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PROJECT IMPLEMENTATION GUIDELINES

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Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

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List of Acronyms

CMU	Cabinet of Ministers of Ukraine
DA	Disbursement Account
EIA	Environmental Impact Assessment
EIB	European Investment Bank
ESIA	Environmental and Social Impact Assessment
EWG	Expert Working Group
Financial Contract	The UERP “Finance Contract” signed between Ukraine and the European Investment Bank and ratified by the Law of Ukraine dated April 22, 2015 No. 346-VIII and/or The URP “Finance Contract” signed between EIB and Ukraine, FI № 91.906 Serapis № 2019-0903 dated December 9th, 2020, ratified by the law of Ukraine 1645-IX dated 14.07.2021, for the purpose of the “Ukraine Recovery Program” (hereinafter – the Finance Contract)
IDP	Internally Displaced Person
LFTA	Loan-Fund Transfer Agreement
MoF	Ministry of Finance
MCTDI	Ministry of Communities and Territories Development and Infrastructure (or its assignee)
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
PA	Project Account
PIG	Project Implementation Guidelines
PMSU	Programme Management Support Unit
PPL	Law of Ukraine “On Public Procurement”
PROZORRO	Ukrainian Electronic System of Public Procurement
SEP	Stakeholder Engagement Plan
TA	Technical Assistance implemented by consortia led by Cowater
ToR	Terms of References
UAH	Ukrainian Hryvnia
UERP	Ukraine Early Recovery Programme
UNDP	United Nations Development Program
URP/Program	Ukraine Recovery Programme and/or UERP
JSC Ukreximbank	Joint Stock Company "The State Export-Import Bank of Ukraine" (or any other Bank acceptable for EIB)

1. Executive Summary

This Project Implementation Guidelines (PIG) lays out the principles and implementation rules governing the Ukraine Recovery Programme (URP) as well as the Ukraine Early Recovery Programme (UERP). It gives guidance to all key actors involved in Programme Management, Implementation and Monitoring, at both the national and local regional level. The PIG has the goal of creating a common understanding of programme principles and practice for all stakeholders and aims to create the foundation for a partnership among all parties. The contents of this document including the annexes cannot be modified or set aside without the explicit approval of the EIB and based on the recommendations of the MCTDI/PMSU/TA.

Chapters 1 to 3 of the PIG cover **institutional arrangements** for managing and implementing the Programme including institutional framework and URP/UERP implementation structure. This part presents definitions and abbreviations, used in its wording, describes the major functions and tasks of the PMSU and briefly characterizes the Project and its components. It also provides details of the **URP/UERP Help-desk**, and how Final Beneficiaries and Stakeholders can request assistance and access information concerning the URP, at all phases of the implementation.

Chapter 4, describes the procedures applied for **Sub-project Screening and Selection**.

The Programme's policy for **Procurement Procedures**, implementation arrangements for project procurement as well as procurement procedures for works and services, bids, and proposals are presented in Chapter 5 and Annexes 1-3 and 9 of the PIG.

Characteristics of the **Financial Management System** of the Programme are presented in Chapter 6 and Annexes 4-5 of the PIG, including instructions and recommendation for use by the Final Beneficiaries; in addition to general provisions for planning, budgeting, accounting and audit. Annex 6 provides explanations on Loan Fund Transfer Agreements, which sets out obligations between the MCTD, MoF and the Oblast local Administrations and Final Beneficiary with respect to the URP investment sub-project; also, financial templates to be used for financial management.

Chapter 7 and Annex 6 define the framework for managing **Environmental and Social** aspects associated with the URP construction and operation phase.

Chapter 8 provides a brief overview of the **URP Visibility & Communication**.

Chapter 9 explains how a **monitoring and evaluation system** of the URP/UERP works, how planning and reporting activities are organized and who perform the Programme oversight.

2. Introduction

2.1 Objective of the Project Implementation Guidelines

The overall objective of the Project Implementation Guidelines (PIG) is to facilitate the implementation of the Ukraine Recovery Programme (URP) also covering UERP and the achievement of its objectives. The URP/UERP is open for participation by local bodies of executive power and local self-government authorities.

Achievement of the URP/UERP objectives will require, among other things, clarity regarding:

- The roles and responsibilities of the stakeholders that have project implementation roles; and
- The procedures and formats/ templates that should be used to ensure that project activities are undertaken in an effective and efficient manner, and that project information is effectively communicated among and between the project partners and stakeholders.

The objectives of this PIG are therefore to assist in the implementation of the programme by:

- Defining the stakeholders who will participate in the programme implementation, together with their roles and responsibilities;
- Defining the procedures and formats/ templates that should be used to support the effective implementation of the programme.

The PIG should be distributed through the URP/UERP PMSU to all decision-makers or supervisory agencies involved with the implementation. It will also be made available as a public document, on the MCTDI website. It is expected that the PIG should become a reference document for all those having project implementation responsibilities. Although nothing in this document or omitted from it should be construed or understood to replace or change legal agreements between stakeholders and in particular the Finance Contract. In the event of any conflict or inconsistency between this document and a legal agreement between stakeholders, the legal agreement will take precedence and prevail.

Consequently, the PIG aims to:

- Improve the sub-project identification and preparation skills of people working with infrastructure and social development projects in municipal and oblast administrations, central government;
- Provide a framework for project development of municipal and social infrastructure, which can be used to support training sessions.

During the period of its implementation it is anticipated that the conditions underlying the project may evolve (e.g. new regulatory or institutional arrangements may be introduced) and/ or that the project implementation framework may need to be adjusted to reflect lessons learned. The PIG may therefore require updating from time-to-time, to reflect project implementation agreements between the project partners and the implementing agencies.

3. Ukraine Recovery Programme

3.1 Background

In 2014, Russia invaded Crimea and partially the Donetsk and Luhansk regions. On 24 February 2022, Russia started full-scale invasion of Ukraine. The invasion was internationally condemned as a war of aggression. A United Nations General Assembly resolution demanded a full withdrawal of Russian forces, the International Court of Justice ordered Russia to suspend military operations. A number of countries imposed new sanctions against Russia and provided humanitarian and military aid to Ukraine.

The invasion caused Europe's largest refugee crisis since World War II. According to the International Organization for Migration data, as of the end of May 2022, over 7 million IDPs were recorded in Ukraine. Additionally, over 6 million of refugees from Ukraine were forced to leave the country due to Russian aggression, according to UNHCR data from February 24, 2022, to July 26, 2022¹. It is estimated that the conflict changed the lives of over 15 million people, with women, children, the elderly and vulnerable groups particularly severely affected.

The full-scale invasion caused considerable damages to infrastructure objects and shortage of housing for the IDPs in Ukraine. As of June 2022, according to the Ukraine Recovery Plan, restoring of almost 40,000 objects in the de-occupied territories is necessary. Among them are almost 400 schools, about 300 kindergartens, 300 hospitals, and utilities (water supply, gas supply, heat supply, and electricity supply). All other objects are the residential infrastructure - mostly multi-storey buildings and private houses. It is likely that the number of destroyed and/or damaged objects will increase.

The situation for people living in the conflict and post-conflict areas is particularly difficult due to the considerable breakdown of the social infrastructure particularly in housing, health, water, and energy supply sectors. The restoration of decent living conditions for people living in affected areas as well as Internally Displaced Persons (IDPs) and the rehabilitation of essential social infrastructure will contribute to the overall economic recovery and employment.

3.2 Objectives of the Programme and Priority Activities

In accordance with agreements between the Government of Ukraine and the EIB/ EU, the objectives of the URP are:

- to address the consequences of the war in Ukraine including addressing the needs of internally displaced persons and supporting, facilitating and accelerating the early recovery of infrastructure in areas under the control of the Ukrainian Government; and
- re-establishing and improving public service delivery (water and drainage, district heating), repairing connection roads and railways and reconstructing destroyed bridges, repairing and refurbishing damaged public buildings (including administrative buildings, schools, health centres and hospitals, post offices and other social infrastructure) (each operation hereafter called a “**Sub-Project**” or SP).

¹ https://data.unhcr.org/en/situations/ukraine#_ga=2.30566591.1023692008.1658925998-2020148145.1658925998

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During the first selection of Sub-Projects under the URP in 2022, the priority is given to the following activities:

- construction (new construction, reconstruction, overhaul) of public buildings:
 - educational institutions (preschool education, secondary education, vocational education);
 - healthcare institutions (hospitals, dispensaries, hospitals, polyclinics, etc.);
 - centres for the provision of the administrative services;
- reconstruction, overhaul of critical infrastructure (water supply and sewerage systems, heating supply systems);
- reconstruction, overhaul of buildings to provide housing for internally displaced persons and persons who lost it as a result of the military aggression of the Russian Federation.

More details of priority activities can be found in the calls for applications published on MCTDI website.

The objects financed by the relevant subvention within URP/UERP remain in the communal ownership (joint ownership) of the respective territorial communities and are used for their intended purpose for at least 20 years from the date of completion of the project implementation.

3.3 Eligible Sectors

The following table is extracted from the Finance Contract (Contract Number 91.906, dated 9 December 2020) and defines the technical description of the type of works that are primarily targeted, within the eligible sectors for financing under the URP.

Sector	Activity
Housing	Recovery, upgrading and construction of infrastructure for housing; recovery or construction of heating systems; recovery, improvement of the energy efficiency measures.
Water Supply and Sanitation	Recovery and reestablishment of water supply, rationalization of use of water resources; repairing and upgrading of networks, capitation, pumping stations and treatment plants at regional and municipal level.
District Heating	Recovery of district heating generation, transmission and distribution.
Public Buildings	Recovery and refurbishing of public buildings (hospitals, schools, community centers, post offices providing financial services, public administration buildings). Recovery and improvement of energy efficiency in public buildings.
Transportation	Recovery and reestablishment of connection roads, rail and bridges. Recovery and reestablishment of urban transportation infrastructure and pedestrian paths, and replacement of destroyed urban transportation equipment.

Additional details on acceptable measures for the sectors will be defined in the contest conditions for the selection of Sub-projects, which will be published on the website of the Mininfrastructure.

3.4 Sanctions lists

By entering into any agreement related to the URP/UERP all stakeholders acknowledge that the Bank is bound to comply with the Sanctions (as defined in the Finance Contract) and that the Bank cannot, therefore, amongst others, make funds available, directly or indirectly, to or for the benefit of a Sanctioned Person (as defined in the Finance Contract).

"Sanctioned Person" means any individual or entity (for the avoidance of doubt, the term entity includes, but is not limited to, any government, group or terrorist organization) who is a designated target of, or who is otherwise the subject of, Sanctions.

"Sanctions" means the economic or financial sanctions laws, regulations, trade embargoes or other restrictive measures (including, in particular, but not limited to, measures in relation to the financing of terrorism) enacted, administered, implemented and/or enforced from time to time by any of the following:

- United Nations, the information on sanctions is available at: <https://scsanctions.un.org/6ppuven-all.html>
- United States of America, the information on sanctions is available at: <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>
- European Union, the information on sanctions is available

In addition to the above the sanctions are imposed by the National Security and Defense Council of Ukraine and then stipulated in relevant Ordinances of the President of Ukraine published at following official sources:

- Web-portal of the Ukrainian Parliament at: www.rada.gov.ua
- Web-portal of the President of Ukraine at: <https://www.president.gov.ua/en>

3.5 Programme Duration

The Government of Ukraine requested technical assistance and financial support from the international community to deal with the crisis and its aftermath.

The EIB responded by providing financial support in phased approach under the UERP loan, which is a multi-sector project, approved and signed in December 2014 and aimed at financing the restoration of critically damaged infrastructure in the affected areas and the basic needs to ensure decent living conditions for displaced persons and host communities. The program had an initial implementation period of three years, but it was extended several times and should end by December 31, 2024.

The EIB has continued providing financing support in a phased approach, with the URP framework loan, which is a multi-sector operation approved and signed on 9 December 2020, targeting recovery investments on critical infrastructure in affected areas, and basic needs to ensure decent living conditions for displaced people and host communities. It is expected that the period of implementation of the Program will be 5-6 years after the signing of the Financial Contract in 2020. Thus, it is planned that the Project will be completed no later than the end of 2026.

Sub-projects will be implemented to ensure the implementation of measures to restore social and housing infrastructure in territories where state authorities exercise their powers in full (territory

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controlled by Ukraine), the purpose of which is to overcome the consequences of the armed aggression of the Russian Federation.

3.6. Programme Territorial Coverage

The programme will target territories under the control of the Government of Ukraine, territories where there is no active hostilities (territories with a lower risk of recurrence of hostilities) and those that accept a significant number of internally displaced persons. The details on the territorial will be updated on the regular basis and communicated through the calls of applications, regulations adopted by CMU, legal and administrative acts of MCTDI and other means.

3.7 Terms and Conditions of EIB Loan

The Bank established in favour of the Borrower, and the Borrower accepted, a credit in an amount of EUR 200,000,000 (two hundred million euros) under the UERP.

The Bank established in favour of the Borrower, and the Borrower accepted, a credit in an amount of EUR 340,000,000 (three hundred forty million euros) for the financing of the Project (the "Credit") under the URP. The amount of the Credit can be modified by changing the Finance Contract.

3.8 URP Implementation Structure

MCTDI will implement the URP/UERP through a Programme Management Support Unit (PMSU) located within the structure MCTDI. The PMSU will be headed by a URP/UERP Director nominated by the MCTDI, who will be assisted by the Technical Assistance to the URP/UERP. The TA is delivered through the EIB consultant facility, which will assist and facilitate all PMSU staff in the performance of their functions, and delivery of the Programme results.

The PMSU will carry out the following activities, regarding the URP/UERP:

- Issuance of the Calls for Proposals;
- Screening and selection of sub-projects;
- Support to signing of LFTAs;
- Technically evaluate and monitor implementation of the financed sub-projects;
- Co-ordinate all matters related to the sub-project implementation with the Final Beneficiaries and UNDP in the regions;
- Administer all aspects of the URP/UERP, in terms of communications (both informal and official) with other stakeholders;
- Keep records and data related to contracts (and their amendments) for works and technical supervision for the URP/UERP;
- Ensure that all procurement *is in compliance with the EIB Guide to Procurement* and the Finance Contract;
- Prepare **progress and completion reports** for the URP/UERP and its sub-projects;
- Ensure that the monitoring and evaluation procedures outlined in the PIG are carried out;
- Monitor the execution of sub-project procurement and physical progress in the regions;
- Process invoices related to the sub-project implementation and **prepare payment orders**, together with staff from the MoF and MCTDI;

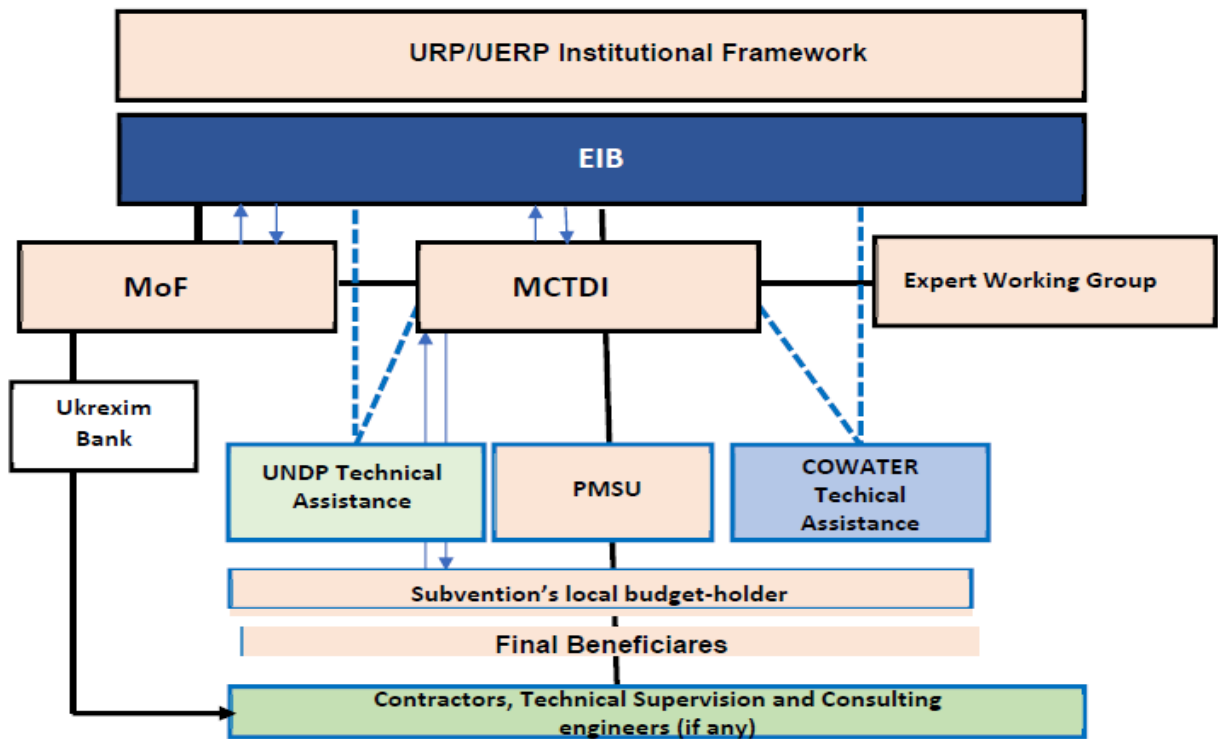
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- Prepare **Financial Management Reports and Disbursement Forecasts** for the URP/UERP.

