



EUROSAI

Working Group on the Audit of Funds
Allocated to Disasters and Catastrophes



SESSION 2. AUDITS OF GOVERNMENT RESILIENCE AND PREPAREDNESS

TOPIC OF DISCUSSION: AUDITS OF THE RESILIENCE AND READINESS OF THE GOVERNMENT OF UKRAINE DURING A SPECIAL PERIOD

Speaker:

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Head of the Infrastructure Audit Office



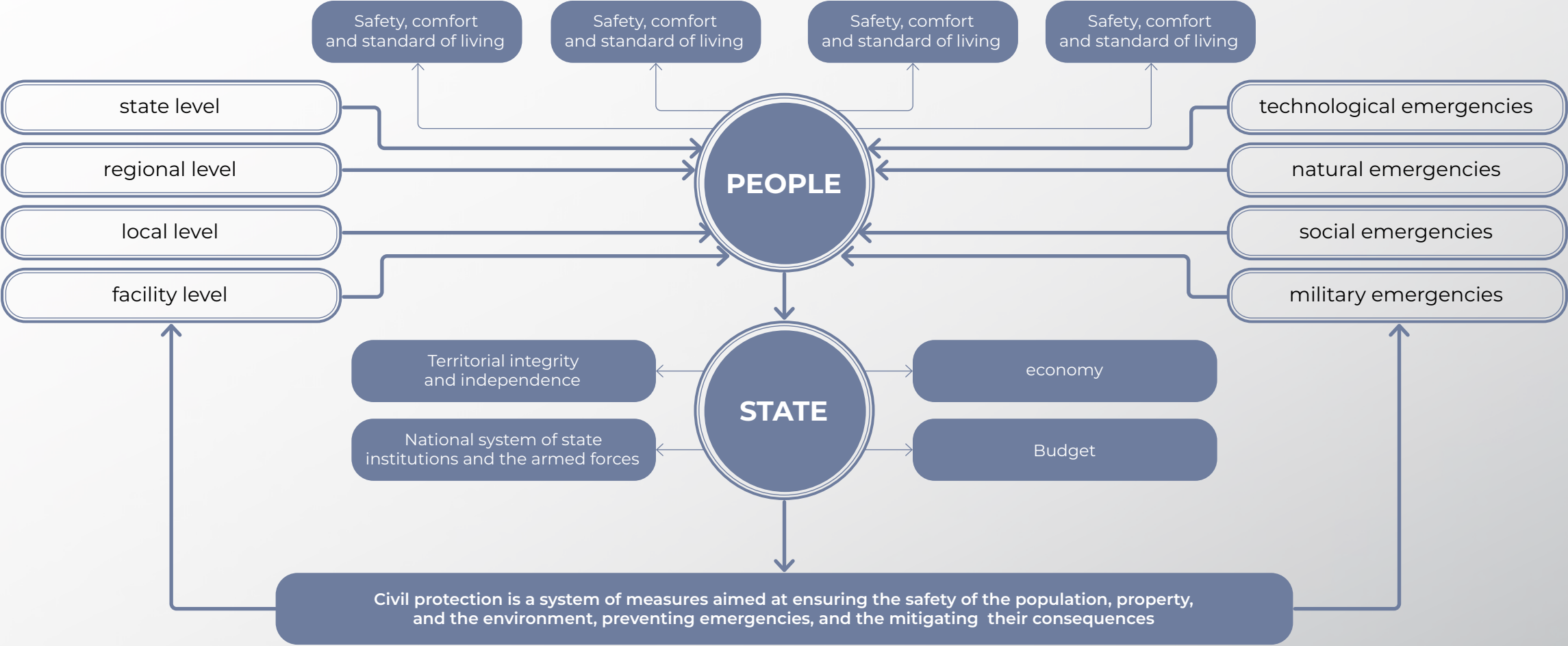
THE ACCOUNTING CHAMBER

Supreme Audit Institution of Ukraine

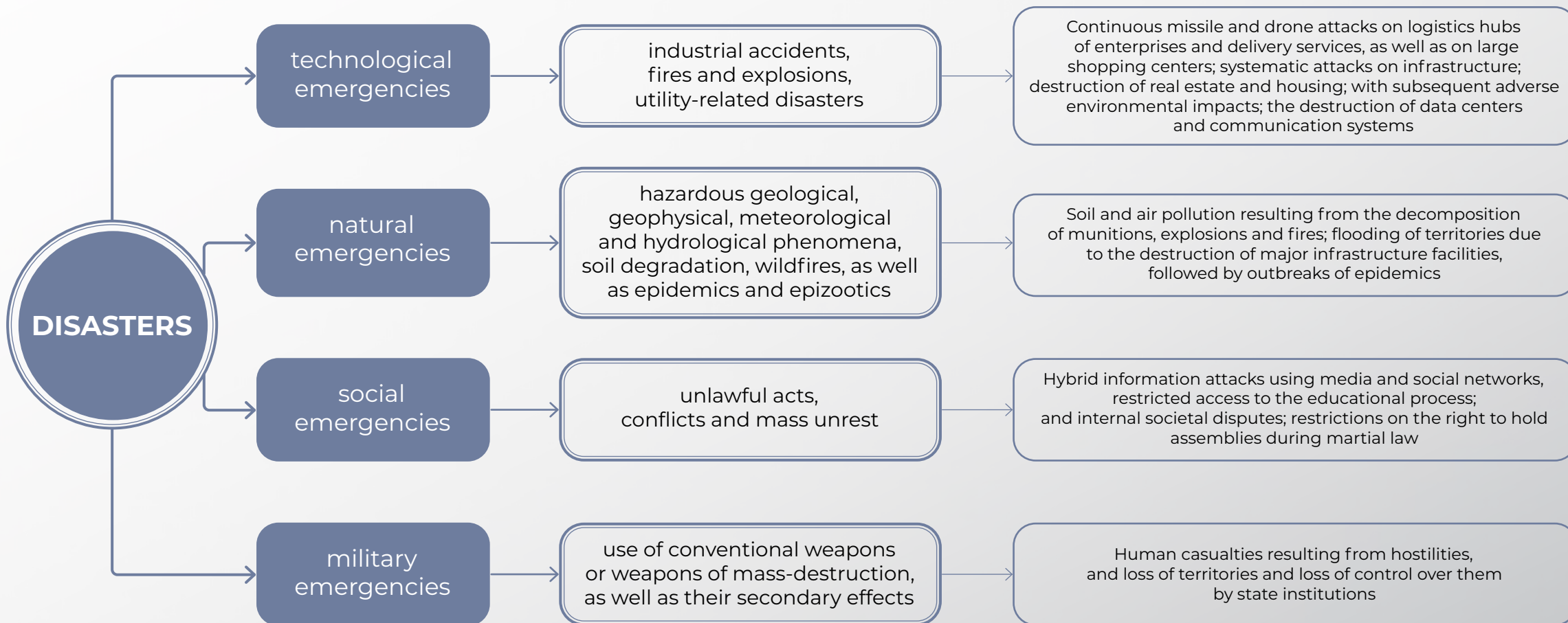
EUROSAI WGAFADC SEMINAR: “FROM EARLY WARNING TO RESILIENCE:
ARE GOVERNMENTS PREPARED FOR DISASTERS AND CRISES?”

