

Amending the Ukraine Facility Regulation

2026/0010(COD) - 14/01/2026 - Legislative proposal

PURPOSE: to amend Regulation (EU) 2024/792 establishing the Ukraine Facility in order to enable the provision of financial and economic assistance to Ukraine in a predictable and continuous manner.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: since the beginning of Russia's unprovoked and unjustified war of aggression against Ukraine, the Union, its Member States and European financial institutions have mobilised unprecedented support for Ukraine's economic, social, financial and defence resilience. That support combines support from the Union budget, including exceptional macro-financial assistance and support from the European Investment Bank and the European Bank for Reconstruction and Development, fully or partially guaranteed by the Union budget, as well as further financial support by Member States.

On 29 February 2024, Regulation (EU) 2024/792 of the European Parliament and of the Council established the Ukraine Facility as an exceptional medium-term instrument that brings together the bilateral support provided by the Union to Ukraine, ensuring coordination and efficiency. Over the period 2024 to 2027, the Ukraine Facility helps address Ukraine's financing needs and contributes to its recovery, reconstruction and modernisation needs, while at the same time supporting Ukraine's reforms effort as part of its path towards accession to the Union.

The Commission adopted a [proposal for a regulation](#) of the European Parliament and of the Council implementing enhanced cooperation concerning the establishment of the support loan to Ukraine for 2026 and 2027, making it possible to provide support to Ukraine for 2026 and 2027 in the form of a support loan to that country to be repaid by reparations due by Russia.

To provide budget assistance to Ukraine and ease its external financing constraints, the proposed regulation on the Ukraine support loan proposal creates multiple options via which the funds can be channelled to support Ukraine, where support would be able to be provided through macro-financial assistance and through the Ukraine Facility - specifically Pillar I of the Facility and the Ukraine Plan.

Pillar I of the Ukraine Facility (the Ukraine Plan) provides for financing for Ukraine once the conditions set out in the Ukraine Plan, which outlines Ukraine's reform and investment programme, are satisfactorily met. **Budgetary assistance from the Support Loan to Ukraine should be channelled through the Ukraine Facility.**

The Ukraine Plan should be updated to reflect these additional amounts, including measures to strengthen the rule of law and the fight against corruption.

CONTENT: the proposal follows up on the European Council conclusions of 18 December 2025 where the European Council agreed to provide a loan to Ukraine of EUR 90 billion for the years 2026-2027 based on EU borrowing on the capital markets backed by the EU budget headroom. It provides for targeted amendments to Regulation (EU) 2024/792 to allow for providing financial and economic assistance to Ukraine in a predictable, continuous manner.

For this purpose, the proposal:

- sets the modalities for amounts made accessible pursuant to the Ukraine Support Loan Regulation to be implemented as additional financial support pursuant to Chapter III of the Ukraine Facility in the form of loans;
- further states that borrowing costs associated with the Ukraine Support Loan will be covered by a borrowing cost subsidy pursuant to the Ukraine Support Loan Regulation.