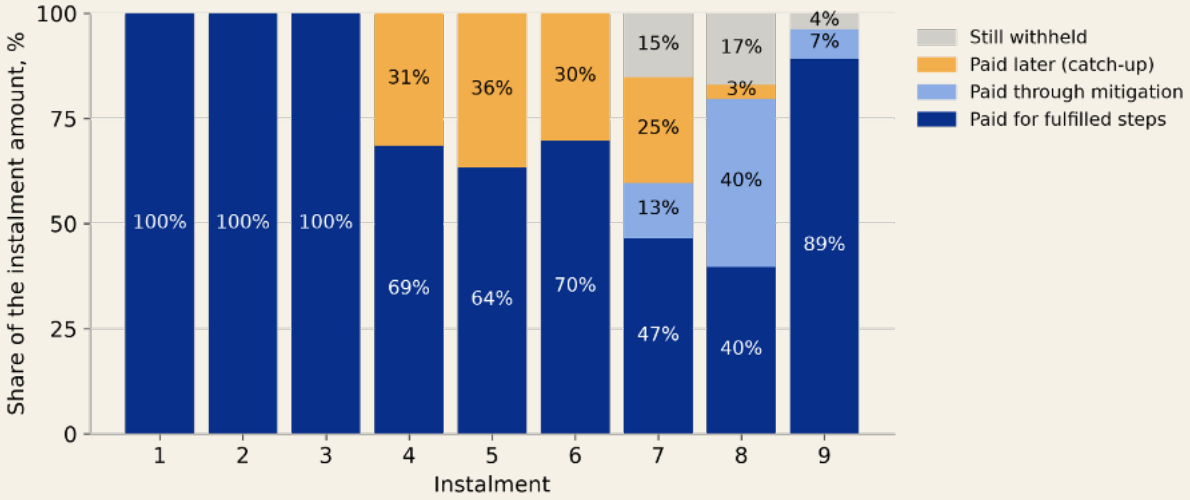
Figure 12: Sensitivity check: reform conditions fulfilled, with non-unanimous labels moved one category down



Note: As Figure 6, but each condition on which the three coders did not all agree is moved one depth category down (High to Medium, Medium to Low). Labels of the other conditions are unchanged.

C. Ukraine Facility: payment by instalment

Figure 13: Ukraine Facility: what happened to the amount of each instalment



Note: Share of each instalment of the Ukraine Facility's budget-support pillar, by what happened to the money. "Paid for fulfilled steps" is the amount paid at the instalment's own decision for steps assessed as fulfilled. "Paid through mitigation" is the part of the suspended amount offset in the same decision by steps of later instalments that Ukraine completed ahead of schedule. "Paid later (catch-up)" was first withheld and released in a later decision once the outstanding steps were confirmed. "Still withheld" had not been released by 16 November 2026 (EUR 1.18 billion in total). Sources: Council implementing decisions on instalments 1 to 9; Commission payment methodology.