

UKRAINE'S PREPAREDNESS TO RECEIVE CONFISCATED FUNDS: prospects and international dimension

Following lasting negotiations and international efforts, the world community is preparing for an important step – paying Ukraine using the International Register of Damage in The Hague. This will be an important step to establish justice and compensate for damages caused to Ukraine by the war and international law violations. This step will contribute to the recovery and support of Ukraine following the conflict, which caused significant losses to the country and its people.

Establishing an international register of damage caused by russian aggression against Ukraine: concept and progress

In November 2022, a working group developed the concept to establish a special compensation mechanism, which was presented at the UN General Assembly and supported by the majority of UN member states: 94 countries voted in support of the resolution dated November 14, 2022. This concept includes three elements and involves the establishment of the following: the International Register of Damage (a platform with a database of people on the territory of Ukraine affected by the actions of the Russian Federation); the International Claims Commission (to consider applications entered into the register of damages and award the amount of compensation before actual payments); the Compensation Fund (sources of payments and compensations, awarded compensation amounts to be funded primarily from Russian assets).¹

On February 17, 2023, the Government of the Netherlands officially gave its consent to Ukraine's proposal to establish an international organization in The Hague – the Register of Damages caused by Russian aggression to Ukraine. The Register will contain information about the damage caused by the war to Ukrainians, businesses, and the state. The Register should become the first element of a comprehensive reparation mechanism designed to ensure that the aggressor state pays Ukraine for the damage caused in full under international law.² The G7 countries will keep Russian

1 Russian assets confiscation: the Ministry of Justice announced significant progress <https://1news.com.ua/ukraine/konfiskatsiya-aktyviv-rf-u-min-yusti-zayavyly-pro-vagomyj-progres.html>

2 The International Register of Damage caused to Ukraine by Russian aggression will be located in The Hague <https://minjust.gov.ua/news/ministry/mijnarodniy-reestr-zbitkiv-zavdanih-ukraini-rosiyskoyu-agresiyu-bude-roztashovaniy-u-gaazi>

assets frozen until reparations are paid to Ukraine.³

The establishment of the International Register of Damage caused by the Russian Federation's aggression against Ukraine was announced at the Summit of Heads of State and Government of the Council of Europe in Reykjavik on May 16–17, 2023.

The Register was established as a platform for intergovernmental cooperation within the institutional framework of the Council of Europe. It is located in The Hague. It serves as a documentary form of accounting for evidence and claims about losses, damages, or injuries on the territory of Ukraine since February 24, 2022, following the full-scale Russian–Ukrainian war.⁴ The European Union is ready to finance the establishment of the International Register of Damage. This institution to be located in The Hague.⁵

Given the establishment of the International Register of Damage based on the Special Compensation Mechanism, the Ukrainian government is considering the possibility of setting up a Special Tribunal to deal with the crime of Russian aggression against Ukraine. This could be the next step to ensure justice and accountability for crimes committed during the conflict. Representatives of the international community, including countries that supported the compensation mechanism creation, as well as international human rights organizations and experts in international law, can be involved in this process.

Establishing the Special Tribunal regarding the crime of Russian aggression against Ukraine: prospects and participants

“The Hague Tribunal”, a special tribunal on the crime of Russian aggression, is becoming a reality.⁶ If established, the special tribunal for the crime of aggression against Ukraine will not pursue Russia as a state but its citizens.

Who will the Special Tribunal pursue? These could be 20 top officials who, under their position, participated in making decisions on an aggressive war against Ukraine.