The role of the TA is to assist the MCTDI/ PMSU and the regional/ local public authorities as the sub-project final beneficiaries of the URP/UERP Loan.

UNDP has special role in anti-corruption compliance and monitoring of physical performance of work with adhering to relevant social and environmental conditions.

The overall URP/UERP Institutional Framework is presented below.



3.9 URP/UERP Help-desk

MCTDI, support by the TA, will establish a Help-desk platform, for FBs and other stakeholders to access assistance and advice concerning all phases of the URP implementation. The contact e-mail address is:

urp.help.desk.org@gmail.com.

Access to the help-desk will use the **Contact Form**, which is available in **Annex 7**. FBs are requested to complete the contact form, with a brief description of the assistance required, and submit it to the TA support, using the above e-mail address.

4. Identification & Submission of Sub-project Proposals

The calls for sub-project proposals will be organized by MCTDI, with assistance from the TA. The timing of the 'call for applications' will be decided by MCTDI. The priority sectors and type of sub-projects will also be agreed. The application form template is developed by the MCTDI/ PMSU with assistance from the TA, and is published on the MCTDI website, together with instructions for the submission of sub-project applications.

It is expected a phased approach will be adopted for the implementation, in suitable batches of sub-projects, throughout the programme period of the URP/UERP.

Table 1: Project Identification Procedure

Activities	Key documents	Responsible body
Identification of potential sub-project ideas consistent with agreed priority areas	Finance Contracts Decrees of Government No. 1324 of 15.12.2021 and No. 1068 of 25.11.2015 Published notice on selection of FBs Application Form	MCTDI/PMSU Final Beneficiaries
Discussion of sub-project proposals with EIB	Screening Sheets Revised Project concepts Selection & Screening Report	MCTDI/ PMSU/ TA Expert working group EIB

The application forms will be collected by the MCTDI/ PMSU for further processing.

4.1 Sub-project Preparation

It is the responsibility of the applicant to **prepare feasibility studies and fully costed detailed designs** as well as environmental impact assessment, if required. The Final beneficiaries will be responsible for the preparation of sub-projects (usually on behalf of municipalities). The TA support is available, on a case-by-case basis, to assist the sub-project promoter/ beneficiary, to finalize technical elements of their submissions. Such requests for TA should be made through the URP/UERP HELP-DESK, established under the MCTDI/PMSU structure.

Preparation of a sub-project may include preparation of a feasibility study, technical designs, cost estimates, cost benefit analysis, financial analysis, detailed project implementation and procurement plans. Environmental and Social Impact Analyses (ESIA) and other relevant studies must also be prepared, if required.

The documentation concerning the sub-projects will normally be required in support of an application for URP/UERP funding and indicated in a notice on selection of FBs.

4.2 Sub-project Appraisal

Complete sub-project applications will be submitted to the MCTDI/ PMSU for review to ensure that the proposed sub-project is compliant with the objectives of the URP/UERP programme and that it is

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appropriately prepared/designed. The implementation of the URP/UERP will require that applicants provide detailed information about their proposed sub-projects.

4.3 Sub-project Screening

Sub-projects financed under URP/UERP must meet the eligibility criteria, defined in the Finance Contract and monitored by the EIB. The project concepts will be screened by the Working Group for URP in the MCTDI/ PMSU and assisted by the TA. The eligibility compliance check will be conducted according to the criteria based on the eligible sectors, regions and priorities. In addition to the eligibility compliance check, the submitted sub-project will be reviewed in terms of 'sub-project maturity', and how quickly the sub-project can be implemented.

The screening will be conducted based on the **URP/UERP Sub-project Selection Criteria**.

The list of sub-projects is approved by the Expert Working Group on Initiation, Preparation, Support and Implementation of joint projects with the EIB within the framework of the URP/UERP.

The Ministry submits them for approval to the European Investment Bank in accordance with the procedures defined by the Financial Contracts and taking into account the provisions of this Guide.

After EIB approval, final beneficiaries will receive a request to conclude a **Loan Fund Transfer Agreement (LFTA)** for the selected subprojects.

Further details of the LFTA's arrangements are provided in Chapter 6 and Annex 5 of the PIG.

5. Procurement

The URP/UERP Procurement has to comply with the EIB Guide to Procurement.

For larger contracts (which fall within the international procurement procedures as per thresholds in the table 3 below), the provisions of the GtP will apply.

The latest version of EIB Guide to Procurement can be found on the link:

<http://www.eib.org/infocentre/publications/all/guide-to-procurement.htm>

For smaller contracts (which fall within the national procurement procedures as per thresholds in the table 4 below), the national legislation may be applied in full providing that the national procedures ensure economy, efficiency and transparency, and are consistent with the principles underlying the GtP. If eligible foreign firms wish to participate in the national procedures, they must be allowed to do so.

This chapter will provide an overview of procurement rules and procedures for works and services procured by the final beneficiary, within national procurement procedures under the URP/UERP.

This chapter does not cover international competitive bidding (ICB).

Detailed guidelines are in the **“Programme Procurement Manual - National Procurement Procedures” (hereinafter – Procurement Manual)**, attached in Annex 1.

According to Article 9 of the Constitution of Ukraine, international treaties in force, whose binding consent has been given by the Verkhovna Rada of Ukraine, are part of the national legislation of Ukraine. The second part of Article 19 of the Law of Ukraine "On International Treaties" states that if an international treaty of Ukraine, which entered into force in accordance with the established

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procedure, establishes different rules than those provided for in the corresponding act of the legislation of Ukraine, then the rules of the international treaty shall be applied.

According to art.6 of Public Procurement Law of Ukraine (hereinafter – PPL) and taking into account ratified Financial Contracts in case of discrepancies between the provisions of GtP and the national law, the GtP provisions and principles, also reflected in Procurement Manual, shall prevail.

The Procurement Manual is for use by the final beneficiaries who will perform the procurement, in addition to other relevant stakeholders of the programme.

The procurement procedures under the URP are defined in the Finance Contract (Article 6.4. (a) Procurement Procedure – *“The Borrower shall, and shall procure that the Promoter, the PMSU, and/or the relevant Final Beneficiary (as applicable) shall purchase equipment, secure services and order works for the Project by acceptable procurement procedures complying, to the Bank's satisfaction, with its policy as described in its Guide to Procurement.”*). Similar provision is set in article 6.04 of UERP Finance Contract.

According to the EIB's Guide to Procurement (articles 3.4.1 and 4.2.2), the following thresholds are foreseen for procurement procedures:

Table 2: Thresholds According to GtP

Nature of Contract	Threshold in Euro *	Less than Threshold	More than Threshold
Works	5 000 000	National Procurement Procedures**	International Competitive Bidding*** open procedure with publication in OJEU
Consulting services on supervision of works incl. TS and CSC	200 000	National Procurement Procedures**	International Competitive Bidding*** open or restricted procedure with publication in OJEU

* All these values according to GtP exclude the value added tax (VAT), or equivalent direct taxes

** According to the first part of Article 20 of the Law of Ukraine "On Public Procurement", the main national procurement procedure is open bidding.

*** or other international procurement procedures approved by EIB

The National Competitive Bidding and other national procurement procedures are regulated by the Law of Ukraine "On Public Procurements" which was adopted on December 25, 2015² (hereinafter – PPL). During the period of martial law and 90 days after its completion (termination) procurements are regulated by the Decree of the Cabinet of Ministers of Ukraine dated 12.10.2022 No1178. "On approval of the Specifics of public procurement of goods, works and services for entities covered by the Law of Ukraine "On Public Procurement", during the period of the legal regime of martial law in Ukraine and within 90 days from the date of its completion or termination"³ (hereinafter – Martial Law Procurement Specifics or MLPS), which is based on the Law, but establishes certain procedural differences for reasons of security and procurement flexibility.

² Law in current edition adopted on September 19, 2019 can be found in Internet: <https://zakon.rada.gov.ua/laws/show/922-19#Text>

³ <https://zakon.rada.gov.ua/laws/show/1178-2022-%D0%BF#Text>

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This PIG establishes additional requirements and conditions of the procurement process specifically under the URP/UERP, which are detailed in the Procurement Manual (Annex 1).

According to this Law and MLPS, the following thresholds are applied:

Table 3: Thresholds According to Law on Public Procurement (and MLPS)

Nature of Contract	Threshold in UAH*	Less than Threshold	More than Threshold
Works	1 500 000	Simplified procurement based on shortened competitive e- auction. OR During Martial Law – direct award with publication in Prozorro of report on concluded contract****	National Procurement Procedures**
TS and CSC*** (if value of these services included in cost estimates of works)	1 500 000	Simplified procurement (based on shortened competitive e- auction) During Martial Law – direct award with publication in Prozorro of report on concluded contract****	National Procurement Procedures**
Additional analogical works and analogical TS & CSC (upon approval of the increase in financing at the expense of the subvention by the MCDTI and the EIB)	1 500 000	Direct contract (special exemption from simplified procurement) with publication in Prozorro of report on concluded contract	National Procurement Procedures**

* In March 2024 the ECB exchange rate is 42.5 UAH/1 EUR (https://commission.europa.eu/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-inforeuro_en).

**According to the first part of Article 20 of the PPL, the main national procurement procedure is open bidding. The above indicated thresholds for national procurement procedures within the framework of URP are set by the Law and may change in the event of appropriate amendments to the Law. According to the MLPS during martial law, open bidding is the only applicable procurement procedure except for the exclusive list of exceptions specified in it and for which a direct contract applies. Simplified procurement is governed by Article 14 of the Law and by the MLPS (Reference: Instructions on the procedure for using the electronic procurement system, approved by the order of SE "Prozorro" dated October 20, 2022 No. 25).

***According to paragraph 27 of Article 1 of the Law, technical supervision services and the services of a consulting engineer are considered as works within the meaning of the PPL as services accompanying works if they are included in the estimated cost of works and if the cost of such services does not exceed the cost value of works. These conditions (inclusion in the cost estimate and the relevant percentage limits for calculating the cost of such services) are also reflected in the Cost-Estimates Standards of Ukraine (approved

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by the Order of Ministry of Regional Development of 01.11.2021 № 281), in particular in the Instruction for calculating the cost of construction.

**** In the case of publishing a report on a contract concluded without the use of an electronic procurement system, the FB must ensure that such procurement is justified and complies with the principles underlying the EIB Procurement Guidelines, in particular with regard to economy, efficiency and transparency.

International competitive bidding (ICB) procedures will be used for contractor identification for all sub-projects valued at > EURO 5 million (excl. VAT).

5.1 Controlling Mechanisms

A summary of the control mechanisms at different programme steps and sub-project stages of implementation, are presented in the following table 5:

Table 4: Controlling Mechanisms at Programme Level

Programme step	Final Beneficiary	MCTDI/PMSU	Expert Working Group*	EIB
Establish the project procedures (submission of the sub-projects, procurement, financial procedures and others)	No action	Prepare	No action	Approval
Sub-project identification and selection	Preparation and submission of proposed sub-projects	Review final screening* and approval of sub-projects	Providing recommendations on SPs to be financed under URP	Review and no - objection
Procurement Plan for the batch of sub-projects (incl. procurement procedure chosen)	Contribute to MCTDI	Prepare	No action	Review and no - objection
National procurement procedures				
Tender documentation	Preparation	Endorsement regarding conformity with additional requirements and peculiarities set by Procurement Manual	No action	No action

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Programme step	Final Beneficiary	MCTDI/PMSU	Expert Working Group*	EIB
Tendering & Tender clarifications	Perform	No action	No action	No action
Bid results table	Submit bid evaluation reports, contracts signed	Recording of tender evaluation results Prepare bid results table	No action	Audit review (ex-post)

* Expert Working Group for initiating, preparation, support and implementation of common projects under URP.

In addition to core control elements indicated above the whole procurement cycle remains accessible for possible checks. In particular, Article 6.5.B.(h) of the Finance Contract stipulates that the Borrower (meaning the MCTDI as a responsible implementer) "... permit and shall procure that the Promoter and the PMSU shall procure that the Final Beneficiaries shall permit the Bank to conduct sample checks at different stages in the Project implementation process concerning, but not limited to: (vii) procurement in general, and the compliance with the Guide to Procurement".

5.2 EIB 'ex-post' audit for NCB Results

According to the Article 3.5.1 of the EIB Guide to Procurement:

"All contracts not subject to international procurement procedure are subject to ex-post review by the Bank as set out in the procurement plan. This means that promoters may conduct procurement without the prior involvement of the Bank. The promoter will regularly provide the Bank with an updated procurement plan completed with information about the contracts' award decision, signature and level of competition. The promoter will retain the full documentation for each such contract and make it available to the Bank upon request as part of ex-post reviews to be conducted by the Bank or its auditors. The Bank reserves the right to withdraw its financing of contracts whose ex-post review reveals a breach of this Guide".

Practically it means that before a (payment to the Contractor, the Contracting Authority submits the results of the tender with the relevant justification (bid evaluation report and signed contract) to MCTDI/PMSU. MCTDI/PMSU via TA (and TA adds MCDTI email addresses as CC when submits this info electronically to EIB) forwards this information to EIB during 10 days from receiving it from Contracting authority.

In case of receipt of a request for "Ex-post audit" from the EIB, MCTDI/PMSU with the participation of the respective contracting authority prepares the relevant clarifications and comments according to the content of the EIB request and submits to EIB.

If MCTDI/PMSU or the EIB discovers inconsistencies with the Law and the EIB requirements specified in the Procurement Manual, the recommendations to eliminate the identified inconsistencies or to cancel the tender (if it is impossible to eliminate such inconsistencies/violations) will be sent to the contracting authority. If Contracting Authority ignores such recommendations including the

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absence of response, relevant SPs will be removed from the Program (and deleted from allocation table).

For national procurement procedures, the EIB requirements are as follows:

- Develop the Project Procurement Plan;
- Ensure Open eligibility (meaning open to national and foreign firms);
- Ensure main principles of public procurement are complied with, incl. economy, efficiency, transparency, non-discrimination based on nationality (meaning no local preference);
- No EIB involvement at tender or award stages (the results of national procurement procedure may be audited by EIB by means of ex-post audit).

In case of national procurement procedure, the Contracting Authorities need to submit the following documents to the MCTDI/PMSU:

- Bid Evaluation Report;
- Signed Copy of the Covenant of Integrity and the Environmental & Social Covenant;
- The signed contract.

In case of direct contracting (direct contract or negotiated procedure) the Contracting Authorities need to submit the following documents to the MCTDI/PMSU:

- Signed Copy of the Covenant of Integrity the Environmental & Social Covenant;
- Justification Report as regards contractor selection (or other justification);
- The signed contract.

MCTDI/PMSU will review the documents, compile national procurement procedure results table (in English) and pass it to EIB. The indicative content of the table of procurement results is given in clause 6.1 of the Procurement Manual in Annex 1.

The national procurement procedure results table can be submitted for multiple sub-projects for EIB consideration, review and ex-post audit. Other documents (bid evaluation report, Covenant of Integrity, Environmental & Social Covenant, the signed contract) to be kept by the MCTDI/PMSU and provided to EIB upon request.

EIB has a right to request additional documents through MCTDI/PMSU for further clarification (bid proposals etc.) as part of ex-post auditing of the tender results.

The Contracting Authority does not perform any actions (issuance of invoices, processing of invoices to MCTDI etc.) if the EIB has issued an ex-post audit request in relation to the specific sub-project.

5.3 Procurement Planning

General Programme Implementation Plan (2021-2026)

The General Programme Implementation Plan covers the following aspects:

- Plans for disbursement;
- General plans for sub-projects implementation (procurement, implementation, commissioning);
- Approximate distribution of sub-projects among the regions;
- Approximate distribution of sub-projects between the eligible sectors;
- Annual Financial Plan.

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The General Programme Implementation Plan is developed by the TA Consultants in cooperation with MCTDI/PMSU at the commencement of the programme and adjusted at least every year during the programme duration.

Detailed Procurement Plan

A Detailed Procurement Plan needs to be developed for each approved batch of sub-projects and should contain the following information for each sub-project: contract name, reference number, contract group, estimated amount (€), financing details, tender procedure, tender documents type, will it be advertised in OJEU, estimated publication date, estimated bid submission date, estimated contract award date. For these rationales, Contract Authorities will prepare a detailed procurement plan on their sub-projects and the TA Consultants in cooperation with MCTDI/PMSU will collate into a single detailed procurement plan.

The template for the Procurement Plan is provided in Annex 9.

It is strongly recommended to plan the procurement process (defining the sub-projects, lots, etc.) to maximise competition and minimise risks and final cost, as well as to minimise the implementation period.

A typical National tender procedure usually takes between 1.5 - 2 months to complete.

5.4 Procurement of Technical Supervision Services and Consultant Engineer Services

Implementation of sub-projects under the URP/UERP will require technical supervision of progress of construction works. Article 6.5.B.(g) of the Finance Contract stipulate that the Borrower (meaning the MCTDI as a responsible implementer) “...*implement and maintain a quality management system which guarantees that Project goals are fully achieved including (without limitation) that the quality of construction works is in full compliance with best practice construction standards and that the progress of construction works is recorded in the construction site record books...*”.

In order to comply with the specified requirements of the Financial Agreement to ensure the quality of construction works with due observance of construction standards, the final beneficiaries will be obliged to enter into contracts:

- For technical supervision services regardless of the cost of construction works;
- For the services of an engineer - a construction consultant - if the value of the sub-project excluding VAT is equal to or exceeds the equivalent of 3 million euros.