Kyiv, October 2026

CIVIL PROTECTION SYSTEM IN UKRAINE: LEVELS AND INTERRELATIONSHIPS



CONSEQUENCES OF EMERGENCY SITUATIONS



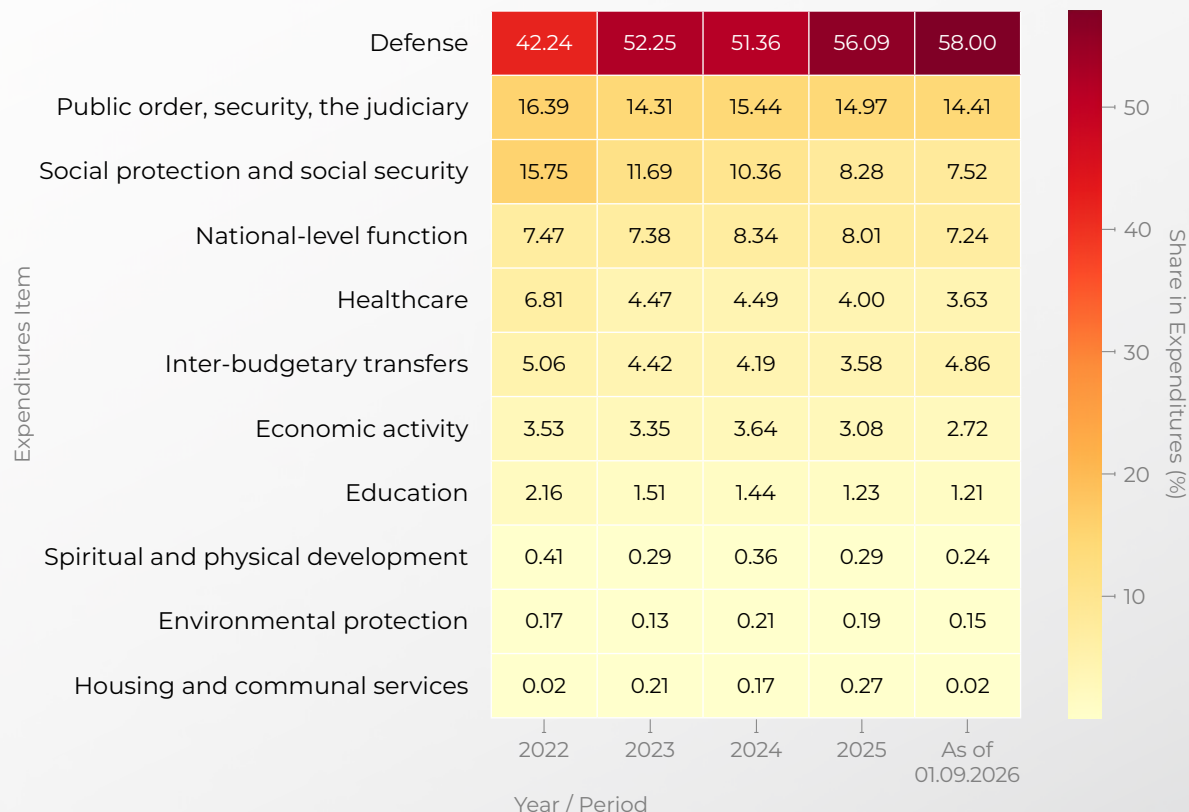
UKRAINE'S RESPONSE TO EMERGENCIES