The coalition (Core Group) establishing the Special Tribunal on the crime of Russian aggression against Ukraine included representatives of 38 states and several international organizations.⁷

3 The G7 countries decided to keep the assets of the Russian Federation frozen until compensation for damages to Ukraine is provided <https://zn.ua/ukr/ECONOMICS/krajini-g7-virishili-ne-roz-morozhuvati-aktivni-rf-do-kompensatsiji-zbitkiv-ukrajini.html>

4 Ministry of Justice: the International Register of Damages caused by the Russian Federation's aggression against Ukraine – established <https://www.kmu.gov.ua/news/miniust-mizhnarodnyi-reiestr-zbytkiv-zavdanykh-ahresieiu-rf-proty-ukrainy-stvoreno>

5 The EU will finance the establishment of the office of the International Register of Damages of Ukraine in The Hague <https://www.epravda.com.ua/news/2023/09/11/704184/>

6 “The Hague Tribunal” becomes a reality: how Ukraine and the West agree on a special tribunal for Putin <https://www.euointegration.com.ua/articles/2023/08/22/7167998/>

7 The special tribunal will not pursue Russia as a state but its citizens – Korynevych <https://www.ukrinform.ua/rubric-politics/3767258-spectribunal-karatime-ne-rosiu-a-okremih-ii-gromadan-korinevic.html>

International support for Ukraine is manifested at various levels, including legislative initiatives and global support. The public and governmental response to Russian aggression is manifested by various forms of support, including active participation in establishing the Special Tribunal and other international mechanisms to bring to justice those guilty of crimes against Ukraine. Thus, the international community showed its readiness to support Ukraine in its struggle for justice and establish responsibility for crimes committed during the conflict with the Russian Federation. Such legislative initiatives and international support prove the importance and relevance of the struggle for rights and justice in international jurisdictions.

International support for Ukraine in the context of response to Russian aggression: legislative initiatives and global support

The U.S. Department of State will allocate USD 1 million to the International Centre for the Prosecution of Russia's Crime of Aggression against Ukraine (ICPA) established in The Hague at Eurojust supported by the European Commission.⁸ Continued support for Ukraine will cost the West less than letting Putin win.⁹

A Committee of the US House of Representatives approved support for Ukraine at the expense of frozen Russian assets. Committee on Foreign Affairs of the House of Representatives, US Congress, by majority vote, supported a bipartisan and bicameral draft law on the allocation of frozen Russian assets to help Ukraine.

"To authorize the Secretary of State to provide additional assistance to Ukraine, as well as for other purposes, using assets confiscated from the Central Bank of the Russian Federation and other sovereign assets of the Russian Federation" the document goes. It stipulates that the Secretary of State along with the US Agency for International Development, within 180 days after the law enters into force if this is the case, must provide the appropriate Congress committees with "an assessment of Ukraine's most urgent needs in recovery, assistance in the field of security and humanitarian aid."¹⁰

On November 9, 2023, the deputies of the European Parliament adopted a resolution demanding tougher control over compliance with EU sanctions imposed on the Russian Federation in response to its aggression against Ukraine.¹¹

8 The USA will allocate USD 1 million to the International Centre for the prosecution of Russia's crime of aggression against Ukraine <https://www.ukrinform.ua/rubric-world/3786952-ssa-nadadut-1-miljon-miznarodnomu-centru-z-rozsliduvanna-voennih-zlociniv-rosii.html>

9 Continued support for Ukraine will cost the west less than letting Putin win <https://www.theguardian.com/business/2023/nov/04/continued-support-for-ukraine-will-cost-the-west-less-than-letting-putin-win>

10 The Congress Committee approved the draft law on the transfer of frozen Russian assets to Ukraine and the resolution condemning the deportation of children from Ukraine <https://www.holosameryky.com/a/congres-aktyvy-rf-ukraiina/7346469.html>

11 Parliament wants tougher enforcement of EU sanctions against Russia <https://www.europarl.europa.eu/news/en/press-room/20231106IPR09024/parliament-wants-tougher-enforcement-of-eu-sanctions-against-russia>

Ville Tavio, the Minister for Foreign Trade and Development of Finland, said that Helsinki supports the transfer of frozen Russian assets to Ukraine. “We fully support the seizure of frozen Russian assets and the re-allocation of income from these assets to support Ukraine. In cooperation with partner countries, we should find a legal solution for the reprofiling of frozen assets,” Ville Tavio emphasized. The minister also said that Ukraine could count on future support to eliminate the immense consequences of Russian aggression. According to him, Finland is getting ready to be involved in the reconstruction process and is developing a national recovery plan in cooperation with the private sector.¹²

The USA and European countries’ support shows the readiness of the world community to help Ukraine eliminate the damages caused by Russian aggression. This includes various measures aimed at compensating for the damage caused and supporting the country’s recovery. One of the key directions of this process is the allocation of frozen Russian assets to aid Ukraine, as well as financial support via various international organizations and initiatives. The prospects for compensation will depend on specific conditions and the outcomes of negotiations between Ukraine and international community partners. Thus, it is important to continue working with international partners on compensation allocation and support mechanisms for Ukraine to ensure the required aid and compensation for the damage caused.