However, in the context of national procurement procedures and according to point 27 of article 1 of the Law, services on supervision of works (covering both technical supervision services and consulting engineer services) **are considered and treated as works** within the meaning of the Public Procurement Law as services accompanying works if they are included in the estimated cost of works and if their value does not exceed the value of the works. Accordingly, the value thresholds and procedures applicable to the works and referred to in the Table 4 above shall be applied.

As per the Ukrainian legislation, the value of technical supervision and consultant engineer services:

- shall **not exceed 1,5% of overall construction costs for technical supervision service** per each sub-project with design documentation approved;
- shall **not exceed 3% of overall construction costs** for consultant engineer services per each sub-project with design documentation approved.

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The site supervision of works will be carried out through the life of the sub-project during all on- going construction and installation work until its completion. Provision of technical supervision services and consultant engineer services envisages the appointment of a Technical Supervision Engineer who has a qualification certificate that entitles him/ her to perform the technical supervision for construction works.

The sub-project supervision primarily includes the following activities (but not limited to):

- General and site supervision of construction works, management and materials used;
- Continuous project monitoring and conduction of inspection (concerning documents required by the legislation; quality and quantity of materials used, etc.);
- Notification to the Customer and the MCTD/TA about non-compliance of products, materials and equipment to the requirements of regulatory documents;
- Keep records of primary as-built documents, make amendments resulting from detection of omissions (defects) while performance of works, keep records of the outcomes of technical supervision and records of information about violations detected while performance of works in a work log;
- Monthly reporting to a Final Beneficiary and the MCTD/TA;
- Signing of Acts of Acceptance of Works and putting the installed equipment into operations;
- Notify the Customer, the MCTD/TA and a relevant state inspection authority about violation from design solutions committed while construction of the object and the refusal of a construction company to eliminate them.

The precise scope of sub-project supervision services will be defined in detail in the respective contracts to be concluded between the Final Beneficiary and a technical supervision service and consultant engineer services providers. The Technical Supervision and Consultant Engineer Services providers will be required to complete a report for each sub-project on a regular monthly basis. The template for technical supervision and consultant engineer services reports will be developed by the MCTDI/ TA. **The Final Beneficiaries/ Contracting Authorities will ensure that the reporting template will be an integral part of contracts** for technical supervision and consultant engineer services.

Details of the procurement procedures for Technical Supervision and Consultant Engineer services as well as other specific conditions of procurement process within URP are given in the Project Procurement Manual (Annex 1 – Chapter 10).

6. Financial Management of URP and UERP

Comprehensive **Financial Management** arrangements of the URP and UERP are provided in **Annex 4: Financial Management Guidelines**, and relevant **templates in Annex 5**.

This chapter provides a brief overview of the URP/UERP financial management arrangements and payment mechanisms.

6.1 Funding

The EIB provides the Loan to Ukraine represented by the Ministry of Finance of Ukraine for the purpose of the “Ukraine Recovery Program” (hereinafter – the Program). The FBs receive loan funds for the implementation of sub-projects as State Budget subventions to corresponding local budgets.

The key regulatory documents for the program’s implementation are as follows:

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■ For URP:

- ✓ Finance Contract between Ukraine and the EIB FI № 91.906 Serapis № 2019-0903 dated December 9th, 2020, ratified by the law of Ukraine 1645-IX dated 14.07.2021, for the purpose of the "Ukraine Recovery Program" (hereinafter – the Finance Contract⁴).
- ✓ Resolution of the Cabinet of Ministers of Ukraine dated December 15, 2021 # 1324 "On approval of conditions and procedures for granting of the subvention from the state budget to local budgets for implementation of projects within the framework of the Ukraine Recovery Program" (hereinafter - Resolution # 1324⁵);
- ✓ Resolution of the Cabinet of Ministers of Ukraine dated January 27, 2016 # 70 "On the Procedure for Preparation, Implementation, Monitoring and Completion of Implementation of Economic and Social Development Projects of Ukraine supported by the International Financial Institutions" (hereinafter – CMU Resolution # 70⁶).

■ For UERP:

- ✓ Financial Contract between Ukraine and the EIB (Ukraine Early Recovery Programme) FI No. 84.160 Serapis No. 2014-0532 dated December 22, 2014, ratified by the Law of Ukraine No. 346-VIII dated April 22, 2015 (hereinafter - the UERP Financial Contract/Agreement of)⁷.
- ✓ Resolution of the Cabinet of Ministers of Ukraine dated November 25, 2015 No. 1068 "Some issues of the use of funds for the implementation of projects within the framework of the Ukraine Early Recovery Programme"⁸ (hereinafter the Resolution No. 1068).
- ✓ Resolution No. 378 of the Cabinet of Ministers of Ukraine dated May 8, 2019 "On approval of the Procedure for the use of funds provided for in the state budget under the Ukraine Early Recovery Programme"⁹ (hereinafter - Resolution No. 378).

6.2 EIB Loan financing

EIB allocates its funds only to eligible sub-projects which are economically, technically and financially justified and environmentally sound.

The Bank will check the eligibility for the EIB financing against the criteria set in the Finance Contract and the Bank's normal eligibility criteria.

The eligible sub-projects and expenditures to be financed from the EIB Loan are defined in Schedule A of the Finance Contract.

6.3 Subvention

The EIB loan funds are transferred by MoF (in cooperation with MCTDI) to FBs in the form of a subvention from Special fund of the State budget to the relevant Local budgets on a non- refundable basis as set out in Loan Funds Transfer Agreements (LFTAs).

⁴ https://zakon.rada.gov.ua/laws/show/971_002-20#n2

⁵ <https://www.kmu.gov.ua/npas/pro-zatverdzhennya-poryadku-ta-umo-a1324>

⁶ <https://zakon.rada.gov.ua/laws/show/70-2016-%D0%BF#Text>

⁷ <https://zakon.rada.gov.ua/laws/show/346-19#Text>

⁸ <https://zakon.rada.gov.ua/laws/show/1068-2015-%D0%BF#Text>

⁹ <https://zakon.rada.gov.ua/laws/show/378-2019-%D0%BF#Text>

6.4 Funding Allocation Process

Subvention Conditions and sub-projects selection

The conditions for granting a subvention are specified in CMU Resolution #1324 (for URP) and No. 1068 (for UERP), in general, they include:

- 1) communal form of ownership of the object for the financing of which the subvention is involved;
- 2) the project implementation schedule is from one to three years;
- 3) the ability of territorial communities and local self-government bodies formed by them, to secure own financing of further operations and maintenance of objects for which the subvention is involved;
- 4) facilities, in particular housing, financed by the subvention, remain in communal ownership (joint ownership) of the respective territorial communities and are used for their intended purpose for at least 20 years from the date of completion of the sub-project;
- 5) the purchase or privatization of land, buildings, premises is prohibited at the expense of the subvention;
- 6) the public interests of key stakeholders in the local community are taken into account during the development of urban planning documentation at the local level and at all stages of project implementation.

Within the UERP for state facilities, the conditions for granting subventions are determined by Resolution No. 378 and include

- 1) objects, in particular housing stock, financed from budget funds, remain in state ownership and are used for their intended purpose for at least 20 years from the date of completion of the project implementation;
- 2) during the development of project documentation for the implementation of construction-related projects (new construction, reconstruction, restoration, major repairs), construction customers ensure that the needs of persons with disabilities and other groups of the population with limited mobility are taken into account;
- 3) expenditures related to the financing of capital construction are carried out subject to the availability of approved construction projects in accordance with the Procedure for approving construction projects and conducting their examination, approved by Resolution No. 560 of the Cabinet of Ministers of Ukraine dated May 11, 2011.

Based on the results of the selection of sub-projects to be financed by the Programs, the MCTDI submits them for approval to the European Investment Bank in accordance with the procedures specified in the Finance Contracts and in these Guidelines.

Allocation procedures¹⁰ and approvals

The funds will be allocated to eligible Sub-projects depending on the size of the Subprojects and in accordance with EIB framework loan procedures¹¹:

- Eligible Subprojects with an investment value of less than EUR 1 million are selected by the MCTDI working group. Selected Subprojects must be confirmed ex post facto by the Bank.

¹⁰ The Bank may change the Allocation Procedure in order to bring it into line with the Bank's policies or to reflect the results of the review of the Program implementation potential and performance.

¹¹ Appendix A "Project specification and reporting" of the Finance Contract

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The MCTDI must submit an allocation request in accordance in the format required by the Bank¹².

- Eligible Subprojects worth between EUR 1 million and EUR 50 million shall be submitted for pre-financing approval by the Bank, using the template set out in Annex A.3.4 to the Finance Contract or as a feasibility study. The Bank has the right to request additional information; a partial or in-depth evaluation of the Subproject will be carried out if necessary.

The MCTDI together with Allocation Request to confirm the compliance of the proposed Sub- project with environmental standards and provide documentation specified in the Finance Contract.

Allocation Request(s) canNOT be submitted more than once during 1 calendar month.

The EIB shall, at its sole discretion, decide whether to approve or disapprove an Allocation Request.

If the Bank approves Allocation Request by providing an official letter confirming/approving the submitted Subprojects and the total investment cost allocated to each Subproject.

The total cost of investments for sub-projects agreed/approved by the Bank is marginal and may be reduced without approval by the Bank:

- 1) in case of development/correction of project documentation, approved construction projects and the results of their state examination;
- 2) contracts concluded based on the results of procurement procedures;
- 3) actual performance of relevant works/services in accordance with concluded contracts;
- 4) based on the results of increased co-financing from other sources not prohibited by law.

If it is necessary to increase the total cost of investments allocated to the sub-project, the approval of the updated total cost of investments is carried out in accordance with clauses 1.10 or 1.11 of the relevant Financial Contracts.

In case the Bank does not approve the submitted Allocation Request, it informs MCTDI and the Ministry of Finance.

Based on the approved results of the sub-projects' selection to be financed by the subvention, the MCTDI, taking into account the recommendations of the expert working group, submits to the CMU for approval a proposal for distribution of the subvention between local budgets within the limits of subvention set for budget year.

Based on CMU approval of resolution, the MCTDI prepares and approves lists of Sub-projects and corresponding amounts to be financed by the Programmes.

6.5 Loan Fund Transfer Agreements

Following the approval of the list of Sub-projects by EIB and CMU, the MCTDI and the MoF prepare and sign **Loan Fund Transfer Agreements with Final Beneficiaries**. The LFTA sets out terms and conditions as well as rights and duties of parties with respect to the URP/IUERP investment Sub-project implementation.

The LFTA templates are unified for the Program and agreed by EIB, MCTDI and MoF. They cannot be modified, unless prior agreements are received from these parties.

¹² As defined in Appendix A.3.3 to the Finance Contract.

6.6 Co-financing from beneficiaries under the URP and UERP

The Final Beneficiary is obligated to ensure co-financing from local budgets and other sources not prohibited by law to cover the costs not eligible for EIB financing, including taxes and fees (e.g. VAT), commissions for currency conversion, insurance, architectural supervision, etc.

The Final Beneficiary shall cover any increase in costs related to the sub-project implementation in excess of amount stipulated in LFTA, including but not limited to costs of additional works, cost estimates and/or design documentation development, expertise etc., to ensure full financing of the sub-project.

The above requirements can be waived, but they are subject to:

- funds availability in the State budget of Ukraine and adoption of corresponding CMU resolution on funds allocation to sub-projects
- EIB no objection (sub-project value increase) for the allocation of funds and relevant procurement actions.

The FBs shall ensure funds for the sub-projects' implementation are provided and approved in the local budgets, including financing from own funds (ineligible costs, costs in excess of approved amounts) and amounts stipulated in the CMU resolution for a corresponding period as a subvention from the State Budget to local budgets (special fund).

6.7 Bank Accounts

In order to finance the implementation of Sub-projects under the URP/UERP, the MoF opens in its name as account holder and keeps designated accounts in the JSC Ukreximbank – the Disbursement Account and Operating accounts (hereinafter – Project Accounts). The MoF provides EIB the details of Disbursement account in writing. The MoF also provides to MCTDI the details of Operating (Project) accounts for each Sub-project.

The accounts are opened and used solely for the purposes of the Program and separated from any other assets of the MoF.

The details on designated accounts opening and operations are provided in **Annex 5**.

6.8 Budget Planning

The forecasts of funding requirements (payment schedules) under the Sub-projects and URP/ UERP shall be developed taking into consideration the following:

- Sub-project budget, sub-project implementation plan and corresponding timelines for procurement of goods, works and services (procurement plan);
- Contract payment schedules and corresponding payment terms;
- Actual construction progress and corresponding timelines changes;
- Any variations (e.g., hidden works), increases in quantities, claims, price change, exchange rate fluctuations or escalation or other which effect the works contract value by more than the limits presented in the contract (if such variations are envisioned under the works contract and changes to contract value received no-objection from the Bank);
- State budget subvention to local budgets and availability of financing from local budgets (own funds).

6.9 Payment to Contractors

Payments under the URP/UERP will be processed only if all requirements of the Finance Contracts between Ukraine and the EIB have been fulfilled (article 6)¹³.

Payments will be executed based on respective contracts concluded between the FB and Contractors, not to exceed VAT exclusive contract amount, based on the results of the procurement of works and services under Sub-projects, carried out in accordance with the EIB Guide to Procurement, the **Procurement Manual (Annex 1)**, and in compliance with requirements, terms (timeframes) and conditions specified in the Finance Contract, LFTAs and Ukrainian legal and regulatory acts¹⁴. All tender evaluation results are provided as summary tables.

The TA is expected to provide technical assistance to MoF, MCTDI, Final Beneficiaries at all stages of procurement process, LFTAs preparation, supporting documents check from FBs¹⁵, contracts conclusion, invoicing, payment documents check and approval as well as reporting.

UNDP is expected to provide technical assistance to Final Beneficiaries with the following activities preceding payments: design documentation verification, communications with contractors, obtaining construction permission documents, on-site monitoring of Sub-projects implementation, including control over volumes of works completed/goods supplied/services provided as indicated in signed acceptance certificates.

For EIB Loan funding the payment documents are approved in following order:

- FBs receive invoices from Contractors, prepare payment orders and set of supporting documents, in accordance with the MoF list provided by MCTDI to FB, sign payment orders and send them to MCTDI.
- MCTDI checks the payment orders and supporting documents, in case of their conformity to all requirements, approves it through signature of authorized representative, and sends to MoF with the official letter.
- MoF checks the payment orders and supporting documents, in case of its conformity to all requirements, approves it through signature of authorized representative and returns it to MCTDI for further payment processing with the bank.

The details on payment procedures and corresponding document templates are provided in **Annex 5**.

6.10 Accounting and Reporting

The statutory accounting shall be performed in accordance with national accounting principles (standards) and budget regulations.

The accounting systems of the Final Beneficiaries should allow identification of funding sources and application of funds under the sub-project and allow generating information about all financial transactions related to URP Sub-projects implementation.

¹³ Including availability of funding to cover VAT and other costs not eligible for the loan Financing.

¹⁴ Including, but not limited to CMU Resolution “About the statement of the Order of the state financing of capital construction” #1764 dated 27.12.2001, CMU Resolution “Some issues of implementation by managers (recipients) of budget funds for prepayment of goods, works and services purchased for budget funds” #1070 dated 04.12.2019.

¹⁵ As specified in the Annex 5.

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The Final Beneficiaries ensure accounting, preparation, submission of financial, and budget reports to MCTDI, the Ministry of Finance and to corresponding territorial departments of the State Treasury Service of Ukraine.

The Final Beneficiaries shall appoint a responsible person for recording of transactions related to the URP sub-projects in the accounting system, accounting and financial reports. The MCTDI and the PMSU shall be informed of such person's details.

The Final Beneficiary shall require the Contractors to maintain accounting books and records regarding financial transactions and expenses related to the sub-project. The Final Beneficiary shall also ensure EIB's right to check the Contractor's accounting books and records regarding financial transactions and expenses related to the subprojects and make copies of such documents as required by current Ukrainian regulations¹⁶.

Other requirements related to FB accounting and financial management systems are presented in **Annex 5**.

6.11 Audits

In accordance with the terms of the Finance Contract¹⁷ and LFTAs, the independent auditor must carry out an annual audit of the Project accounts of the Program.

The auditor's reports shall be submitted to EIB in the English language or with English translation.

¹⁶ For Procurement documentation: the FBs are to keep record of contracts financed with the proceeds of the Loan, including a copy of the relevant contract itself and material documents relating to the procurement for at least 6 years from substantial performance of the relevant contract.

¹⁷ Article 8.2 Information concerning the Borrower, the Promoter, the PMSU and/or the Final Beneficiaries

7. Environmental and Social Management System (ESMS)

This chapter defines the framework for managing environmental and social issues associated with the URP/UERP subprojects' construction and operation. It identifies the specific management documents that the MCTDI and Implementers will use.

In section 1.4, the role of the implementing partners, including the URP/UERP TA and UNDP TA, are elaborated in detail. The MCTDI has the highest level of overall responsibility, closely supported by experts from the technical assistance team. UNDP is an international development organisation providing Technical Assistance to the Programme implementation, its main role being to monitoring implementation of the URP/UERP at the regional level.

7.1 The Project Environmental and Social Management System

The set up integrated environmental and social management system (ESMS) is aimed at ensuring that URP/UERP's activities are performed in accordance with applicable requirements in a comprehensive and structured manner. It is a living structure, organised to enable its continuous improvement through performance assessment and review.

