

Problems of post-war reconstruction of the regions of Ukraine and ways to solve them

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The relevance of addressing problematic situations in the regions of Ukraine at present and after the war is extremely important from various perspectives, including socio-economic aspects of post-war recovery. One of the primary sources of information about these problematic situations in the regions is official statistics. According to national and international analytical research, as of early 2024, the most affected regions of Ukraine included Kharkiv, Donetsk, Luhansk, Kherson, Zaporizhzhia, Sumy, and others, where there was catastrophic destruction of energy, social, and production infrastructure, creating a range of fundamentally new problematic situations requiring resolution by the state and the global economic community.

10 most affected regions of Ukraine by war damage, in terms of total losses, are as follows:

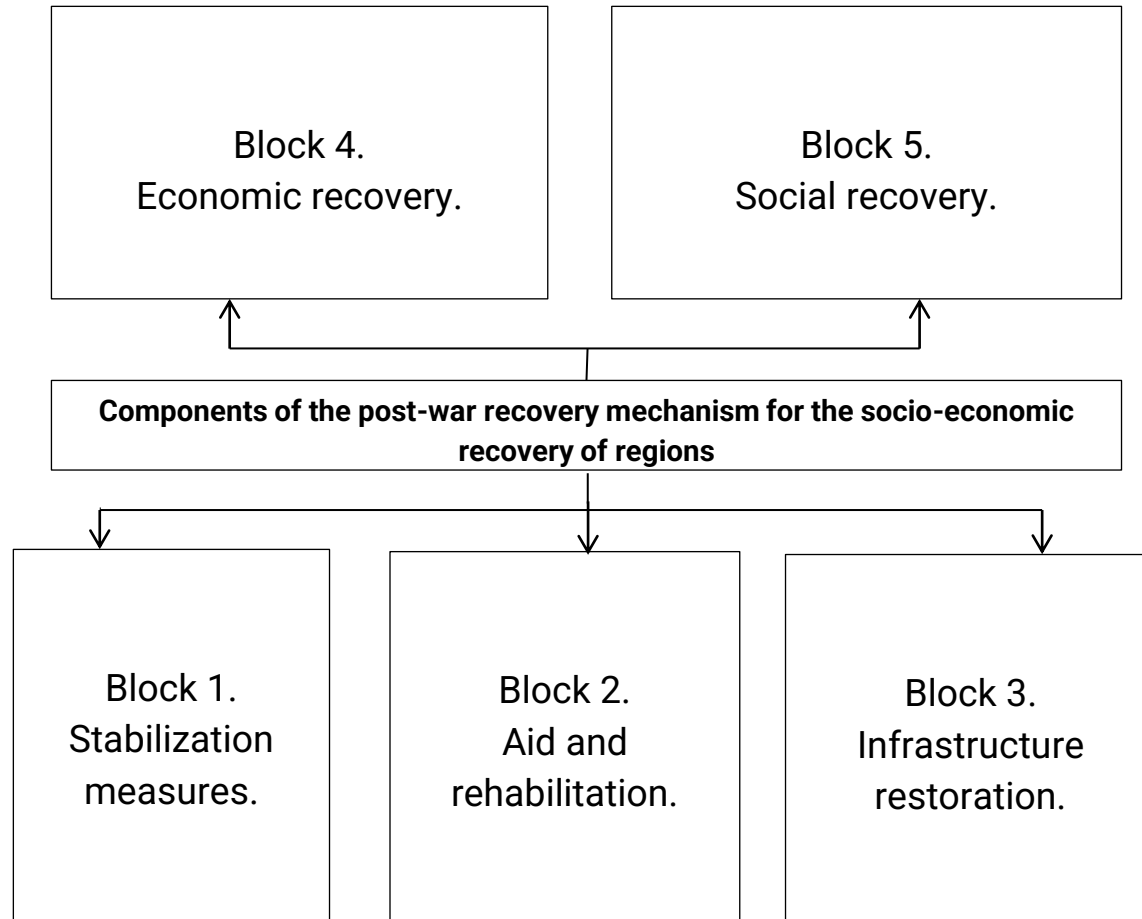
- Donetsk region (\$38.8 billion)
- Kharkiv region (\$31.1 billion)
- Luhansk region (\$17.0 billion)
- Zaporizhzhia region (\$13.4 billion)
- Kyiv region and Kyiv City (\$11.1 billion)
- Kherson region (\$10.5 billion)
- Mykolaiv region (\$7.4 billion)
- Chernihiv region (\$6.4 billion)
- Sumy region (\$3.2 billion)
- Dnipropetrovsk region (\$2.2 billion).

(According to KSE)

A generalized assessment of direct losses by regions of Ukraine as of June 2023.

Region	The number of destroyed or damaged residential buildings, in thousands.	The number of registered IDP residing in the region, in thousands (as of January 01, 2023)	Indirect losses in the fields of culture, tourism, and sports, in millions of dollars.	Total direct losses, in millions of dollars.
Vinnytsya	0,02	178	21	412
Volyn	0,02	58	16	39
Dnipropetrovsk	3,1	443	527	2222
Donetsk	86,2	523	479	38807
Zhytomyr	2,5	109	93	1057
Zakarpattia	0,07	151	17	15
Zaporizhzhya	6,4	202	548	13378
Ivano-Frankivsk	0,1	141	27	325
Kyiv	22,7	337	441	9992
Kirovohrad	0,1	95	16	345
Lviv	11,3	277	301	17033
Mykolayiv	0,1	249	121	212
Odesa	7,9	0	333	7434
Poltava	0,6	0	544	725
Rivne	0,06	218	26	661
Sumy	0,1	114	13	101
Ternopil	2,5	214	69	3028
Kharkiv	-	60	12	76
Kherson	9,8	79	1782	31084
Khmelnyskiy	36,4	84	271	10526
Cherkasy	0,05	450	37	79
Chernivtsi	0,1	32	20	118
Chernihiv	-	159	53	84

Components of the post-war recovery mechanism for the socio-economic recovery of regions



The blocks 1-3 can be considered as a kind of foundation for the mechanism of socio-economic recovery of the regions of Ukraine after the war. Implementation of these blocks will ensure the formation of established principles for further socio-economic recovery and development of the war-affected regions of Ukraine. Blocks 4 and 5, respectively, form the economic and social prerequisites for post-war recovery of the regions. Each of these blocks plays an important role in the overall process of recovery of the regions of Ukraine after the war and requires coordinated efforts at the local, national, and international levels.

To effectively implement Block 4 of the mechanism, it would be advisable to focus efforts on the following measures:

1. Development of state support programs for small and medium-sized enterprises, which may include subsidies, tax incentives, and preferential loans for companies to help them recover from damages and resume operations.
2. Measures to support education and retraining to improve workforce skills and enhance enterprise competitiveness.
3. Organization of investment forums, conferences, platforms, etc., to attract investors, including presentations of potential investment projects, as well as initiatives to improve the investment climate in the region.
4. Development of investment infrastructure, including free trade zones, industrial parks, and special economic zones to attract investment and stimulate business development in the region.
5. Support for startups through the creation of funding programs, incubators, and accelerators to help young companies access necessary resources and professional expertise.
6. Measures to facilitate access to markets and technologies through partnerships with large companies and organizations, including the establishment of cooperation and knowledge exchange programs between startups and corporations.