Unlocking Investment in Ukraine's Water Utilities

Project preparation for cleaner rivers and resilient services

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Polluter pays in Ukrainian law

Water utilities already have legal duties to:

Treat and monitor wastewater

Meet discharge limits, maintain treatment facilities and monitor effluent and receiving waters. (Arts. 44, 70)

Compensate for damage caused by violations

Pay compensation under the legally established procedure. (Art. 111)

Remedy the harmful consequences

Compensation does not remove the duty to eliminate harmful consequences of violations. (Art. 111)

Payments do not replace compliance or remediation

Funding proposal: investments should deliver measurable reductions in river pollution alongside reliable services.

Water Code of Ukraine, Articles 44, 70 and 111.

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Water utilities are a major source of polluted discharges

Shares of recorded polluted wastewater discharged to surface waters

~70%

Ukraine, 2021

Water supply and sewerage sector

380.1 million m³ out of
541.5 million m³ nationally

93%

Zhytomyr region, 2024

Municipal services sector

1.886 million m³ of the region's recorded polluted discharges

Sources: State Water Agency (2021), Accounting Chamber (2024), Pripyat Basin Water Resources Administration (2024 data).

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Ecoclub’s results with water utilities

23
completed solar projects

1.51 MW
solar capacity at water and wastewater facilities

832 kWh
battery storage

Matviivka water intake, Mykolaiv

Case funding: Denmark’s Ministry of Foreign Affairs through the Danish Refugee Council.

UAH 103,000 for the feasibility study
UAH 3.96 million for design and installation

38.44 kW solar panels and 204.8 kWh battery storage

21.5 hours

The water intake continued operating throughout a grid outage in December 2025.

INTENKO monitoring analysis (2026).

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Missing project preparation: consequences for water utilities

Unclear investment priorities

Without comparable estimates of costs and benefits, municipalities struggle to identify which projects deserve priority.

Greater risk of unsuitable investments

Choosing technology and capacity before comparing alternatives can lead to avoidable costs and lower benefits.

Unequal access to investment

Smaller municipalities often lack the expertise and resources to prepare credible proposals, even when their needs are more urgent.

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The project preparation funding trap

1. A utility identifies a need
Lower energy costs or reliable operation during outages, but no assessed project.

2. Financiers require evidence
Verified data, realistic cost estimates and a feasibility assessment before committing funds.

3. Preparation costs money
Site assessments and studies require specialist expertise, staff time and upfront funding.

4. The municipality postpones
Limited funds and uncertain financing discourage spending. The project remains unprepared.

Preparation needs funding before construction approval

A feasibility study must allow a decision to proceed, revise, defer or stop the project.

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