The URP/UERP ESMS defines roles and responsibilities of environmental and social due diligence, it enables impact identification, risk assessment and risk management through mitigation actions. It focuses on those activities with the potential of adversely impacting humans (including community) and the environment. The ESMS includes the identification of sets standards to be achieved in managing health, safety, environmental, and security issues, in line with Ukraine legal framework and EIB standards, which will be continuously assessed and improved through monitoring.

The Programme ESMS builds upon a set of policies and requirements defined by internal and external sources, and specifically:

- Laws and regulations of Ukraine.
- EU Directives and relevant international conventions.
- ISO 14001, ISO 9001 and ISO 45001 standards for environmental, quality and safety management systems.
- EIB Environmental and Social Standards (2 February 2022).
- The EIB group Environmental and Social Policy (2 February 2022).

7.2 The EIB group Environmental and Social Policy and Strategic Objectives

The URP/UERP incorporates the principle of sustainable development¹⁸ as one of the overriding objectives. Sustainable development is achieved through balancing the interests of “environmental protection”, “social responsibility” and “economic development”, in a systematic manner.

To ensure that this principle is maintained and referred to in the Programme's practice, MCTDI is committed to supporting the EIB group Environmental and Social Policy and stating that the overall course of action and intent of the Programme is to have safety, reliability and sustainability as integral

¹⁸ The term “sustainable development” refers to the pursuit of human (social, economic, etc.) development in such a way that human needs are met while preserving environmental resources, so that the same needs can be met by future generations. The term has been coined by the Brundtland Commission.

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parts of its core operation, providing a safe and healthy working environment, showing respect for the national culture, human rights, and natural resources, and to contribute to environmental protection measures and improvement of quality of life in the areas where the Programme operates.

MCTDI/TA will support the following elements that the MCTDI recognizes as underpinning its activities:

- Ensure compliance of all Programme related activities with all environmental and social conditions and requirements set in permits and licenses issued by competent authorities upon approval and permitting of the sub-projects within the Programme framework;
- Raise environmental awareness and social responsibility among employees and contractors through defining specific roles and responsibilities on ES management and providing adequate training;
- Monitor the Programme E&S performance for the entire lifecycle;
- Implement an adaptive approach to the ESMS for its continuous improvement;
- Establish fruitful cooperation with local communities and other stakeholders to maximize positive environmental and social impacts of the Programme;
- Share information and involve stakeholders at all sub-project stages;
- Be responsive to questions and challenges posed by stakeholders and ready to address any issues that may be raised from local communities and other shareholders as a result of the Programme implementation.

According to URP ToR TA will build on the achievements under the ERP, concerning the organization and facilitation of engagement of stakeholders in the URP/UERP. There are several aspects to this task, as follows:

- Social and Environmental compliance with EIB standards and requirements, related to the sub-projects;
- Environmental and/or Social Impact Assessment (ESIA) (if required);
- Engagement of the local communities as stakeholders in the whole process of implementation of the UERP/URP – although it is realized that this may be limited to selection of investments and impact on the community;
- Contribution to IDP needs assessment will be identified and communicated;
- IDP needs assessment integrated in the activities and procedures of the URP/UERP framework loan;
- Support activities so that the Final Beneficiaries understand the requirements for SMP/SEP and E&S aspects;
- SMP/SEP approach adopted by FBs;
- Coordinate all activities, initiatives with FBs and reports with UNDP and MCTDI;
- Identify deviations from the agreed activities, and resolve with MCTD to take corrective actions together with the FBs and UNDP.

The stakeholder engagement will be organized from the stage of sub-project selection, and that future involvement of stakeholders will focus on the impact of the investments, implementation and results.

The Social Managements Plan and Stakeholder Engagement Plans for the URP/UERP will be established in the regions. UNDP TA provides activities on SMP/ SEP. Discussions have already taken place with the UNDP E&S team, to develop a meaningful approach that is deliverable for the URP.

According to the ToR URP/UERP TA will carry out following activities:

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- E&S Questionnaires forms signed by FBs, collected and summary report prepared in coordination with UNDP TA in the regions;
- Address non-compliance or other problems identified, together with MCTDI and MoF;

The above documents will be revised and updated as required throughout implementation of the URP/UERP, as the Activities tasks defined in the ToR to be completed. In future reporting, more emphasis will be placed on the following activities:

- Environmental and Social Compliance (including ESIA if relevant, SMP/ SEP results, E&S results in the regions, etc.).

TA facilitates inclusive and participative the MCTDI / MoF efforts and local URP/UERP implementers and will continue work on all stakeholders' engagement at different levels and in targeted ways (information disclosure, consultations, solicitation of feedback, and complaint / grievance management) with a variety of stakeholders, final beneficiaries and NGOs, levels and sources of influence, interest in and relevance for the URP/UERP.

Based on previous UERP outputs, awareness, and skills of final beneficiaries and local authorities on how to better engage local stakeholders in URP/UERP subprojects implementation, as well as community members in the decision-making process, remains the area to be improved with MCTDI/TA/UNDP support. One of the crucial aspects in this area remains the timely and proper development of individual SMPs and SEPs for sub-projects by respective sub-project implementers. Alongside this, it seems mentoring support and ongoing monitoring of social management and stakeholder's engagement activities during sub-projects implementation on the local level are needed to be procured/submitted by URP/UERP TA and UNDP TA.

UERP TA/MCTDI/UNDP TA have prepared and disseminated Environmental & Social questionnaire in 2018 and slightly revised in 2020. This questionnaire is focused on main social issues of ERP sub-projects implementation as labor and safety standards, stakeholders' engagement and public information disclosure as well as some environmental issues: proper ESIA management, environmental and social risks management.

The construction and operation of buildings under the current level of energy consumption accounts for approximately 40% of global carbon dioxide emissions to date. According to prognosis, the building stock will double by 2060¹⁹. The most cost-effective way to reduce greenhouse gas emissions(2) and improving people's living conditions is to improve energy efficiency in buildings. According to the EU-Ukraine Association Agreement and the Energy Community Treaty, the national policy of Ukraine on the energy performance of buildings must comply with the Directives 2010/31/EC on the energy performance of buildings and 2012/27/EC on energy efficiency. In accordance with European requirements, the law "On Energy Efficiency of Buildings" is in force in Ukraine, which regulates energy performance of buildings, energy certification of buildings, a system for ensuring the qualification of energy auditors and other principles of promoting energy efficiency.

TA will also perform other tasks and measures necessary for the successful implementation of the URP/UERP.

¹⁹ Energy Efficiency 2018. Analysis and outlooks to 2040: <https://www.iea.org/efficiency2018/>

7.3 EIB's Environmental and Social Standards

The Finance Contract for URP states that any sub-project under URP/ERP will have to comply with “**Environmental and Social Standards**” while the latter means:

- a) Environmental Laws and Social Laws applicable to the Programme;
- b) the EIB Environmental and Social Standards²⁰;
- c) the EIB group Environmental and Social Policy²¹.
- d) the Environmental and Social Impact Assessment Studies.

7.4 Organizational Structure, Roles and Responsibility

Roles and responsibilities of MCTDI, UNDP, Final Beneficiaries and other parties involved in the Programmes are currently identified as described in the following section.

Roles and responsibilities of MCTDI and its Technical Assistance Team (TA Team)

The MCTDI will have the highest level of responsibility, and is committed to:

- maintain an adequate environmental and social management system, and ensure duly implementation of relevant legislation in relation to worker health and labour safety;
- provide technical support of the Programme related construction and rehabilitation/modernisation processes;
- ensure that activities under the Programme and its components comply with the approved design and applicable laws;
- ensure the rational use of resources and responsible waste management;
- engage with stakeholders, review complaints and grievances and address issues raised in relation to the Programme construction process;
- strengthen environmental and social awareness of personnel, and provide professional training on E&S matters;
- control and supervise activities of subcontractors, ensuring fulfilment of Programme's E&S standards;
- monitor Programme's identified impacts on the environment and on social conditions both on national level and local level (by means of close cooperation with UNDP who would be responsible for monitoring on local site-specific level);
- report to the Bank on E&S performance of the Programme.

Resources: effective operation of the Programme ESMS will require sufficient allocation of human, physical and financial resources. E&S resource requirements will be identified for different phases of the ESMS implementation, from planning to system review and improvement, focusing on the needs of the MCTD's staff, Final Beneficiaries' staff and contractors.

Roles and responsibilities of UNDP TA

UNDP (United Nations Development Programme) is an international development organisation providing Technical Assistance to the Programme implementation. This will be achieved by enhancing the capacities of the MCTDI and other central governmental bodies of Ukraine, the local

²⁰ Available at: https://www.eib.org/attachments/publications/eib_environmental_and_social_standards_en.pdf

²¹ Available at: https://www.eib.org/attachments/publications/eib_group_environmental_and_social_policy_en.pdf

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state administrations, bodies of local self-government, and state and communal publicly owned enterprises (final beneficiaries) to effectively plan, operate and monitor the sub-projects to be financed under the loan.

Responsibilities: the UNDP TA is aimed at strengthening the URP/UERP implementation through capacity development of final beneficiaries and support for all phases of the Programme lifecycle (including but not limited to planning, pre-design and design engineering, procurement, implementation and monitoring). The UNDP TA is therefore committed to:

- Surveys on URP/UERP socioeconomic impacts in target regions with an overview of social risks and impacts;
- Perform activities aimed at integrating social management and stakeholders engagement mechanisms and practices into URP/UERP implementation and confirming sub-projects' compliance with the EIB Environmental and Social standards;
- Facilitate the development and implementation of the SMPs and SEPs for URP/UERP sub-project/cluster of sub-projects within communities;
- Monitor with TA the sub-projects compliance with EIB E&S Standards, report to the EIB and MCTDI;
- Grievance Redress Mechanism implementation;
- Coordinate the activities with the EIB and MCTDI.

Resources: The duty station of the UNDP Technical Assistance Project Manager/Team Leader and 4 long-term Key Experts in engineering, procurement/finance, anti-corruption and social monitoring as well as 6 long-term non-key engineering, procurement/financial, social experts and a project employee in Kyiv. These experts will perform the role of the main coordination center on the main issues of monitoring for the final beneficiaries of the URP/UERP in the target regions of Ukraine. In addition to this team, 2 local offices located in Dnipro and Poltava are staffed with non-key engineering and procurement/finance experts. If necessary, other short-term experts may be involved.

UNDP will assume responsibility for the activities, tasks and outputs specifically to ensure the proper implementation of SMP and SEP for the UERP/URP framework loan provided by the EIB. This will ensure compliance with EIB social standards by integrating social management and stakeholder engagement procedures and practices into the implementation of the UERP/URP; foster stakeholder engagement and accountability through communication and participatory monitoring of the UERP/URP sub-projects' implementation; and build local capacity for participatory planning, implementation and monitoring of recovery projects and to address other development issues facing local communities and, in particular, the vulnerable groups.

Final Beneficiaries and Contractors (Implementers incl. technical supervision and consultants-engineers)

Final Beneficiaries are represented by the regional (regional military) and district administrations as well as local governments in the five-targeted regions, and the locally-operated publicly owned enterprises.

Contractors – agencies and organisations awarded with contracts for civil works for the implementation of sub-projects.

Responsibilities: The Implementers will have the main responsibility for day-to-day activities within their respective sub-projects and will be accountable for the following, inter alia:

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- ensure that activities comply with the approved design and applicable laws (inter alia relative to worker health and labour safety) and have all the necessary permits;
- engage with stakeholders, review complaints and grievances and address issues raised in relation to the construction/rehabilitation/modernisation process
- monitor sub-project's impacts on the environment and on the communities;
- report to the Promoter (or other assigned party) on E&S performance of the sub- project.

Resources: E&S resource requirements will be identified for different phases of the ESMS implementation.

Table 6: Parties' responsibilities throughout Programme's lifecycle

Stage of the project lifecycle	Inception (sub-projects submission to MCTDI, selection for financing etc.)	Launch phase (launch of every individual sub- project: contractor signing, start of construction works etc.)	Active Phase (construction works) up till Closure phase (end of construction works for every individual sub- project, end of Programme in general)
Responsible party			
MCTDI and TA Teams	<ul style="list-style-type: none"> • Setting up ESMS (including assigning resources and responsibilities, development and endorsement of Guidance Documents) • Capacity building for PIU and Implementers on relevant procedures and standards • Grievance Mechanism launch on national level; due diligence on incoming 	<ul style="list-style-type: none"> • Compliance check for tenders awarded, contract signed, environmental permits etc.) • Reporting to EIB on Programme's compliance with E&S standards • Correction/update of Guidance Documents when needed • Grievance Mechanism operation on national level; due diligence on incoming complaints/comments 	<ul style="list-style-type: none"> • Reporting to EIB on Programme's compliance with E&S standards • Correction/update of Guidance Documents when needed • Grievance Mechanism operation on national level; due diligence on incoming complaints/comments
	<ul style="list-style-type: none"> • Engagement with stakeholders by means of creating open two-way communication channel for information disclosure and receiving feedback from interested parties 		
UNDP	<ul style="list-style-type: none"> • Capacity building for Implementers on relevant procedures and standards • Providing technical support to Implementers on sub-projects submission 	<ul style="list-style-type: none"> • Compliance check of sub-projects' ESMPs and reporting to MCTD and EIB on pending issues and overall results • Due diligence on incoming complaints/comments; reporting to MCTD on the received grievances 	<ul style="list-style-type: none"> • Providing technical support to Implementers on sustainable construction practices, etc. • Compliance check of sub-projects' Monitoring Questionnaires and reporting to MCTD and EIB on pending issues and overall results • Due diligence on incoming complaints/comments; reporting to MCTD on the received grievances

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Stage of the project lifecycle	Inception (sub-projects submission to MCTDI, selection for financing etc.)	Launch phase (launch of every individual sub- project: contractor signing, start of construction works etc.)	Active Phase (construction works) up till Closure phase (end of construction works for every individual sub- project, end of Programme in general)
Responsible party			
	<ul style="list-style-type: none"> Engagement with stakeholders by means of creating open two-way communication channel for information disclosure and receiving feedback form interested parties 		
Implementers (Final Beneficiaries, Contractors)	<ul style="list-style-type: none"> Sub-projects submission Grievance Mechanism launch on local level; due diligence on incoming complaints/comments; reporting to UNDP on received grievances 	<ul style="list-style-type: none"> Securing that compliance with E&S standards is embedded in Contractor's contractual obligations; E&S Initial screening – obtaining screening decision – obtaining necessary development and/or construction documentation (licenses, permits etc.); Grievance Mechanism operation on local level; due diligence on incoming complaints/comments; reporting to UNDP on received grievances 	<ul style="list-style-type: none"> Timely correction of ESMPs in case of changes in construction practices or legal requirements Quarterly submission of Monitoring Questionnaire to UNDP Final submission of Monitoring Questionnaire to UNDP within 1 month after construction works completion Grievance Mechanism operation on local level; due diligence on incoming complaints/comments; reporting to UNDP on received grievances
	<ul style="list-style-type: none"> Engagement with stakeholders by means of creating open two-way communication channel for information disclosure and receiving feedback form interested parties 		

URP/UERP TA (with UNDP TA) will continue activities performing aimed at integrating Social management and Stakeholders engagement mechanisms and practices into implementation and confirming sub-projects' compliance with the EIB Environmental and Social standards.

TA supported in recent years FBs in all target oblasts in development, approval and implementation of individual SMPs and SEPs.

More than 70 SMPs and SEPs were designed and approved in 2020-2021 in accordance with the EIB Standard on Stakeholder Engagement. It ensured a meaningful participatory process aiming at the efficient implementation of the ERP SPs through effective identification, assessment, and management of any social risks, impacts, and opportunities.

The designed SEP, together with the SMP, is aimed at becoming a tool to integrate their activities into a Social Management System, which includes:

- Assigning management functions and resources for performing stakeholder engagement;
- Planning and targeting stakeholder engagement;
- Information disclosure;
- Stakeholder consultations;

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- Building functional partnerships with stakeholders;
- Grievance management;
- Stakeholder participation in monitoring and evaluation;
- Reporting to stakeholders and independent accountability mechanisms.

TA will facilitate inclusive and participative the MCTDI/MoF efforts and local ERP implementers and will continue work on all stakeholders' engagement at different levels and in targeted ways (information disclosure, consultations, solicitation of feedback, and complaint / grievance management) with a variety of stakeholders, final beneficiaries and NGOs, levels and sources of influence, interest in and relevance for the URP/UERP.

Based on previous ERP outputs, awareness, and skills of final beneficiaries and local authorities on how to better engage local stakeholders in URP sub-project implementation, as well as community members in the decision-making process, remains the area to be improved with MCTDI/ TA/UNDP TA support. One of the crucial aspects in this area remains the timely and proper development of individual SMPs and SEPs for sub-projects by respective sub-project implementers. Alongside this, it seems mentoring support and ongoing monitoring of social management and stakeholder's engagement activities during sub-projects implementation on the local level are needed to be procured/submitted by TA and UNDP.

7.5 Guidance Documents

One of MCTDI's main responsibilities in ESMS implementation is development and endorsement of Guidance Documents on E&S issues. These documents, combined, should i) cover every aspect of Programme implementation in compliance with national legislation and EIB Environmental and Social Standards, ii) define procedures to be followed by all parties involved, iii) set up communication systems, iv) provide templates for all required documents etc. These documents should be review and updated as often as needed in order to represent the current challenges and realities faced by the Programme.

MCTDI and its supporting TA Teams are committed to development and endorsement of these Guiding Documents and ensuring their implementation by Programme parties.