Possible ways for Ukraine to get compensation for the consequences of the Russian invasion: analysis of amounts and prospects for compensation

The damage caused by the terrorist state to Ukraine is much greater, at least USD 750 billion. After the war ends, the total amount can reach an astronomical figure¹³. Oleh Ustenko, adviser to the President of Ukraine, claimed that on November 12, 2023. According to Oleh Ustenko, the above-mentioned amount will cover only direct losses. In total, Moscow still owes about USD 1 trillion. Volodymyr Zelensky’s advisor added that they currently consider two ways of receiving the compensation in question: using the income from frozen assets; confiscation of all assets of the Central Bank of the Russian Federation and their transfer to Ukraine (however, this mechanism must be approved by all countries keeping Russian funds).¹⁴

According to the Ministry of Environmental Protection and Natural Resources of Ukraine, as of October 2023, the Russian aggression caused total damage to the environment for more than UAH 2 trillion or EUR 55.6 billion.¹⁵

12 “We support”: Finland supports the transfer of frozen assets of the Russian Federation to Ukraine <https://focus.ua/uk/economics/605439-stavimosya-pozitivno-finlyandiya-pidtrimuye-pere-dachu-zamorozhenih-aktiviv-rf-ukrayini>

13 Twelve European countries supported the transfer of frozen Russian assets to Ukraine: detailed information <https://www.obozrevatel.com/ukr/ekonomika-glavnaya/analytics-and-forecasts/dvanadtsyat-krain-evropi-pidtrimali-peredachu-ukraini-zamorozhenih-rosijskih-aktiviv-detali.htm>

14 Zelensky’s office named the amount of compensation the Russian Federation owes to Ukraine <https://novosti-n.org.ua/news/U-Zelenskogo-nazvaly-sumu-kompensacziyi-yaku-RF-maye-vy-platyty-Ukrayini-280047>

15 The current total damage to the environment caused by Russia amounts to EUR 55 billion – Shmyhal <https://minfin.com.ua/ua/2023/10/22/114718027/>

Twelve European countries supported the transfer of frozen Russian assets to Ukraine. In total, at least USD 300 billion of Russian assets were seized by Western countries.

Given the immense damage caused to Ukraine by Russian aggression, and the total amount of compensation, which is well over billions of dollars, it is necessary to consider the introduction of a compensation mechanism to indemnify for these losses. Various ways of receiving compensation are being considered, including the use of income from frozen Russian assets and the confiscation of assets of the Central Bank of the Russian Federation.

However, the successful implementation of this mechanism requires the support of all countries keeping Russian funds, as this may affect international financial markets and stability. Therefore, it is important to consider effective and feasible compensation mechanisms that will allow Ukraine to receive the necessary aid to restore and indemnify for the damage caused.

Introducing compensation mechanism

The Verkhovna Rada of Ukraine adopted the law “On the accession of Ukraine to the Enlarged Partial Agreement on the Register of Damage Caused by the Aggression of the Russian Federation against Ukraine.” It is assumed that joining the Agreement will allow Ukraine to submit claims for compensation to the Register and provide relevant evidence.¹⁶

The interstate working group including the main legal advisers of the Big 10, where Ukraine is represented by the Ministry of Justice, met on the sidelines of UN international law to discuss and determine the next steps for such a mechanism. The International Register of Damage, which was established under the auspices of the Council of Europe in the Netherlands, The Hague, will start operating in full in the first half of 2024, not waiting till the war is over.