BUDGETING IN THE CONTEXT OF DISASTERS AND ARMED AGGRESSION

STATE BUDGET EXPENDITURES OF UKRAINE HEATMAP

(Sorted from Maximum to Minimum)



BUDGETING CHALLENGES AND TOOLS TO ADDRESS DISASTERS



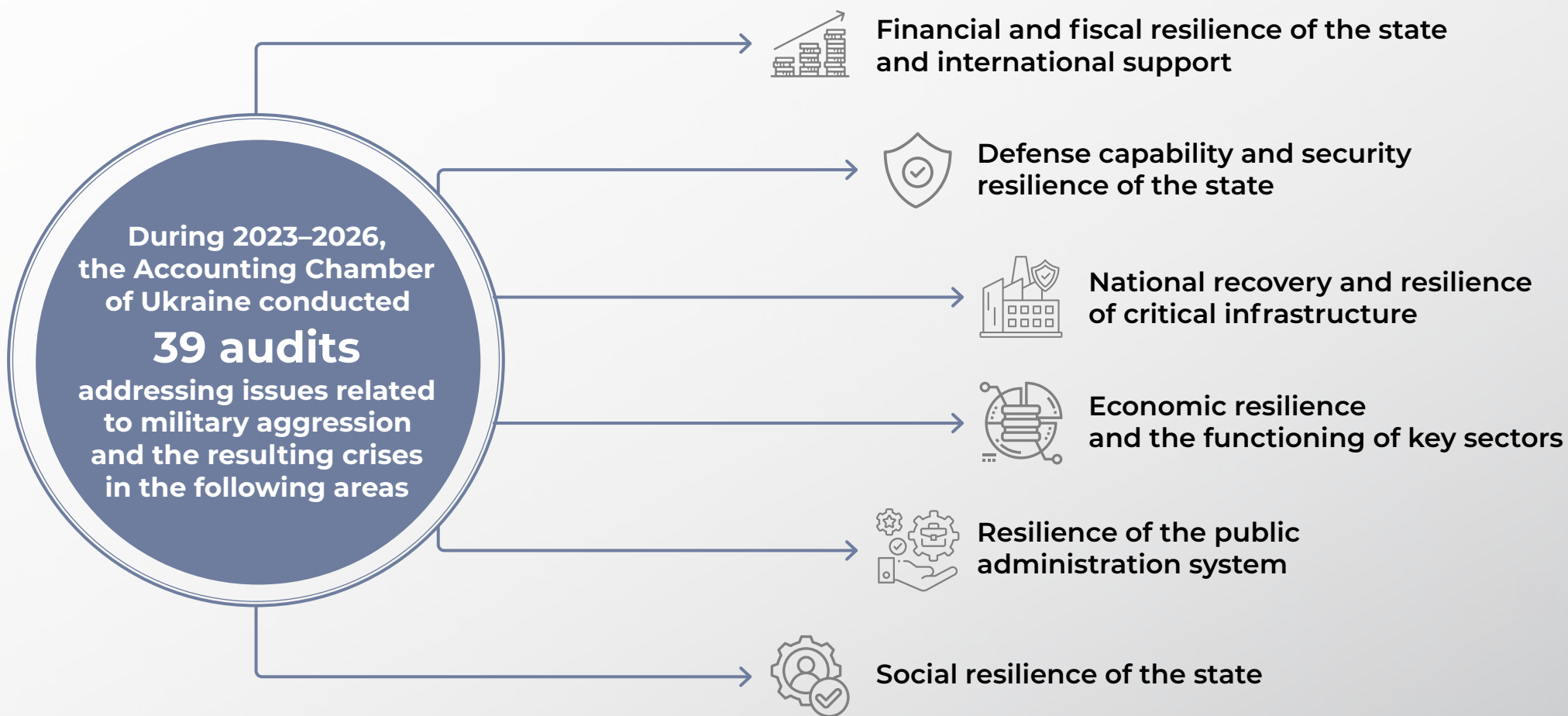
Obvious challenges:

- a substantial shortage of financial resources, particularly for the security and defense sector, and critical dependence on external assistance
- Austerity measures combined that simultaneously identifies sectors requiring the highest level of support and measures to increase revenue
- High-quality budget planning
- Restrictions on transparency, including limitations on the mandatory publication of certain types of information on public websites

Tools to address the challenges:

- Continuous analysis and the availability of mechanisms for the rapid reallocation of resources
- Flexible budget legislation and clear procedures for external inflows
- A strong role for fiscal authorities and the Government of Ukraine
- Flexible procedures for receiving and accounting for international technical and humanitarian assistance
- Compensatory mechanisms regarding restrictions on information concerning the use of budget fund (with the option to obtain information upon individual request)

EXTERNAL AUDIT RESPONSE TO CHALLENGES FACING THE STATE



Performance Audit “Destruction of the Kakhovka Hydroelectric Power Plant: Scale and Consequences of the Disaster” (2024)



The audit objective is to assess the effectiveness of the use of budget funds allocated to address the consequences of the Kakhovka Hydroelectric Power Plant’s destruction



The audit subject covers the amounts and sources of funding for measures aimed at addressing the consequences of the disaster



Audit questions: Did the decisions to allocate funds comply with legal requirements? How and for what purposes were the funds used? What results were achieved through the emergency measures taken?

SCALE OF THE DISASTER

As a result of the destruction of the Kakhovka Hydroelectric Power Plant dam by Russian troops on 6 June, 2023:

- total damage amounted to **USD 14 billion**
- environmental damage totaling **UAH 146 billion**
- more than **14 cubic kilometers** of water were lost (**72.5%** of the total reservoir volume)
- district heating facilities in the city of Kherson were damaged
- **1.6 million** people in 164 settlements were left without adequate water supply
- **135,000 people** in 67 settlements were affected by flooding
- **19,000 people** had to be evacuated
- loss of crops on **1,500 hectares** of flooded household gardens

MEASURES TAKEN

The Government of Ukraine ensured:

- transportation of drinking water to residents of the Dnipropetrovsk, Zaporizhzhia, Mykolaiv, and Kherson regions (**over 1.5 million people**) and, subsequently, the construction of a new water pipeline as part of an experimental project
- emergency repair and restoration works at district heating facilities
- provision of financial assistance to affected citizens
- compensation for lost crops

ISSUES ADDRESSED BY THE RECOMMENDATIONS

- Shortcomings in budget planning for work and in setting implementation deadlines
- Lack of oversight by customers and contractors over pricing and the actual volume of works performed
- Organizational gaps in the implementation of the water pipeline restoration project: communication between implementing entities and customers, reporting, and monitoring of project progress
- Deficiencies in the regulatory framework governing cost calculations in construction

Performance audit “Humanitarian Demining of Agricultural Land in Ukraine: Restoring Safety and Agricultural Production” (2025)



-  **The audit objective** is to assess the efficiency and effectiveness of measures for the humanitarian demining of agricultural land in Ukraine
-  **The audit subject** the system for organizing and implementing measures aimed at ensuring the humanitarian demining of agricultural land and returning it to productive use
-  **Audit questions:** How were measures for humanitarian demining of agricultural land developed and implemented?
How effectively, and in accordance with the established rules, were funds used to implement humanitarian demining measures?