Programme Implementation Guidance

The overall objective of the **Project Implementation Guidelines (PIG)** is to facilitate the implementation of the Ukraine Recovery Programme (URP) and Ukraine Early Recovery Programme (UERP) the achievement of its objectives. PIG establishes and promotes procedures and standards that should, among other objectives, secure fair and competitive bidding for construction works, legal requirements for equality and non-discrimination in all Programme-related activities, emphasis on social needs of vulnerable groups of people (especially, IDPs) and other relevant issues.

Environmental and Social Guidelines

E&S guidelines outline the principles, approaches and set out measures required to maximize the benefits of the UERP and avoid, minimize, mitigate or remedy any adverse environmental and social impacts related to UERP/URP sub-projects.

Guidelines are designed to help local sub-project implementers to comply with the EIB E&S standards. It defines the procedures for screening of sub-projects' potential impacts, development of appropriate mitigation measures (reference list of mitigation measures is provided in the Guidelines). The document also sets the procedure for E&S reporting by the Implementers by E&S Monitoring

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Questionnaire, breakdown the roles and responsibilities of all parties involved throughout the Programme's lifecycle.

Social Management Plan

Social Management Plan (SMP) outlines the principles, approaches and sets out measures required to maximise the benefits of the ERP/URP, avoid, minimise, mitigate or remedy any adverse social impacts. The elaborated Social Impact Assessment (including Risk Analysis, Baseline IDP Situation Assessment and local infrastructure priorities) establishes the background conditions for the integration of Social Management planning into the EIB-funded, and MCTDI managed, early recovery sub-project preparation, selection, and implementation procedures.

Stakeholders Engagement Plan

A **Stakeholders Engagement Plan (SEP)** is a tool required “to contribute to enhancing the UERP/URP's contribution to strengthening social cohesion and inclusion in Ukraine, and ensure community participation, transparency and accountability by means of building stakeholder engagement and communication models, developing capacity of local civil society and the authorities to work together on social recovery projects”. SEP has been developed, approved and delivered to EIB and it contains details of the sub-project stakeholder engagement strategy and the specifics of its implementation. Final Beneficiaries will implement it for concrete sub-projects.

Communication Strategy

The Purpose of the **marketing, partner interaction and communication strategy** is to facilitate the successful implementation of URP/UERP through various types of communication and outreach techniques. The Strategy defines groups of stakeholders to be engaged within the Programme framework, information to be disclosed, communication messages and fields of responsibilities between EIB, MCTDI, TA, UNDP TA and Implementers. The Strategy specifies communication tools and activities, as well as schedule and assigned budget.

COMMUNICATION MESSAGES

Throughout stakeholders' engagement, all Implementers and other parties involved should see the following key messages across all available communication tools:

- **URP'/UERP's goal and dedication:** The URP/UERP helps to rebuild the lives of those affected by the conflict and get their conditions of social life to modern standards. People working on the URP implementation are highly invested in the success of this Programme.
- **Direct line of communication between MCTDI and Final Beneficiaries:** there is a direct communication line between applicants for the URP/UERP (potential Final Beneficiaries) and implementing agency (MCTDI). There are no other decision-making parties involved, no intermediaries, no multi-layered selection processes. The criteria for choosing the sub-projects for the URP/UERP are very few, they are clear and public.
- **Grievance Mechanism:** URP'/UERP's stakeholders should be encouraged to communicate on local level, especially when it comes to problem solving and grievances. Implementers should take responsibility for their actions and cooperate with involved public, NGOs, mass-media etc.
- **Contractual obligations of Implementers are not 'recommendations':** all conditions and regulations provided in LFTA are legally binding and reflect current Ukrainian legislation and Ukraine's obligation under Finance Contract with EIB. FBs and Implementers are responsible for full compliance with LFTA provisions.
- **Scope of guiding documents extends to mandatory requirements only:** Even though URP'/UERP's implementation guidance may seem a bit too extensive and out of the usual Ukrainian scope of work, it is aimed at bringing best development practices from EU to Ukraine and ensuring better quality standards of final product. The URP/UERP is fully committed to help the Implementers implement these development tools into their modus operandi (not just for this URP but overall) through capacity building efforts (trainings, Q&A sessions, providing pointed support on case-by-case basis as need arises etc.).
- **Program financial footprint:** 340 million EUR loan is granted by EIB to Ukraine within URP and 200 million EUR within UERP. The FBs will receive financing in a form of state subsidy, as the body of the loan and interest will be repaid from the state budget. Note: 20% (VAT) of the sub-projects' cost will be co-financed from the local budgets of target regions.
- **Visibility:** all internal and external stakeholders should acknowledge and endorse roles of every implementing party as relevant. Implementing parties are Ministry for Communities and Territories Development and Infrastructure (MCTDI), Ministry of Finance (MoF), European Investment Bank (EIB), URP/UERP Technical Assistance Team to MCTDI (URP TA), United Nations Development Program Technical Assistance (UNDP TA), Final Beneficiaries (FB), Contractors.

8. URP/UERP Visibility Strategy

This chapter provides a brief overview of the URP/UERP communication and visibility approach.

URP/UERP communication and visibility should be guided by the EU Communication and Visibility requirements for EU external actions [1] as well as the EIB style guide and/or any specific communication strategy/plan developed for this particular Program.

Following the EIB communication approach, Program communication will be implemented in 3 phases:

- Phase I – will announce and introduce the Program and its goals;
- Phase II – will communicate the first deliverables;
- Phase III – will impress with the scale of improvements.

A comprehensive Communication Strategy and Plan for the URP/UERP will be developed by Cowater TA at the later stage when the Program enters its launch phase. The document should be closely coordinated with the EIB, EUD, MCTDI, UNDP TA and Implementers (Final Beneficiaries and Contractors). The Strategy will include audience segmentation, key messages, proposed communication tools, channels and activities, as well as an integrated communication implementation plan.

8.1 Purpose of the Visibility & Communications Strategy

The Purpose of the marketing, partner interaction and URP/UERP visibility and communication strategy (hereinafter – Strategy) is to facilitate the successful implementation of URP through various types of communication and outreach techniques.

This Strategy pursues three types of actions:

- The provision of information to both the public and potential beneficiaries of URP/UERP
- Provide technical advice to potential beneficiaries and local governments;
- Display the social impact from the URP/UERP development intervention.

The goal is achievable if the following tasks are fulfilled:

- Facilitate the successful URP/UERP implementation through communication and outreach techniques;
- Provide the required range of information on the Programmes to a wide audience to increase awareness of its achievements and involve other participants;
- Raise awareness among Stakeholders of the roles of every party in the Programs;
- Provide to Stakeholders accurate, up to date and timely information that is necessary and sufficient to meet their interest/enquires about the Programs;
- Creation of communication channels to spread information on the Programs to maximize the effectiveness of information flow from MCTDI to Stakeholders and vice versa;
- The introduction of approaches and techniques into communication practice of MCTDI that are necessary for a successful implementation of the Strategy on a regular basis;
- Gain support from the population and spread the news about the URP/UERP through various media means;
- The scope of this Strategy includes and covers internal and external marketing, partner interaction and communication strategy between stakeholders of the Programs.

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The implementation of the following type of communication and visibility activities will be expected from the project beneficiaries:

Press information, reports and publications

All appropriate measures should be taken to publicize the fact that the Program/sub-projects have received funding from the European Union and its bank. Information given to the press, all related publicity material, official notices, reports and publications, shall acknowledge that the activities are carried out “with funding by the European Union and its bank” and shall display in an appropriate way the Union Emblem as well as the EIB’s logo.

The final beneficiaries also provide information to the public through their own websites (if available) about the participation of the EIB in the financing of the Subprojects, and also place in highly visible places (at the entrance or on the facade of the objects created, improved, repaired, modernized, etc.) according to the results execution of Sub-projects) an information plate with information on the financing of Sub-projects by the EIB.

Equipment and vehicles

Where equipment or vehicles and major supplies have been purchased using funds provided by the European Union, the Beneficiary shall include appropriate acknowledgement (stickers, labels etc.) on such vehicles, equipment and major supplies as well as ensure EU and EIB visibility through outdoor promotion (display project boards, billboards, commemorative plaques, banners etc.).

High level visits, press conferences, ribbon-cutting events, on-site visits

Where high-level visits and other events are planned, the Parties shall inform each other and consider coordinating these visits and agreeing on joint messages. EUD and EIB shall be informed and invited to participate in these communication events.

Reporting

Promoter/beneficiaries shall document and report all communication and visibility activities implemented under these Programs.

9. Monitoring & Evaluation of the URP/UERP**9.1 Results Framework**

The MCTD/ PMSU, with support of the TA, will work to establish verification monitoring schedules to ensure that final beneficiaries are meeting their commitments under the URP/UERP financed investment. Verification monitoring of the URP/UERP related investment will be undertaken on a regular basis, depending on the size and scope of the sub-project:

- The effectiveness of the implementation and monitoring, will benefit from a close collaboration with international stakeholders, having a local presence on site and in the region.
- The approach to M&E will be by the systematic collection of project data in order to gauge the performance of each sub-project against the achievement of indicators and milestones. On the basis of this data, reports will be prepared for the EIB, stakeholders and final beneficiaries. During the M&E, the following aspects will be addressed;

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- The collection of data and subsequent M&E should be carried at regular intervals throughout the duration of the URP/UERP duration. The data will be collected through surveys, local authority statistics and meetings in the local administration and CSOs;
- A provisional list of indicators has been prepared for monitoring outputs, results and impact of the URP/UERP, for use by the MCTDI/ PMSU and other stakeholders and final beneficiaries;
- The MCTDI/ PMSU will monitor the financial progress of the URP#UERP on a regular basis, with support of the TA.

The results framework for the URP/UERP may incorporate among others the following baseline and target indicators.

Table 7. Monitoring Criteria of URP/UERP

Output	Units
Reestablishment of water supply & wastewater system	<ul style="list-style-type: none"> • Number of people impacted
Reestablishment of electricity supply	<ul style="list-style-type: none"> • Number of people impacted
Recovery and upgrading of social infrastructure for the temporary accommodation of internally displaced persons	<ul style="list-style-type: none"> • Number of IDPs impacted
Rehabilitation of educational institutions	<ul style="list-style-type: none"> • Number of schools/kindergartens rehabilitated • Number of people benefited • Number of IDPs benefited
Rehabilitation of health care facilities	<ul style="list-style-type: none"> • Number of HC facilities refurbished/rehabilitated • Number of new beds available • Number of people benefited • Number of IDPs benefited • Occupancy rates in health care centers
Public buildings' rehabilitation	<ul style="list-style-type: none"> • Number of administrative buildings rehabilitated • Number of people benefited • Number of IDPs benefited
Social infrastructure for communities hosting IDPs	<ul style="list-style-type: none"> • Number of new places in kindergartens • Number of beds in city hospitals • Number of students in classes • Number of medical centers • Medical centres occupancy rate
Outcomes	
Population return to affected areas	<ul style="list-style-type: none"> • Number of displaced people returning to affected areas

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Core Result Indicators	
Employment during construction	<ul style="list-style-type: none"> • Man / year
Re-establishment of livelihoods	<ul style="list-style-type: none"> • Number of jobs saved or newly created in connection with Re- establishment of livelihoods / the reestablishment of living conditions • Number of companies restarting activity or newly created
Local governance / empowerment	<ul style="list-style-type: none"> • Improved capacity for project implementation

Well-designed indicators that are further being consistently monitored will help the MCTDI/TA to be kept abreast of the development of the Programme and to correct shortcomings in its operating strategy and to adapt the program to changes in the circumstances in which it operates.

The Programme monitoring on the local level will be conducted by UNDP in close collaboration with the MCTDI/PMSU/TA and involvement of local civil society organizations. UNDP will analyse data by crossing the data collected by the civil monitoring mechanism and the data reported by the local consultants.

UNDP will establish an Evaluation and Monitoring Framework for each sub-project (or a group of homogeneous projects in one geographical territory), set baseline data, qualitative and quantitative indicators and impact values based on the above provided table. In respect to this task, UNDP will hire an M&E Expert. It is expected that participatory evaluation techniques will be utilized to measure the results obtained during previous implementation of the UERP.

UNDP in collaboration with FBs will prepare a progress report on every six months to be based on the agreed with MCTDI/TA M&E framework.

The MCTDI/PMSU/TA will report to the EIB on the progress of the Programme' implementation on annual basis. Monitoring and evaluation reports received from UNDP and FBs will be used.

9.2 Role of UNDP

The role of UNDP is to assist the MCTDI/ PMSU to monitor the implementation of the URP/UERP at the local/ regional level and support the implementation of sub-projects at the local government level.

As to the Technical Supervision, key tasks for UNDP TA will include among others:

- Provide project monitoring including in relation to sanctions, through regular visits of sub-projects' construction sites and review implementation progress against the agreed plans and milestones;
- Support Final Beneficiaries / TS consultants in preparation of required by the MCTDI reports and other documents (e.g. assisting in collection payment document packages, etc.).

The UNDP engineers will work closely with technical supervision consultants/ companies and Final Beneficiaries. This may require visits to each sub-project on an as-needed basis (the modality and schedule to be discussed and agreed with the MCTDI/ PMSU and the TA). UNDP TA will be reporting on construction progress and any relevant issues to the MCTDI/TA (in a format to be developed by the MCTDI/PMSU/TA/UNDP).

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According to Article 6.05 (xi) of the URP Finance Contract “The Borrower shall ... ensure that, upon their request, the Bank and its officers, agents, consultants and advisers are given appropriate access to any site and any document required verifying the points set out in paragraph (x) above”. Similar provision is present in article 6.05 of UERP Financial Contract.

In light of this provision, the **Final Beneficiaries will ensure that appropriate access to any site** and any document required for carrying out the monitoring of construction works is granted to the UNDP engineers upon their request. The monitoring may concern, but not limited to the following elements:

- Compliance of the scope of works with recommendations of preparatory studies;
- Quality of construction works;
- Quality of construction materials used;
- Quality of ex-post energy performance certification;
- Ensuring that energy efficiency benefits are fully achieved;
- Ex-post verification of real energy savings achieved;

UNDP will be also responsible for **assisting the Final Beneficiaries in monthly reporting** to the MCTDI/TA on technical supervision issues according to the template developed. It may include translation of respective documents from Ukrainian/ Russian into English or vice versa.

Further details of the role of UNDP is available in their specific terms of reference, and directly from the MCTDI/ PMSU and the TA.

10. Stakeholders Code of Conduct

The Stakeholders Code of Conduct is an essential document, which binds stakeholders to abide to EIB standards, in all respects. The Template of the Stakeholders Code of Conduct is provided in Annex 1.

11. Amendments to the PIG

Changes to the PIG may be requested by any member of the MCTDI/ PMSU or by EIB through the MCTDI Deputy Minister responsible for the URP/UERP. The MCTDI/ PMSU with the support of the TA will prepare an Addendum to the PIG that identifies the section number(s) relevant to the required change.

11.1 Programme Language

The project will be undertaken using Ukrainian and English, as follows:

- Communications between local stakeholders may be in Ukrainian or in English. Forms and templates for use by and between local stakeholders that are presented in this document will be translated into Ukrainian and either can be used as appropriate to the audience(s) for whom the form or template is intended;
- Communications in which one of the primary audiences is intended to be the EIB will be in English. In particular, project reports and Working Group Agendas and Minutes will be presented in English with (at a minimum) summaries in Ukrainian. Technical assistance will be delivered in both Ukrainian or English.

Annex 1: URP Procurement Manual – National Procurement Procedures



Ukraine Recovery Programme (URP) and Ukraine Early Recovery Programme (UERP)

Manual National Procurement Procedures for URP/UERP Sub-projects

Kyiv, Ukraine

2024

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List of Acronyms

EIB	European Investment Bank
FC	URP Finance Contract: Agreement on Ukraine Recovery Program between Ukraine and European Investment Bank ratified by Law of Ukraine dated from 14.07.2021 #1645-iX
	UERP Finance Contract signed between Ukraine and the European Investment Bank and ratified by the Law of Ukraine dated April 22, 2015 No. 346-VIII
GtP	Guide to Procurement for the projects financed by the EIB
MoF	Ministry of Finance of Ukraine
MCTDI	Ministry for Communities and Territories Development and Infrastructure of Ukraine (or its assignee)
OJEU	Official Journal of the European Union
PMSU	Project Management Support Unit under MCTDI
PPL/Law	Law of Ukraine “On Public Procurement” PROZORRO Ukrainian e-procurement system
UNDP	United Nations Development Program
URP	Ukraine Recovery Programme
UERP	Ukraine Early Recovery Programme

1 Introduction

This Manual aims to set up the procurement rules and procedures for works and services which are to be purchased by the final beneficiaries following national procurement procedures under the “UKRAINE RECOVERY PROGRAMME” (hereinafter – URP) which is implemented based on the Finance Contract between The Government of Ukraine and the European Investment Bank, and ratified by the Law of Ukraine № 1645-IX of July 14, 2021²². This Manual does not cover international procurement procedures. This Manual is also applicable to purchases within the framework of the completion of the Ukraine Early Recovery Programme (hereinafter referred to as the UERP), implemented in accordance with the Financial Contract between Ukraine and the European Investment Bank, ratified by Law No. 346-VI dated 04/22/2015

For larger contracts (which fall within the international procurement procedures as per thresholds in the table below), the provisions of the GtP²³ (in particular clause 3.7) will apply.