The European Commission announced that Ukraine would receive income from Russia's assets. It is about billions of euros, said EU President Ursula von der Leyen. Belgium will use a fund amounting to EUR 1.7 billion to finance Ukraine at the expense of Russia. It is funded by the taxation of Russian assets frozen within the country.¹⁷

Already at the beginning of 2024, the Representative Office of the Register of Damage to Ukraine will be opened in Kyiv, where Ukrainians will be able to file related applications. Marija Pejčinović Burić, the Secretary General of the Council of Europe, stated.¹⁸

On February 21, 2024, Iryna Mudra, the Deputy Minister of Justice of Ukraine,

16 Ukraine joined the international agreement on the Register of Damage caused by the Aggression of the Russian Federation <https://www.ukrinform.ua/rubric-polytics/3784299-ukraina-priednalasa-do-miznarodnoi-ugodi-pro-reestr-zbitkiv-vid-agresii-rf.html>

17 Russian assets confiscation: the Ministry of Justice announced significant progress <https://1news.com.ua/ukraine/konfiskatsiya-aktyviv-rf-u-min-yusti-zayavyly-pro-vagomyj-progres.html>

18 The Representative Office of the Register of Damage to Ukraine will be opened in Kyiv <https://sluga-narodu.com/u-kyievi-vidkrytsetsia-predstavnytstvo-reiestru-zavdanykh-ukraini-zbytkiv/>

announced that Ukraine had launched an International Register of Damage caused by the Russian Federation's attack on Ukraine. It will include data on the damaged property of citizens or enterprises. The Register of Damage is an element of the compensation mechanism, and all the information gathered will be later used to make decisions on the amount of compensation to be paid to the person affected. The Deputy Minister emphasized that an important part of the compensation mechanism, in addition to the Register of Damage and the compensation commission, is the relevant fund. Without such a fund, commission decisions will remain on paper and never be monetized. This is not Ukraine's intention. We seek to get a financing source to implement the commission's decisions, and we propose to create such a source, first of all, using Russian sovereign assets. This is a peculiar mechanism to force Russia to fulfill its liabilities.¹⁹

The latest decisions and legislative initiatives aimed at confiscating Russian assets and allocating them to recover Ukraine, prove the international community's commitment to supporting the country facing Russian aggression. The said regulations and resolutions testify to the readiness of the international community to cooperate with Ukraine when restoring and eliminating the consequences of Russian aggression through the effective use of resources, including the Russian assets confiscation.

Regulations and resolutions on the confiscation of Russian assets and their allocation for the reconstruction of Ukraine: decisions taken by the USA, the Council of Europe, and the EU

On January 24, 2024, the Foreign Affairs Committees of the US Senate and the House of Representatives approved a draft law to allow for the Russian assets confiscation and their transfer to Ukraine. The committee supported the Rebuilding Economic Prosperity and Opportunity for Ukrainians Act by 20 votes. If the draft law passes straight voting in the Senate and the House of Representatives and is signed by US President Joe Biden, it would allow for the first-ever seizure of assets from a country with which they are not at war. After the approval, the lawmakers claimed the Biden administration supported the draft law.

The USA keeps assets of the Russian central bank amounting to USD 5–6 billion dollars, which they froze in February 2022, immediately after the Russian attack on Ukraine. These actions were coordinated with partners in Europe, Canada, and Japan, while the total amount of frozen assets of the Russian Central Bank located abroad is about USD 300 billion.²⁰

On January 30, 2024, the Committee on Political Affairs and Democracy of the

19 Iryna Mudra: the task of the International Register of Damage is to create a database of all losses Ukraine suffered due to Russian aggression <https://minjust.gov.ua/news/ministry/irina-mudra-zavdannya-mijnarodnogo-reestru-zbitkiv-stvoriti-bazu-vsih-zbitkiv-yakih-zaznala-ukraina-cherez-rosiysku-agresiyu>

20 US Senate panel backs 'big hammer' plan to seize Russian assets to help Ukraine <https://www.reuters.com/world/us-senate-panel-steps-toward-seizing-russian-assets-help-ukraine-2024-01-24/>

Parliamentary Assembly of the Council of Europe (PACE) adopted a draft resolution on confiscating russian assets frozen in the West and allocating them to recover Ukraine.