SCALE OF THE DISASTER

- **174,000 km² (17.4 million ha)** were affected by intense hostilities
- **\$11 billion** in annual GDP losses
- **\$1.1 billion** in foregone tax revenues
- **UAH 1,189.6 billion** in damage caused by land contamination and soil pollution
- **139,000 km² (13.9 million ha)** of potentially mined territory, accounting for approximately 23% of Ukraine's territory
- **9.85 million** ha of agricultural land inaccessible in 10 regions
- **6.37 million** people living in potentially hazardous areas
- **191** agricultural workers/farmers **killed** between February 2022 — February 2025)

MEASURES TAKEN

- The Government of Ukraine has launched a budget program to provide compensation for the humanitarian demining of agricultural land and has secured funds from charitable foundations and international partners

ISSUES ADDRESSED BY THE RECOMMENDATIONS

- Lack of unified rules for planning demining activities and monitoring their implementation
- Data fragmentation and duplication of activities
- Inefficient and overly bureaucratic compensation mechanism for farmers
- Deficiencies with the tracking and transparency of grant funds
- Gaps in the accounting of reserved funds
- Overlapping responsibilities and fragmentation of institutional governance

The compliance audit “Implementation of the pilot project on protecting critical infrastructure in the fuel and energy sector” (contains information with restricted access)

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The audit objective is to assess the compliance of the implementation of the pilot project — involving the construction, repair, and other engineering and technical measures for the protection of critical infrastructure facilities in the fuel and energy sector—with established standards and regulations
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Audit subject and audit questions — restricted-access information

SCALE OF THE DISASTER	MEASURES TAKEN	ISSUES ADDRESSED BY THE RECOMMENDATIONS
<ul style="list-style-type: none">The cost of damage to energy infrastructure caused by Russian attacks amounted to almost UAH 90 billion <p>Structure of the Damage</p> <ul style="list-style-type: none">Generation: power generation facilities suffered the largest financial and capacity losses, including thermal and hydropower plants and the destruction of key balancing capacities)Transmission system: Extensive damage to high-voltage substations and main transmission networksDistribution system: Damage to regional electricity distribution companies and distribution networks in frontline and border regions	<ul style="list-style-type: none">The Government of Ukraine launched pilot projects aimed at ensuring the architectural and engineering protection of energy facilities. These projects pursue two main objectives: achieving practical protection results and developing the relevant regulatory and legal framework	<p>Shortcomings in in the design and implementation of the project regarding:</p> <ul style="list-style-type: none">defining communication rules and discipline among project participantsthe absence of clear performance indicators and expected resultsdeficiencies in the monitoring and reporting systemfinancing from unpredictable and unstable sources

Compliance audit: “Reconstruction of Settlements affected by the armed aggression of the Russian Federation” (2026)



-  **The audit objective** is to assess whether the restoration process in settlements affected by the armed aggression of the Russian Federation and included in the experimental project complies with the requirements of relevant regulatory and legal acts
-  **The audit subject** is the recovery process within the settlements designated under the pilot project for the recovery of settlements affected by the armed aggression of the Russian Federation
-  **Audit questions:** Was the recovery process within the settlements designated in the pilot project organised in accordance with the requirements of regulatory legal acts? Did the recovery measures applied ensure the recovery facilities within the settlements designated in the pilot project?

SCALE OF THE DISASTER

- Direct damage caused to Ukraine through destroyed assets exceeded **USD 195 billion**, with the housing sector, transport and energy infrastructure suffering the greatest losses

MEASURES TAKEN

- The Government of Ukraine launched experimental projects for the comprehensive recovery of affected settlements using simplified implementation procedures. These projects pursue two main objectives: achieving tangible results and developing the relevant regulatory and legal framework

ISSUES ADDRESSED BY THE RECOMMENDATIONS

- Implementation of the project without the necessary strategic and planning framework, a lack of alignment between certain measures with territorial development plans, and the absence of a document clearly defining the overall procedures and responsibilities within the process
- Non-transparent and inconsistent selection of facilities for restoration within the project
- Shortcomings in defining communication rules and participant discipline, as well as in monitoring and reporting on project implementation
- Unstable financing and lack of predictable funding sources



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THANK YOU FOR YOUR ATTENTION!

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