For smaller contracts (which fall within the national procurement procedures as per thresholds in the table below), the national legislation may be applied in full providing that the national procedures ensure economy, efficiency and transparency, and are consistent with the principles underlying the GtP. If eligible foreign firms wish to participate in the national procedures, they must be allowed to do so.

According to art.6 of Public Procurement Law of Ukraine (hereinafter – PPL) and to Financial Contracts (approved by Law of 14/07/2022 № 1645-IX and by Law 22.04.2015 p. № 346-VIII), in case of discrepancies between the provisions of GtP and the national law, the GtP provisions and principles, including those reflected in this Manual, shall prevail.

The procurements under EIB projects shall comply inter alia with EIB eligibility requirements, fraud and corruption (i.a. including of the Covenant of Integrity) requirements, debarment requirements, sufficient past experience of contractors to ensure sufficient capabilities to perform the contract, conflict of interest, access to national remedies, selection and award criteria, tender opening, standstill period, balanced contract conditions, confidentiality requirements.

It shall be noted separately that provisions of Financial Contract which not referred in this Manual are still applied directly including those set in point 6.8 “Integrity” of the URP Financial Contract.

This Manual is developed for the Contracting Authorities (local state administrations, bodies of local self-government, incl. territorial communities and communal enterprises) who will actually perform procurement, as well as other relevant stakeholders of the project (EIB, PMSU/MCTDI, MoF and others).

²² <https://zakon.rada.gov.ua/laws/show/1645-20#Text>

²³ The latest version of EIB Guide to Procurement, dated September 2018, can be found on the Internet link: www.eib.org/en/infocentre/publications/all/guide-to-procurement.htm

2 Procurement Procedures

The procurement procedures under the URP and UERP are defined in the Finance Contracts (Article 6.4.a Procurement Procedure – “... The Borrower shall procure that the Promoter, the PMSU, and/or the relevant Final Beneficiary (as applicable) shall purchase equipment, secure services and order works for the Project by acceptable procurement procedures complying, to the Bank's satisfaction, with its policy as described in its Guide to Procurement. ...”).).

According to the EIB's Guide to Procurement (articles 3.4.1 and 4.2.2), the following thresholds are foreseen for procurement procedures:

Nature of Contract	Threshold in Euro *	Less than Threshold	More than Threshold
Works	5 000 000	National Procurement Procedures**	International Competitive Bidding*** open procedure with publication in OJEU
Consulting services on supervision of works incl. TS and CSC	200 000	National Procurement Procedures**	International Competitive Bidding*** open or restricted procedure with publication in OJEU

* All these values according to GtP exclude the value added tax (VAT), or equivalent direct taxes

** According to the first part of Article 20 of the PPL, the main national procurement procedure is open bidding.

*** or other international procurement procedures approved by EIB

The national procurement procedures are regulated by the PPL which was adopted on December 25, 2015²⁴ (hereinafter – the Law), During the period of martial law and 90 days after its completion (termination), procurements are regulated by the Decree of the Cabinet of Ministers of Ukraine dated 12.10.2022 No.1178 "On approval of the Specifics of public procurement of goods, works and services for entities covered by the Law of Ukraine "On Public Procurement ", during the period of the legal regime of martial law in Ukraine and within 90 days from the date of its completion or termination"²⁵ (hereinafter – Martial Law Procurement Specifics or MLPS), which is based on the Law, but establishes certain procedural differences for reasons of security and procurement flexibility.

This Manual establishes additional requirements and conditions of the procurement process specifically under the URP and UERP.

According to the Law and to MLPS (only applied during martial law+90 days after it), the following thresholds are applied:

Nature of Contract	Threshold in	Less than	More than
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²⁴ Law in current edition adopted on September 19, 2019 can be found in Internet: <https://zakon.rada.gov.ua/laws/show/922-19#Text>

²⁵ <https://zakon.rada.gov.ua/laws/show/1178-2022-%D0%BF#Text>

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	UAH *	Threshold	Threshold
Works	1 500 000	Simplified procurement based on shortened competitive e- auction. OR During Martial Law – direct award with publication in Prozorro of report on concluded contract****	National Procurement Procedures**
TS and CSC*** (if value of these services included in cost estimates of works)	1 500 000	Simplified procurement (based on shortened competitive e- auction) During Martial Law – direct award with publication in Prozorro of report on concluded contract****	National Procurement Procedures**
Additional analogical works and analogical TS & CSC (upon approval of the increase in financing at the expense of the subvention by the Mininfrastructure the EIB)	1 500 000	Direct contract (special exemption from simplified procurement) with publication in Prozorro of report on concluded contract	National Procurement Procedures**

* In March 2024 the ECB exchange rate is 42.5 UAH / 1 EUR (https://commission.europa.eu/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate- inforeuro_en).

**According to the first part of Article 20 of the PPL the main national procurement procedure is open bidding. The above indicated thresholds for national procurement procedures within the framework of URP are set by the Law and may change in the event of appropriate amendments to the Law. According to the MLPS during martial law, open bidding is the only applicable procurement procedure except for the exclusive list of exceptions specified in it and for which a direct contract applies. Simplified procurement is governed by Article 14 of the Law and by the MLPS (Reference: Instructions on the procedure for using the electronic procurement system, approved by the order of SE "Prozorro" dated October 20, 2022 No. 25).

***According to paragraph 27 of Article 1 of the Law, technical supervision services and the services of a consulting engineer are considered as works within the meaning of the PPL as services accompanying works if they are included in the estimated cost of works and if the cost of such services does not exceed the cost value of works. These conditions (inclusion in the cost estimate and the relevant percentage limits for calculating the cost of such services) are also reflected in the Cost-Estimates Standards of Ukraine (approved by the Order of Ministry of Regional Development of 01.11.2021 № 281), in particular in the Instruction for calculating the cost of construction.

**** In the case of publishing a report on a contract concluded without the use of an electronic procurement system, the FB must ensure that such procurement is justified and complies with the principles underlying the EIB Procurement Guidelines, in particular with regard to economy, efficiency and transparency.

In case when implementation of the Sub-project envisages new construction, upon agreement with the Bank, the object of procurement may be defined as "construction with the development of project documentation" within the meaning of the Law, which is consistent with the procurement format "design-and-build contracts" according to EIB GtP (point 11 of Appendix 1 of GtP). In this case, the procedure of open bidding or competitive dialogue may be applied.

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Taking into account the absence in this case of design and cost estimate documentation at the beginning of the procurement, the contracting authority must include in the tender documentation, at least:

- detailed pre-design data in the form of technical and economic substantiation of the works and/or the customer's task for the development of design documentation, prepared in accordance with the Order of the MinRegion dated on 16.05.2011 No. 453²⁶ and the requirements of DBN A.2.2-3:2014 "Composition and content of the project construction documentation";
- a detailed draft of the procurement contract, which, among other clauses, should describe in detail the interaction of the customer, the contractor and the designer engaged by contractor during the elaboration of the construction design, in particular regarding the proper examination of the design and ensuring its quality, as well as clause on the confirmation of the customer's intellectual property rights regarding the developed design for further use by the customer without restrictions and without mandatory involvement of the contractor in future for the operation of the constructed object and possible additional works (improvements, repairs, etc.).

These and other specifics are indicated in Template of tender documentation and Template of model contract as indicated in point 5.1 of this Manual.

The applications of the thresholds and the procurements are subject to the approved procurement plans.

If estimated contract values exceed EURO 5 million (excl. VAT), according to GtP the International Competitive Bidding (ICB) and other international procurement procedures will be used.

3 Institutional set-up of the Procurement

A Contracting Authority is the administrator/receiver of budget subvention as final beneficiary of the loan funds. The Contracting Authority prepares the tender documents for the sub-projects, performs procurement, identifies the contractors and concludes contracts with them

The Project Implementation Unit of the MCTDI (hereinafter – **MCTDI/PMSU**) provides general support, coordination and supervision of the procurement. In particular, MCTDI/PMSU prepares tender dossier templates, endorses tender dossiers prepared by the Contracting Authorities, in addition to developing the URP Procurement Plans. Also, MCTDI/PMSU will channel communication between Contracting Authorities and EIB (e.g. during request for additional information).

The EIB monitors the procurement procedures which includes no-objection approvals for some of the actions (see below for more details). EIB may request for external services (including Technical Assistance) for support in monitoring of procurement.

There are the following steps and related responsible units in the national procurement process:

²⁶ <https://zakon.rada.gov.ua/laws/show/z0651-11#Text>

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No.	Step	Responsible unit
1	Preparation of the Manual on Procurement Procedures (this document) and template of tender documentation	MCTDI/PMSU
2	EIB prior approval of procurement procedure chosen for individual projects (procurement plans)	EIB
3	Tender documentation preparation for sub-projects (using template of tender documentation prepared by MCTDI/PMSU)	Contracting Authority
4	Review of tender documentation as regards compliance with additional requirements and specifics which are set by this Manual	MCTDI/PMSU
5	Announcement and conveyance of a procurement. Defining of the winner based on the tender's results.	Contracting Authority
6	Recording of tender results	MCTDI / PMSU
7	Contract Award and signature	Contracting Authority
8	Ex-post Audit of evaluation results*	EIB

* For the purposes of this Manual, an ex-post audit means a possible review of the evaluation, award and the selection of a contractor, commenting on and requesting clarifications from the Contracting Authority.

The information exchange between the Contracting Authority and MCTDI/PMSU or EIB will be defined by MCTDI/PMSU separately; the Contracting Authority will be informed regarding this.

4 Tender Documentation

4.1 Covenant of Integrity and Environmental & Social Covenant

In the article 3.6. “**Prohibited Conduct - Covenant of Integrity**” EIB Guide to Procurement it is stated that “...the Bank is committed to ensuring that its loans are used for the purposes intended and its operations are free from prohibited conduct (including but not limited to, fraud, corruption, collusion, coercion, obstruction and money laundering and terrorist financing). In particular, in countries outside the EU, the Bank will, as a general rule, require that promoters: • Require any tenderer for works, goods or services, as a condition of admission to eligibility, to execute and attach to its tender a Covenant of Integrity in the form indicated in Annex 3; and ... The Bank reserves the right not to finance any contract in which tenderers/contractors have not issued to the promoter the Covenant of Integrity signed by a duly authorised person.”

In the article 3.8. “**Environmental and Social Covenant**” EIB Guide to Procurement it is stated that “...The Bank requires, as a general rule for financing operations outside the EU, that promoters insert in the procurement documents and contracts the requirement from the tenderers and contractors to

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fill in and provide an “Environmental and Social Covenant” template in the form provided in Annex 7. The Bank reserves the right not to finance any contract in which tenderers/contractors have not issued to the Promoter the Environmental and Social Covenant signed by a duly authorised person.”

Practically this means that as required by EIB the Contracting Authority shall include into the tender documentation the following annexes:

- Covenant of Integrity (Annex A) and
- Environmental and Social Covenant (Annex B).

Each tenderer is required to sign the abovementioned Covenants, and submit together with the tender proposal. This also means that in the event of a violation of the obligations under the Pacts signed by the participants, the financing of the contracts by the Bank will be stopped.

See Annexes A and B to this Manual for more details.

4.2 Guarantees

According to the article 25 and 27 of the PPL, there are following forms of guarantees:

- Bid bond (tender security in language of PPL);
- Performance bond (contract security in language of PPL).

Bid bonds and performance bonds are applicable to secure the bidding and implementation process.

A bid bond is issued as part of a bidding process by the contractor to the project owner, as a guarantee that the winning bidder will undertake the contract under the terms, they submitted their bid.

A performance bond (or contract bond), is a surety bond issued by a bank or other foreseen by the Law to guarantee satisfactory completion of a project by a contractor.

In compliance with national law, and as a part of URP/UERP implementation it is to foresee that a bid bond should be not higher than 0,5 of the announced expected contract value in the case of purchasing of works that may only be provided in the form of an guarantee (and bank guarantee is recommended as most reliable).

For works contracts under URP/UERP contracting authorities require a performance bond (contract security) also in form of bank guarantee from awarded contractors, not later than the day of contract signature – and such a requirement must be set in the tender documentation in advance. The performance bond should be foreseen in a maximum value allowed by the Law (5% of the contract's value).

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In order to increase performance protection of FBs it is also strongly recommended to include in draft contracts (included in tender documentations) the clauses on penalties envisaged by article 231 of Commercial Code of Ukraine²⁷.

4.3 Eligibility and Qualification Criteria

Criteria for bidder's qualification are proposed by the Contracting Authority and are described in the tender dossier for each of the sub-projects. Criteria can be eligibility and qualification (if criteria are not met – bidder is disqualified) as determined respectively by Article 16 (qualification criteria) in conjunction with Article 17 (exclusion grounds) of the PPL.

According to the Law, following qualification criteria may be applied:

- 1) availability of the equipment, material and technical base and technology;
- 2) availability of the staff with the appropriate qualifications, necessary knowledge and experience;
- 3) the presence of documented proofs in the implementation of similar contracts (previous performance experience);
- 4) financial capacity to be proved by financial reports.

The general eligibility criteria must be (but not limited to) the following:

- Ensure open eligibility, and ensure open to foreign firms.
- Ensure main principles of public procurement are complied with, incl. economy, efficiency, transparency, non-discrimination based on nationality, no local preference and difficult accreditation rules.

Local experience (meaning experience working in the same oblast) as qualification criteria is not applicable as it is a limiting factor for competition.

The following **qualification criteria** shall be included in tender documentation for national procurement procedures under URP/UERP:

1. General work experience: **at least 4 years.**
2. Related professional experience: **at least 2** implemented of same type of contracts **(including subcontracting contracts) during the last 5 years, taking into account that the class of consequences (liability) of the object under a similar contract must not be lower than the class of consequences of the object according to the subject of procurement.**
3. Financial capacity is one that meets the criterion, provided that the average annual turnover (arithmetic average value of annual turnover) during the last 5 calendar years must be at least 30% of the expected value of the procurement item specified by the Contracting Authority in the announcement of open tenders.

²⁷ In case of violation of quality conditions - a fine of 20% of the value of non-qualitative work, and in case of violation of deadlines - a fine of 0.1% of the value of work, of which overdue for each day of delay, and for delay over a penalty of seven percent of the specified value shall be charged for an additional thirty days.

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Other criteria (regarding the availability of equipment and employees with appropriate qualifications) are specified by a Contacting Authority in the tender documentation of relevant tender procedure.

In terms of the mandatory grounds for refusal to participate in the procurement procedure, in addition to the requirements of Article 17 of the Law and para 41 of MLPS (during martial law period when it applies), **the following additional requirements are applied to procurement under URP/UERP, which are specified in the tender documentation according to the following wording as grounds for refusal to participate in the bidding, if bidder:**

- 1) is a natural person, an official (official) of a bidder who signed the bid and/or is authorized to sign the procurement contract, an individual who is the ultimate beneficial owner of a legal entity participating in the procurement procedure (including the individual of the ultimate beneficial owner of the founder of such a legal entity, if the founder is another legal entity) -- was convicted for crime of state treason or collaborative activity and the conviction for such criminal offenses was not removed or not repaid in accordance with the law;
- 2) is a person to which a sanction has been applied in the form of a ban on carrying out public procurement of goods, works and services from him in accordance with the Law of Ukraine "On Sanctions", as well as current sanctions have been applied to such a person by any of the following organizations:
 - a) The United Nations and any agency or person duly designated, authorized or empowered by the United Nations to impose, manage, implement and/or enforce sanctions;
 - b) the European Union and any agency or person duly designated, authorized or empowered by the European Union to impose, administer, enforce and/or enforce sanctions;
 - c) the Office of Foreign Assets Control (OFAC), the US Department of State, and/or the United States Department of Commerce.
- 3) the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations does not contain the information provided for in Clause 9 of Part Two of Article 9 of the Law of Ukraine "On State Registration of Legal Entities, Individual Entrepreneurs and Public Organizations" (except for non-residents),

OR

the bid does not contain other documents (as envisaged by legislation) confirming information about owners/beneficiaries (except for the case when the bidder is an individual entrepreneur)²⁸.

- 4) the amount of the average annual income received (arithmetic average value of the annual turnover) of the participant in the procurement procedure for the last 2 years, excluding the period of martial law, is less than 50% of the initial value of the contracts concluded within the framework of the UERP and/or URP and which are not completed on the day of submission of the bid of such a tender participant.

²⁸ This requirement is a modified version for application in procurement procedures under the URP based on the norm of Clause 2 of Part One of Article 17 of the PP Law and is applied taking into account the presence or absence of open access to the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations

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The additional criteria and requirements listed above shall be specified in the tender documentation with reference to the third part of Article 22 of the Law and to the Financial Agreement (please see in the Template of tender documentation).

5 Implementation of the Tendering procedure

5.1 Tender Documentation Preparation

MCTDI/PMSU develops the Template of tender documentation and Template of Contract, which, after approval by the relevant Expert Working Group under the MCDTI, is provided for use by Contracting Authorities.

In the case of changes to this Manual and/or national legislation, MCDTI/ PMSU develops and approves changes to the Model Tender Documentation.

The preparation of the tender documentation for each Sub-project is performed by a Contracting Authority in accordance with the Template of tender documentation approved by MCTDI/PMSU. The provisions of the Template of tender documentation cannot be changed by Contracting Authorities when preparing their own tender documentation in terms of the conditions and requirements specified in this Manual and in terms of the mandatory norms of the legislation of Ukraine applicable during the tender.

Tender documentation must be endorsed by Expert Working Group under the MCDTI before tendering in context of conformity with EIB policies.

After endorsement of tender documentation by MCDTI, Expert Working Group Contracting Authority conducts tendering.