In this draft resolution, based on the report of Lulzim Basha, the representative of Albania, the Committee states that russia as an aggressor country must ensure “compensation for the damage caused by its illegal actions at the international level, including the destruction of infrastructure, loss of life, economic losses, and other adverse consequences, in full”. The text proposes the Council of Europe should lead the process of “seizing russian sovereign assets and allocating them for the recovery of Ukraine”.

The Committee recommends the creation of an international compensation mechanism under the auspices of the Council of Europe involving the creation of an international trust fund, where assets from member states of the Council of Europe and other states would be transferred. It is also proposed to create an impartial and effective commission to consider claims, which would act under generally recognized legal standards to review the applications filed by Ukraine and other persons (individuals and legal entities) affected by aggression.

The Committee calls on the member states of the Council of Europe and other states keeping frozen russian assets to actively cooperate on transferring these assets via this mechanism supported by the EU, the USA, and the G7 countries.²¹

On February 12, 2024, the Council of the EU adopted a decision to regulate future mechanisms for using income from frozen russian assets on the territory of the EU in favor of Ukraine.

The Council adopted a decision and a resolution clarifying the obligations of central securities depositories keeping assets and reserves of the Central Bank of russia (CB of the russian federation) frozen by sanctions. In particular, the Council decided that central depositories keeping assets of the Central Bank of the russian federation worth more than EUR 1 million should account for extraordinary cash balances accumulated following EU restrictive measures and also keep the related income separately.

Depositories cannot independently dispose of income from frozen assets of the russian federation, however, supervisory authorities in each country can make individual decisions on “withdrawing a share of such net income” under the depository application.

This decision allows the Council to adopt a decision on the possible financial contribution to the EU budget from this net income to support Ukraine and its recovery and reconstruction at a later stage.²²

Withdrawal of frozen assets of the russian Central Bank in favor of Ukraine will be

21 The PACE Committee approved the draft resolution on withdrawal of frozen assets of the russian federation <https://www.eurointegration.com.ua/news/2024/01/30/7178559/>

22 Immobilised Russian assets: Council decides to set aside extraordinary revenues <https://www.consilium.europa.eu/en/press/press-releases/2024/02/12/immobilised-russian-assets-council-decides-to-set-aside-extraordinary-revenues/>

legal, given the scale of russian aggression against Ukraine. This was concluded by a group of ten legal experts (Harold Hongju Koh (Yale Law School Professor) and Philip Zelikow (former adviser to the US Department of State), academicians and experts in international law from Europe and Japan) who studied this issue upon request of interested states. According to international law, states keeping frozen russian state assets have a legal opportunity to take additional countermeasures against russia as it has violated most of the basic standards of international law, by allocating russian sovereign assets as compensation for damages caused by its illegal actions. The confiscation would be illegal if russia were innocent. However, if the purpose of asset withdrawal is to stop russia's illegal behavior and compensation to the affected party, it can be deemed legal. They advise states keeping frozen russian assets to transfer these to an international mechanism under their jurisdiction that would allocate the deposited assets to support Ukraine's compensation and recovery programs.²³

Following decisions on the russian assets confiscation and their allocation for the recovery of Ukraine, the Ukrainian authorities plan to sell these assets via the Prozorro.Sale platform. The said platform has already proven its efficiency when conducting transparent and clear bidding in various areas of public procurement and property sales. The sale of seized russian assets will be an additional source of financing for Ukraine when eliminating the aggression consequences. This approach will ensure maximum transparency and openness during the process of selling assets, as well as attract potential buyers from various economic sectors.

Ukraine plans to sell confiscated russian assets via the Prozorro.Sale platform to eliminate the consequences of aggression

Prozorro.Sale will become the main platform for the sale of seized russian assets.²⁴ Sanctioned russian assets in Ukraine will be sold through Prozorro.Sale online auctions and the funds will then be used to eliminate the consequences of russian aggression and restore the economy. Yuliia Svyrydenko, the First Vice Prime Minister of Ukraine – Minister of Economy stated.