5.2 Evaluation

The evaluation criteria are defined taking into consideration specifics of the sub-projects.

The tender evaluation must be focused on determination of most economically advantageous tender and based on the lowest price of the compliant and technically responsive tenders.

According to indent 2 of sub-point 4 of point 6-1 of Section X “Final and Transitional Provisions” of the PPL in conjunction with article 6 of PPL, peculiarities regarding localization of production, envisaged by Law #1977-X of 16.12.2021 (entered in force on 13.06.2022) are NOT applied for procurement and contracts under URP/UERP.

The method of evaluation must be clearly indicated by the Contracting Authority in the tender documents.

The evaluation procedure must be conducted by an Authorised person of the Contracting Authority.

“Authorised person” refers to an officer (official) or other individual within staff of the contracting authority appointed to be in charge of organising and holding procurement procedures hereunder

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based on own administrative decision of this contracting authority or on employment agreement (contract).

Appointment of an Authorised person(s) shall not create a conflict of interests between the Contracting Authority and the bidder or between the tender's participants, whose presence could affect the objectivity and impartiality of a decision on the selection of the winner of the procurement procedure.

The evaluation results must be sent to the EIB for information and ex-post review through EIB audit processes in manner stipulated in section 6.1 of this Manual.

5.3 Cancellation of Tendering Process

The cancellation of a tendering procedure by the Contracting Authority is conducted in conjunction to the causes specified in tender documentation according to article 32 of PPL or MLPS (during martial law period when it applies), namely:

- 1) A Contracting Authority cancels the tender in case of:
 - lack of further need to purchase goods, works or services;
 - impossibility of eliminating violations that occurred due to detected violations of legislative requirements in the field of public procurement, with a description of such violations;
 - reducing the volume of expenses for the purchase of goods, works or services;
 - when the purchase became impossible due to force majeure.

In case of cancellation of open tenders, Contracting Authority shall indicate the reasons for such decision in the electronic procurement system within one working day from the date of adoption of the relevant decision.

- 2) the tender is automatically canceled by the electronic procurement system in case of:
 - submission for participation in open tenders with less than two tenders **(the norm does NOT apply during the period of validity of the MLPS)**;
 - admission to the evaluation of less than two tenders in the procedure of open bidding **(the norm does NOT apply during the period of validity of the MLPS)**;
 - rejection of all tenders in accordance with the Law.

In the case of automatic cancellation of the tender on the grounds specified by the second part of Article 32 of the Law or the <LPS (during their application), the electronic procurement system automatically publishes information about the cancellation of the tender.

5.4 Amendments to Contracts and additional grounds to terminate contracts

Amendments to the contracts during its term of validity and according to the article 41 of the PPL canNOT be made except for allowed cases exhausting list of which is set in article 41.5 of PPL. However, according to article 22.2.8 of the PPL grounds for the amendment and its terms must be included in draft contract included the original tender documents.

Any material amendments to the contract must be preceded by informing MCTDI.

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If it is necessary to increase the value of the sub-project, a Contracting Authority applies to the MCDTI and submits the relevant justification in an arbitrary form. Based on the results of consideration of the submitted rationale by the MCDTI and UNDP, the MCDTI agrees on the mentioned issue with the EIB, subject to the feasibility of increasing funding.

According to art. 41.7 of PPL in case of amendments made according to art.41.5 of PPL, Contracting Authority mandatory publishes in e-procurement system the notice on contracts amendments in relevant form.

An additional essential condition of procurement contracts under the URP/UERP is the grounds for contracts termination in the event of the following circumstances occurring during the performance of the contract:

- 1) a contractor becomes a person to which a sanction are applied in the form of a ban on carrying out public procurement of goods, works and services from him in accordance with the Law of Ukraine "On Sanctions", as well as current sanctions are applied to such a person by any of the following organizations:
 - a) The United Nations and any agency or person duly designated, authorized or empowered by the United Nations to impose, manage, implement and/or enforce sanctions;
 - b) the European Union and any agency or person duly designated, authorized or empowered by the European Union to impose, administer, enforce and/or enforce sanctions;
 - c) the Office of Foreign Assets Control (OFAC), the US Department of State, and/or the United States Department of Commerce.
- 2) the approval of a Conclusion of the State Audit Service body on the results of the monitoring of the procurement procedure, which includes demand to terminate the relevant contract, and such a Conclusion was not challenged in a court.
- 3) substantiated evidence, proven in court, indicating the violation of contractor's commitments under Covenant of Integrity.

6 Controlling Mechanisms

A summary of the control mechanisms at different programme levels and sub-project stages are presented in the following table:

Programme step	Impl. Agency	MCTDI / PMSU	Expert Working Group*	EIB
Establish the project procedures (submission of the sub- projects, procurement, financial procedures and others)	No action	Prepare	No action	Approval

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Programme step	Impl. Agency	MCTDI / PMSU	Expert Working Group*	EIB
Sub-project identification and selection	Preparation and submission of proposed sub-projects	Review final screening and approval of sub-projects	Providing recommendations on SPs to be financed under URP and UERP	Review and no - objection regarding Financial Contract
Procurement Plan for the batch of sub-projects (incl. procurement procedure chosen)	Contribute to MCTDI	Prepare	No action	Review and no-objection
National procurement procedures				
Tender documentation	Preparation	Endorsement regarding conformity with additional requirements and peculiarities set by Procurement Manual	No action	No action
Tendering & Tender clarifications	Perform	No action	No action	No action
Bid results table	Submit bid evaluation reports, contracts signed	Recording of tender evaluation results Prepare bid results table	No action	Audit review (ex-post)

* Expert Working Group for initiating, preparation, support and implementation of projects under URP.

During procurement and control activities, open free web-resources with monitoring information about procurement can be used, in particular:

- the DOZORRO civil control portal (<https://dozorro.org/>),
- the YouControl counterparty check service (<https://youcontrol.com.ua/>)
- open procurement data analytics system Clarity project (<https://clarity-project.info/tenders>),
- single state register of courts cases (<https://reyestr.court.gov.ua>).

6.1 EIB Audit for Procurement Procedures Results

According to the Article 3.5.1 of the EIB Guide to Procurement:

“All contracts not subject to international procurement procedure are subject to ex-post review by the Bank as set out in the procurement plan. This means that promoters may conduct procurement without the prior involvement of the Bank. The promoter will regularly provide the Bank with an updated procurement plan completed with information about the contracts’ award decision, signature and level of competition. The promoter will retain the full documentation for each such contract and make it available to the Bank upon request as part of ex-post reviews to be conducted by the Bank or its auditors. The Bank reserves the right to withdraw its financing of contracts whose ex-post review reveals a breach of this Guide”.

Practically it means that before a disbursement (payments to the Contractor) the Contracting Authority submits the results of the tender with the relevant justification (bid evaluation report and signed contract) to MCTDI/PMSU. MCTDI/PMSU forwards this information to EIB via TA during 10 days since receiving it from Contracting Authority, which may be subject to ex-post audit. TA, when sending an e-mail with this information to the EIB, must copy the relevant e-mail addresses of the MCTDI/PMSU.

In case of receipt of a request for "Ex-post audit" from the EIB, MCTDI/PMSU with the participation of the respective Contracting Authority prepares the relevant clarifications and comments according to the content of the EIB request and submits to EIB.

If MCTDI/PMSU or the EIB discovers inconsistencies with the PPL and the EIB requirements specified in this Manual, the recommendations to eliminate the identified inconsistencies or to cancel the tender (if it is impossible to eliminate such inconsistencies/violations) will be sent to the Contracting Authority. If Contracting Authority ignores such recommendations including the absence of response, relevant SPs will be removed from the Program (and deleted from allocation table).

For national procurement procedures, the EIB requirements are as follows:

Develop the Project Procurement Plan:

- Ensure open eligibility (meaning open to national and foreign firms);
- Ensure main principles of public procurement are complied with, incl. economy, efficiency, transparency, non-discrimination based on nationality (meaning no local preference), other requirements of this Manual;
- No EIB involvement at tender or award stages (the results of national procurement procedure may be audited by EIB by means of ex-post audit).

In case of national procurement procedure, the Contracting Authorities need to submit the following documents to the MCTDI/PMSU:

- Bid Evaluation Report;
- Signed Copy of the Covenant of Integrity and the Environmental & Social Covenant;
- The signed contract.

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In case of direct contracting (direct contract or negotiated procedure) the Contracting Authorities need to submit the following documents to the MCTDI/PMSU:

- Signed Copy of the Covenant of Integrity the Environmental & Social Covenant;
- Justification in arbitrary form as regards contractor selection;
- The signed contract.

MCTDI/PMSU will review the documents, compile national procurement procedure results table (in English) and pass it to EIB. The national procurement procedure results table must have the following minimum content:

- Contract title;
- Procurement procedure implemented;
- Number of bids received;
- Justification of selection;
- Contracting parties;
- Contract scope;
- Contract amount with clearly stated currency;
- Contract start and end date;
- Other sub-project specific data (if available).

This results table can be submitted for multiple sub-projects for EIB consideration, review and audit. Other documents (bid evaluation report, Covenant of Integrity, Environmental & Social Covenant, the signed contract) to be kept by the MCTDI/PMSU and provided to EIB upon request.

EIB has a right to request additional documents through MCTDI/PMSU for further clarification (bid proposals etc.) as part of auditing of the tender results.

The Contracting Authority does not perform any actions (issuance of invoices, processing of invoices to MCTDI etc.) if the EIB has issued an ex-post audit request in relation to the specific sub-project.

6.2 Avoiding Collusions

The tenderer shall not communicate to any person other than the Contracting Authority the amount of any tender, adjust the amount of any tender by arrangement with any other person, make any arrangement with any other person about whether or not he or that other person should or should not tender, or otherwise collude with any other person in any manner whatsoever in the tendering process until the tenderer is notified by the Contracting Authority of the outcome of the tender exercise. Any breach of or non-compliance with this sub-clause by the tenderer shall, without affecting the tenderer's liability for such breach or non-compliance, may result with the EIB refusing to issue a no-objection approval to the results of the tender.

Above mentioned shall have no application to the tenderer's communications in strict confidence with his own insurers or brokers to obtain an insurance quotation for computation of tender price and communications in strict confidence with his consultants / sub-contractors to solicit their assistance in preparation of tender submission.

The tenderer shall submit to the Contracting Authority a duly signed Covenant of Integrity (see Annex A) which includes a section on prohibited conducts that includes Collusive Practice.

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According to article 17 of the Ukrainian PPL, an economic operator is forbidden from participating in public tenders for 3 years period if it has been found guilty of bid rigging. The Antimonopoly Committee of Ukraine publishes consolidated information on its own website about decisions regarding bid rigging cases²⁹.

7 Complaints

The procedure about complaints during procurement process within national procurement procedures is defined in the Article 18 of the Ukrainian PPL while article 1 of the PPL defines that the Review body is the Antimonopoly Committee.

There are additional mechanisms for complaints – a lawsuit to court.

All complaints must be handled and addressed through the local mechanisms for complaints.

8 Procurement Planning

The next levels of procurement planning are foreseen in the project:

General Programme Implementation Plan

The General Programme Implementation Plan reflects an overall implementation plan for the Programme's duration. It covers the following aspects:

- Plans for disbursement;
- General plans for sub-projects implementation (procurement, implementation, commissioning);
- Approximate distribution of sub-projects among the regions;
- Approximate distribution of sub-projects between the eligible sectors;
- Annual Financial Plan.

The General Programme Implementation Plan is developed by the TA Consultants in cooperation with MCTDI/PMSU at the commencement of the programme and adjusted at least every year during the programme duration.

Detailed Procurement Plan

A Detailed Procurement Plan needs to be developed for each approved batch of sub-projects and should contain the following information for each sub-project: contract name, reference number, contract group, estimated amount (€), financing details, tender procedure, tender documents type, will it be advertised in OJEU, estimated publication date, estimated bid submission date, estimated contract award date. For these rationales, Contract Authorities will prepare a detailed procurement plan on their sub-projects and the TA Consultants in cooperation with MCTDI/PMSU will collate into

²⁹ From 2020 this official database of bids collusions “guilty” companies, in fact debarment list, (maintained by Antimonopoly Committee of Ukraine) has been integrated with PROZORRO allowing everyone to see automatically a special “red flag” mark if a certain bidder is included in the AMCU “plotters” database. At the same time, information published on AMCU's website may be referred to by procuring entities when making their decisions.

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a single detailed procurement plan or other procedure applied as defined by MCDTI. Form of Procurement Plan is given in Annex 9 of PIG.

9 National Procurement Procedures Timeline

Shorter time limits for submission of bids in open tenders, provided by national legislation, do NOT apply to procurements under URP/UEP according to this Guide.

The minimum time limits for submission of bids in open tenders for procurements under URP/UEP at the demand of the EIB in accordance with this Guide are following:

- 1) **NOT less than 20 calendar days** from the date of publication of the announcement on open tender - in the case of procurement of construction works;
- 2) **NOT less than 15 calendar days** from the date of publication of the announcement on open tender - in the case of tender procurement of technical supervision and consulting engineer services (taking into account clause 10 of this Manual).

Other procedural timelines for national procurement procedures are defined in the PPL, and MLPS (approved by CabMin Decree of 12.10.2022 and applied during martial law) with the next main time limitations for open tender procedure³⁰ under URP/UEP as main procedure under the Law:

Action	Time Limits*	
	Public Procurement Law	MLPS (during martial law period)
Bid Evaluation	Not more than 5 business days after determining the most economic bid (term can be reasonably extended by the Contracting authority to 20 business days)	Not more than 5 business days after determining the most economic bid (term can be reasonably extended by the Contracting authority to 20 business days)
Notification of contract award	During 1 day from the date of award decision made	During 1 day from the date of award decision made
Signing of the contract	Not earlier than 10 days from the date of the notification of contract award publication on Prozorro, not later than 20 days after notification of contract award (in case of reasonable necessity the term for contract signing can be extended to 60 days).	Not earlier than 5 days from the date of the notification of contract award publication on Prozorro, not later than 15 days after notification of contract award (in case of reasonable necessity the term for contract signing can be extended to 60 days).
Complaint submission on tender documentation and Contracting authority's	Can be submitted from the moment of tender announcement, but not later than before 4 days till the bids submission deadline	Can be submitted from the moment of tender announcement, but not later than before 3 days till the bids submission deadline

³⁰ The normal national open tender procedure usually takes 1.5-2 months.

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Action	Time Limits*	
	Public Procurement Law	MLPS (during martial law period)
actions till the bids submission deadline		
Standstill period / Complaint submission upon bids evaluation (electronic auction) till contract signing	Upon bids estimation, during 10 days from the day when a tenderer found out or should have found out about a violation of its rights, but before contract signing day.	Upon bids estimation, during 5 days from the day when a tenderer found out or should have found out about a violation of its rights, but before contract signing day.
Complaint consideration by the Review Body	Not more than 10 working days from the start date of the complaint consideration, which can be reasonably extended by the Review Body to 20 business days.	Not more than business days from the start date of the complaint consideration, which can be reasonably extended by the Review Body to 12 business days.

**Deadlines for submission of tender offers in open tenders are specified in accordance with the applicable legislation at the time of publication of the open tender notice except for bids submission time limits set by EIB.*

10 Procurement of Technical Supervision and Consultant Engineer Services

In order to comply with the requirements of the Financial Agreement to ensure the quality of construction works with due observance of construction standards, the final beneficiaries will be obliged to conclude contracts:

- in case of technical supervision services - regardless of the value of construction works;
- in case of the services of construction engineering consultants - if the value of the sub-project is equal to or exceeds the equivalent of 3 million euros.

However, in the context of national procurement procedures and in accordance with paragraph 27 of Article 1 of the PPL, supervisions works services (covering both technical supervision services and consulting engineer services) are considered and treated as works within the meaning of the PPL as services accompanying works if they are included in the estimated cost of works and if their value does not exceed the value of the works.

Accordingly, the value thresholds and procedures applicable to the works and referred to in section 2 of this Manual shall be applied³¹.

In accordance with paragraph 4 of the Procedure for determining the procurement item (approved by Order of the Ministry of Economy of 15.04.2020 № 708³²) and similarly to other types of works,

³¹ Please see additionally Official Interpretation of Ministry of Economy of 29.11.2021 №3304-04/56247-06: <https://me.gov.ua/InfoRez/DocumentsList?lang=uk-UA&id=f2e30594-ba6c-420f-9c24-2a852415a884&tag=InfarezKnowledgeDb&pageNumber=4&Ctx=inName&Sort=date&fSdir=asc>

³² <https://zakon.rada.gov.ua/laws/show/z0500-20#Text>

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determination of supervisions works services as works is carried out separately for each object/building, object of engineering and transport infrastructure.

Conditions of the mentioned paragraph 27 of Article 1 of the PPL (inclusion in the cost estimate and the corresponding interest limits of calculation of cost of such services) are also reflected in Cost-Estimating norms of Ukraine (approved by the order of the MCTD of 01.11.2021 № 281), in particular in point 4.32 of the Instruction on calculation of construction cost³³. The Instruction on calculation of construction cost is mandatory for calculating the cost of construction in cases of financing from the budget funds, funds of state and municipal enterprises, institutions and organizations, as well as loans granted under state guarantees.

³³https://e-construction.gov.ua/laws/doc_type=6/filter=413_6

Annex A – Covenant of Integrity

EIB Guide to Procurement is requiring that each tenderer or contract beneficiary must sign a Covenant of Integrity (Annex 3 of Guide to Procurement).