Prozorro.Sale will become the main platform for the sale of seized Russian assets. This is an extremely important area in developing the small privatization reform. Apart from funds, it is about the responsibility to be borne by the russian business that finances the crimes committed by the russian army in Ukraine," said Yuliia Svyrydenko.²⁵

23 Seizing Frozen Russian Assets Over Ukraine War Wins Endorsement of Legal Experts <https://www.bloomberg.com/news/articles/2024-02-21/seizing-frozen-russian-assets-over-ukraine-war-wins-endorsement-of-legal-experts>

24 Prozorro.Sale will become the main platform for the sale of seized russian assets <https://www.holosameryky.com/a/prozorro-prodazhi-stane-holovnoiu-platfornioiu-z-prodazhu-vyluchenykh-rosiiskykh-aktyviv-serhii-but/7354606.html>

25 Prozorro.Sale will become the main platform for the sale of seized russian assets, – Yuliia Svyrydenko <https://www.kmu.gov.ua/news/prozorroprodazhi-stane-holovnoiu-platfornioiu-z-prodazhu-vyluchenykh-rosiiskykh-aktyviv-iuliia-svyrydenko>

One of the first russian assets to be sold via Prozorro.Sale may be the Ocean Plaza shopping center (city of Kyiv). Until recently, two-thirds of its shares belonged to russian oligarchs, namely, Arkady Rotenberg and his son Ihor. At the beginning of June, the Government transferred them to the State Property Fund. The State Property Fund has already re-registered corporate rights to the state. Nowadays, experts are making an inventory and updating incorporation documents.²⁶

Strategic measures to support Ukraine, including the confiscation of russian assets and their reallocation, are a serious step toward supporting the country when eliminating the consequences of russian aggression and recovering the economy after the military conflict.

Strategic measures to support Ukraine: confiscation of russian assets and their reallocation

The situation in Ukraine is still tense, and international bodies continue to make efforts to recognize and resolve war-related violations of international law. Establishing compensation mechanisms may become one of the ways to establish responsibility for crimes committed during the war in Ukraine and ensure responsibility for these. Compensation for damages can help rebuild Ukraine.

The world community upholds firm principles of justice and responsibility in relations between countries, especially in the context of conflicts and aggression. To compensate for the damages caused by russian aggression against Ukraine, significant steps are being taken to confiscate and re-allocate russian assets. Support for the russian assets confiscation and their reallocation to compensate for damages to Ukraine resonates in the international community. The role of international organizations supporting these measures is crucial to ensure the fairness and efficiency of compensation mechanisms. Financial support, transparent use of funds, political support, and ways of using frozen russian assets to recover Ukraine are an integral part of the country's reconstruction strategy.

Strategic steps and international initiatives intended to support Ukraine given the conflict with russia include:

1. Support for russian asset confiscation. Adopting draft laws in the USA and the European Parliament on the russian assets confiscation and their reallocation to compensate for damages caused to Ukraine.
2. The role of international organizations. The active role of the Council of Europe, the European Parliament, the USA, and other international organizations when supporting Ukraine and taking measures against russian aggression.
3. Establishing international compensation mechanisms. Introducing international mechanisms to determine and compensate for damages

26 The State Property Fund of Ukraine started the privatization of the state share in the Ocean Plaza shopping center <https://forbes.ua/news/fdmu-rozpochav-protseduru-privatizatsii-derzhavnoi-chastki-trts-ocean-plaza-02022024-18944>

caused by russian aggression, including establishing an international trust fund.

4. Financial support. Solving issues of financial support and recovery of Ukraine's economy at the expense of frozen russian assets.
5. Transparent use of funds. Ensuring transparency and accountability when using funds received from the confiscated russian assets to eliminate consequences of russian aggression and support economic recovery.
6. The importance of Ukrainian economic recovery. Recognizing the importance of Ukrainian economic recovery as part of the strategy for the country's reconstruction after the russian aggression.
7. International cooperation. Introducing international cooperation mechanisms to ensure the allocation of russian assets to support Ukraine and compensate for damages.
8. The uniqueness of draft laws. Underlying the uniqueness of the draft laws on russian asset confiscation, since this is the first time in US history that assets from a country with which it is not at war have been seized.
9. Political support. Support for draft laws on russian assets confiscation and their reallocation to Ukraine.
10. Ways to use funds. Discussing various ways of using funds from the russian assets confiscation, including their allocation to restore the economy and infrastructure of Ukraine.

Thus, the general global trend related to the support of Ukraine given the conflict with russia is manifested via the adoption of several strategic measures at the international level. These measures include the adoption of draft laws in the USA and the European Parliament on russian assets confiscation and their reallocation for compensation to Ukraine, the active role of international organizations in this process, and the establishment of international compensation mechanisms. Financial support and transparent use of funds from the confiscation of russian assets are important to recover Ukraine's economy and infrastructure. The political support and active involvement of partner countries when implementing these measures show the international community's unity in supporting the sovereignty and territorial integrity of Ukraine.

Ukraine plays an active role in promoting the confiscation of russian assets and using them to compensate for damages caused by russia's aggression. Ukraine is supported by such international organizations as the Council of Europe and the European Union, as well as by partner countries, including the USA.

Ukraine is supported by international compensation mechanisms and gets financial support to restore its economy at the expense of frozen russian assets. This shows Ukraine's preparedness and ability to receive confiscated funds and use them to recover and develop the country. However, it is also important to ensure transparent and efficient use of these funds to achieve maximum effect when eliminating the

consequences of russian aggression.

Ukraine and the world: preparedness to receive confiscated funds

Ukraine shows sufficient preparedness to receive confiscated funds and use them to eliminate the consequences of russian aggression and restore the economy. This preparedness is manifested via some key issues:

1. Legal framework. Ukraine is actively working on creating and improving its legal framework regulating the process of russian assets confiscation and their subsequent reallocation. This includes the adoption of laws and resolutions promoting the process and ensuring transparency and accountability when using the funds received.
2. Institutional mechanisms. The government and such specifically established institutions as Prozorro.Sale are actively working to develop and improve mechanisms to sell confiscated assets. This helps ensure an effective and transparent sales process with maximum benefit for the country.
3. Transparency and openness. The Government of Ukraine makes significant efforts to ensure transparency and openness when receiving and using confiscated funds. This includes public reports on the use of financial resources, mechanisms for monitoring and evaluating the efficiency of funds allocation, as well as involving the public and international partners in the control and supervision processes.
4. Financial management. The Government of Ukraine has already developed strategies and plans to allocate the funds received to eliminate the consequences of aggression and restore the economy. These strategies focus on such priority areas as infrastructure recovery, support for small and medium-sized enterprises, development of education and health care, as well as countering corruption and improving the legal system.
5. Investment attractiveness. Using confiscated funds to restore the economy will help increase Ukraine's investment attractiveness. This may be followed by an investment increase and development of key economic sectors, which will contribute to the stabilization of the country's financial situation and its further development.
6. International cooperation. The government actively cooperates with such international organizations as the European Union, the United States, and the Council of Europe to ensure the efficient use of confiscated funds and compliance with international standards and regulations. Participation in international projects and programs to support Ukraine, aimed at economic recovery, support of society, and reforms.
7. Building of trust. The efficient use of confiscated funds and strategic project implementation to recover the country will contribute to building trust in the authorities and government of Ukraine of both the local population

and international partners. It is an important factor in strengthening stability and supporting reforms in the country.

In general, Ukraine shows preparedness and determination to allocate confiscated funds to eliminate the consequences of aggression and restore the economy. Eliminating the consequences of aggression and promoting the country's development requires a comprehensive approach and cooperation with international partners, which is an important step in strengthening the stability and prosperity of Ukraine.

This analytical material was presented by ANTS National Interests Advocacy Network within the framework of the Activity to Enhance Non-Governmental Actors and Grassroots Engagement (ENGAGE), funded by United States Agency for International Development (USAID) and implemented by Pact in Ukraine. This analysis content is the sole responsibility of Pact and its partners and does not necessarily represent the views of USAID or the US Government