Below is the instruction to the implementing agencies on how to include in the tender dossiers the requirement to provide the signed Covenant of Integrity by each bidder.

Instruction on inclusion of the Covenant of Integrity to the tender documentation

Each tender proposal from participants of bidding and each contract in case of a negotiated procedure/direct contracting must have the COVENANT OF INTEGRITY, conducting a procedure for procurement of Works, Goods or Services implementing “the Ukraine Recovery Program” in conjunction to the «Guide to Procurement” of the European Investment Bank.

This should be envisaged in relevant TENDER DOCUMENTATION for each sub-project.

It is required to add to the tender dossier Section “III. Preparation of tender proposals” (or other relevant section) in article “1. Contents of tender proposal” (or other relevant article) the following:

“– signed by an authorized person of the participant of the COVENANT OF INTEGRITY in Ukrainian and English (Annex X).

Important Note: *It should be noted that the Covenant of Integrity requires the Bidder to self-declare all sanctions and/or exclusions imposed on it (including any similar decisions that result in the imposition of conditions on the Bidder or its subsidiaries or exclusion of the said tenderer or its affiliates, such as temporary suspension, conditional non-exclusion, etc.) imposed by European institutions or any multilateral development banks (including the World Bank Group, the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, European Investment Bank or Inter-American Development Bank), regardless of the date of issuance and expiration or non-expiration of such decisions, as well as the current status of any sanctions and/or exclusion. Accordingly, any concealment or misrepresentation, whether knowingly or negligently, may be considered fraud in accordance with the EIB's Anti-Fraud Policy. Therefore, Customer reserves the right to reject any bid that represents an inaccurate or incomplete Integrity Agreement and may cause the bid to be rejected due to prohibited conduct.*

Where the “Annex X” is a relevant annex containing the COVENANT OF INTEGRITY in Ukrainian and English, formatted to print on an A4 sheet.

Text of the annex (the COVENANT OF INTEGRITY in Ukrainian and English) is attached. The following changes must be done in the COVENANT:

- To add the number of the Annex.

To add the contract or tender proposal (it is to specify the exactly project name).

The selected contractor must sign the Covenant of Integrity.

Covenant of Integrity is obligatory as annex to all the contracts **for all sub-projects under the URP.**

Here is the Covenant of Integrity text (revised by EIB taking into account that it has been translated to Ukrainian language for informational purposes).

ПАКТ ПРО ЗГОДУ ЩОДО ПРОФЕСІЙНОЇ ЧЕСНОСТІ

«Ми заявляємо та зобов'язуємося в односторонньому порядку, що ні ми, ні будь-хто, зокрема жоден з наших директорів, працівників, агентів, партнерів у спільних підприємствах або субпідрядників, якщо такі є, які діють від нашого імені з відповідними повноваженнями або проінформували нас або з нашої згоди або за нашої підтримки, не здійснюють або не будуть здійснювати жодної дії, що підпадає під Заборонену поведінку (як визначено нижче) у рамках тендерного процесу або під час виконання чи постачання будь-яких робіт, товарів або послуг за (зазначити договір або запит на подачу тендерних пропозицій) (у подальшому Договір), та зобов'язуємося в односторонньому порядку повідомити Вас, якщо будь-яка особа в нашій організації, що відповідає за забезпечення дотримання цього одностороннього зобов'язання, помітить здійснення будь-якої із Заборонених Дій.

На весь час проведення тендеру і, у випадку укладення Договору з переможцем, на весь термін виконання Договору ми зобов'язуємося призначити співробітника, який буде обґрунтовано прийнятний для Вас і до якого Ви будете мати повний та безпосередній доступ, на якого буде покладено обов'язок забезпечення дотримання цього Одностороннього зобов'язання та якому буде надано необхідні повноваження, а також забезпечити його роботу в офісі.

Ми заявляємо та зобов'язуємося в односторонньому порядку, що ні ми, ні будь-хто, зокрема жоден з наших директорів, працівників, агентів, партнерів у спільних підприємствах або субпідрядників, якщо такі є, які діють від нашого імені з відповідними повноваженнями або проінформували нас або з нашої згоди або за нашої підтримки, (i) не є особами, включеними до переліку осіб, щодо яких запроваджено санкції ЄС / ООН, або не є особами, які будь-яким іншим чином підпадають під їх дію та (ii) не будемо/ будуть діяти, при виконанні або постачанні будь-яких робіт, товарів чи наданні послуг у рамках цього Договору, всупереч санкціям ЄС/ООН. Ми зобов'язуємося в односторонньому порядку повідомити Вас, якщо будь-яка особа в нашій організації, що відповідає за забезпечення дотримання цього одностороннього зобов'язання, матиме інформацію щодо зазначеного вище.

Якщо (i) ми або будь-який такий директор, співробітник, агент або партнер у рамках спільного підприємства, якщо таке існує, діючи так, як було зазначено вище, були засуджені будь-яким судом за звинуваченням, яке включає Заборонену Дію у зв'язку з будь-яким тендерним процесом або наданням робіт, товарів або послуг протягом п'яти років, які безпосередньо передують даті цього Зобов'язання, або (ii) якщо будь-який директор, співробітник, агент або партнер у рамках спільного підприємства, якщо таке існує, був звільнений або звільнився з будь-якої посади через участь у будь-якій діяльності, що підпадає під Заборонену поведінку або (iii) якщо ми або будь-який з наших директорів, співробітників, агентів або партнерів у рамках спільного підприємства, якщо такі існують, діючи, як було зазначено вище, були виключені установами ЄС або будь-яким провідним банком багатостороннього розвитку (включаючи Групу Світового Банку, Африканський банку розвитку, Азійський банк розвитку, Європейський банк реконструкції та розвитку, Європейський інвестиційний банк або Міжамериканський банк розвитку) з участі в тендерній процедурі через дії, що підпадають під Заборонену поведінку, ми надамо детальну інформацію про таке засудження, звільнення або відставку чи виключення нижче, разом з даними про заходи, які ми здійснили або будемо

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здійснювати, щоб гарантувати, що ні така компанія, ні жоден з наших директорів, співробітників або агентів не здійснить жодних дій, що підпадають під Заборонену поведінку у зв'язку з Договором (зазначити деталі, якщо необхідно).

Ми визнаємо, що якщо до нас буде застосовано рішення Європейського інвестиційного банку (ЄІБ) про виключення, ми не матимемо права присудження контракту, який фінансується ЄІБ.

Ми надамо (зазначити найменування ініціатора проекту), Європейському інвестиційному банку (ЄІБ) та аудиторам, призначеним будь-ким з них, а також будь-якому органу або установі або організації Європейського Союзу, уповноваженій за законодавством Європейського Союзу, право перевіряти наші звіти та бухгалтерську документацію, а також звіти та бухгалтерську документацію всіх наших субпідрядників за цим Договором, а також знімати копії. Ми згодні зберігати ці звіти та бухгалтерську документацію загалом відповідно до діючого законодавства, але у будь-якому випадку мінімум шість років, починаючи від дати подання тендерної пропозиції та, у випадку присудження нам контракту, мінімум шість років, починаючи від дати завершення контракту по суті.

З огляду на цілі цього Зобов'язання, під Забороненою поведінкою розуміють дії, які визначено такими у Політиці ЄІБ щодо боротьби проти шахрайства³⁴.

Примітка: Це Зобов'язання необхідно направити до Банку разом з контрактом у випадку процедури міжнародної закупівлі (як визначено у статті 3.3.2 Гайду Банку щодо закупівель). В інших випадках воно має бути в ініціатора проекту та надаватися Банку за запитом.

Цей документ був виданий англійською та українською мовами. Англійська версія – основна, а український варіант складений виключно задля зручності. У випадку невідповідностей між двома версіями документу, англійська версія вважатиметься пріоритетною.

³⁴ Визначення у Політиці ЄІБ щодо боротьби проти шахрайства (<https://www.eib.org/en/publications/anti-fraud-policy>)

COVENANT OF INTEGRITY

“We declare and covenant that neither we nor anyone, including any of our directors, employees, agents, joint venture partners or sub-contractors, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Conduct (as defined below) in connection with the tendering process or in the execution or supply of any works, goods or services for [specify the contract or tender invitation] (the “Contract”) and covenant to so inform you if any instance of any such Prohibited Conduct shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

We shall, for the duration of the tender process and, if we are successful in our tender, for the duration of the Contract, appoint and maintain in office an officer, who shall be a person reasonably satisfactory to you and to whom you shall have full and immediate access, having the duty, and the necessary powers, to ensure compliance with this Covenant.

We declare and covenant that neither we nor anyone, including any of our directors, employees, agents, joint venture partners or sub-contractors, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, (i) is listed or otherwise subject to EU/UN Sanctions and (ii) in connection with the execution or supply of any works, goods or services for the Contract, will act in contravention of EU/UN Sanctions.

We covenant to so inform you if any instance shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

If (i) we have been, or any such director, employee, agent or joint venture partner, where this exists, acting as aforesaid has been, convicted in any court or sanctioned by any authority of any offence involving a Prohibited Conduct in connection with any tendering process or provision of works, goods or services during the five years immediately preceding the date of this Covenant, or (ii) any such director, employee, agent or a representative of a joint venture partner, where this exists, has been dismissed or has resigned from any employment on the grounds of being implicated in any Prohibited Conduct, or (iii) we have been, or any of our directors, employees, agents or joint venture partners, where these exist, acting as aforesaid has been excluded or otherwise sanctioned by the EU Institutions or any major Multi-lateral Development Bank (including World Bank Group, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank or Inter-American Development Bank) from participation in a tendering procedure on the grounds of Prohibited Conduct, we give details of that conviction, dismissal or resignation, or exclusion below, together with details of the measures that we have taken, or shall take, to ensure that neither this company nor any of our directors, employees or agents commits any Prohibited Conduct in connection with the Contract [give details if necessary].

We acknowledge that if we are subject to an exclusion decision by the European Investment Bank (EIB), we will not be eligible to be awarded a contract to be financed by the EIB.

We grant [indicate the name of the Project Promoter], the European Investment Bank and auditors appointed by either of them, as well as any authority or European Union institution or body having competence under European Union law, the right to inspect and copy our books and records and

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those of all our sub-contractors under the Contract. We accept to preserve these books and records generally in accordance with applicable law but in any case, for at least six years from the date of tender submission and in the event, we are awarded the Contract, at least six years from the date of substantial performance of the Contract.”

For the purpose of this Covenant, Prohibited Conduct has the meaning provided in the EIB’s Anti-Fraud Policy (EIB’s Anti-Fraud Policy for definitions

[\(<http://www.eib.org/infocentre/publications/all/anti-fraud-policy.html>\).](http://www.eib.org/infocentre/publications/all/anti-fraud-policy.html)

Note: This Covenant must be sent to the Bank together with the contract in the case of an international procurement procedure (as defined in article 3.3.2 of the EIB Guide to Procurement). In other cases, it must be kept by the promoter and available upon request from the Bank.

This document is being executed in English and Ukraine. The English version is the operative document and the Ukrainian version is for convenience only. To the extent of any inconsistencies between the two versions, the English version shall prevail.

Annex B – Environmental and Social Covenant

EIB Guide to Procurement is requiring that each tenderer or contract beneficiary must sign an Environmental and Social Covenant (Annex 7 of Guide to Procurement).

Below is the instruction to the implementing agencies on how to include in the tender dossiers the requirement to provide the signed Environmental and Social Covenant by each bidder.

Instruction on inclusion of the Environmental and Social Covenant to the tender documentation

Each tender proposal from participants of bidding and each contract in case of a /negotiated procedure/direct contracting must have the ENVIRONMENTAL AND SOCIAL COVENANT, conducting a procedure for procurement of Works or Goods implementing “the Ukraine Recovery Program” in conjunction to the «Guide to Procurement” of the European Investment Bank.

This should be envisaged in relevant TENDER DOCUMENTATION for each sub-project.

It is required to add to the tender dossier Section “III. Instruction on preparation of tender proposals” (or other relevant section) in article “1. Contents of tender proposal” (or other relevant article) the following (including “Important note”):

“– signed by an authorized person of the participant of the ENVIRONMENTAL AND SOCIAL COVENANT in Ukrainian and English* (Annex X).

Where the “Annex X” is a relevant annex containing the ENVIRONMENTAL AND SOCIAL COVENANT in Ukrainian and English, formatted to print on an A4 sheet.

Text of the annex (the ENVIRONMENTAL AND SOCIAL COVENANT in Ukrainian and English) is attached. The following changes must be done in the COVENANT:

- To add the number of the Annex.
- To add the contract or tender proposal name (it is to specify the exactly project name).

The selected contractor must sign the Environmental and Social Covenant.

Environmental and Social Covenant is obligatory for annex to all the Works contracts only for all the sub-projects under the URP.

It is not required as annex to the Technical Supervision and Consultant Engineer Services contracts under the URP.

Here is the Environmental and Social Covenant text (revised by EIB taking into account that it has been translated to Ukrainian language for informational purposes).

ПАКТ ЩОДО ДОТРИМАННЯ ЕКОЛОГІЧНИХ ТА СОЦІАЛЬНИХ СТАНДАРТІВ

“Ми, що нижче підписалися, беремо на себе зобов’язання дотримуватися – і гарантуємо, що всі наші субпідрядники будуть дотримуватися – всіх нормативно-правових документів у сфері законодавства про працю, які застосовуються у країні виконання договору, а також всіх національних законодавчих та нормативних актів та будь-яких зобов’язань у відповідних міжнародних конвенціях та багатосторонніх угодах щодо захисту довкілля, які діють у країні виконання договору.

Стандарти у сфері праці. Ми також зобов’язуємося дотримуватися принципів восьми основних стандартів у сфері праці (МОП),³⁵ а саме: стосовно дитячої праці, примусової праці, відсутності дискримінації та свободи об’єднань та права на ведення колективних переговорів. Ми будемо (i) виплачувати заробітну плату за ставками та здійснювати соціальні виплати, і дотримуватися умов праці (зокрема годин робочого часу та днів відпочинку), які не будуть нижчими за ті, які встановлене для сфери торгівлі або промисловості, в якій виконується робота; та (ii) будемо вести повний та точний облік зайнятості працівників на місці робіт.

Охорона праці та техніка безпеки, охорона здоров’я та громадська безпека. Ми зобов’язуємося (i) дотримуватися всіх діючих у країні виконання договору законодавчих актів у сфері охорони праці та техніки безпеки на робочому місці; (ii) розробити та впровадити всі необхідні плани та системи управління охороною праці та технікою безпеки, відповідно до заходів, визначених у Плані екологічного та соціального менеджменту проекту (ПЕСМ), та Керівних принципів МОП щодо систем управління охороною праці та технікою безпеки³⁶; (iii) забезпечити працівникам, які залучені до виконання проекту, доступ до безпечних санітарно-гігієнічних об’єктів належного рівня, а також надати працівникам, які проживатимуть на місці виконання робіт, житлові приміщення, відповідно до положень Стандарту 9 Керівництва ЄІБ з екологічної та соціальної політики; та (iv) застосовувати заходи забезпечення безпеки, які відповідають міжнародним стандартам та принципам захисту прав людини, якщо проект вимагає застосування таких заходів.

Захист навколишнього середовища. Ми зобов’язуємося застосувати всі необхідні заходи для захисту навколишнього середовища на місці виконання робіт та за його межами та для обмеження незручностей для людей та майна, що спричинені забрудненням, шумом, дорожнім рухом та іншими наслідками діяльності. З огляду на це, викиди, забруднення поверхні та стічні води, пов’язані з нашою діяльністю, будуть відповідати лімітам, технічним умовам або положенням, які визначено [зазначити назву відповідного документу³⁷] та міжнародними і національними законодавчими та нормативними актами, які діють у країні виконання договору.

³⁵ <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

³⁶ http://www.ilo.org/safework/info/standards-and-instruments/WCMS_107727/lang--en/index.htm

³⁷ Наприклад: ОВНСС (Оцінка впливу на навколишнє та соціальне середовище) та ПЕСМ (Плани екологічного та соціального менеджменту).

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

Екологічні та соціальні показники діяльності. Ми зобов'язуємося (i) подавати [вказати періодичність, як зазначено у тендерній документації] [ввести назву замовника проекту] звіти екологічного та соціального моніторингу та (ii) дотримуватися кількісних показників, які визначено для нас відповідними екологічними дозволами [зазначити назву відповідного документу, якщо необхідно]³⁸ та застосовувати будь-які коректуючи або превентивні дії, передбачені у щорічному звіті екологічного та соціального моніторингу.

Цим ми заявляємо, що екологічні та соціальні зобов'язання, як частина цього договору, були належним чином враховані в проектній документації, що пройшла відповідну експертизу та повністю відповідають українському законодавству на основі якого відповідна тендерна документація була розроблена. Ми зобов'язуємося (i) виконати повторну оцінку, за участю [ввести назву замовника проекту], будь-яких змін до проектної документації, які можуть потенційно спричинити негативні екологічні або соціальні наслідки; (ii) проінформувати письмово та своєчасно [ввести назву замовника проекту] про будь-які непередбачені екологічні або соціальні ризики або наслідки, які виникають під час виконання договору та реалізації проекту, які не було враховано раніше; та (iii) за участю [ввести назву замовника проекту], здійснити коригування екологічного та соціального моніторингу та мінімізаційних заходів, що є необхідним для забезпечення дотримання наших екологічних та соціальних зобов'язань.

Персонал, відповідальний за екологічні та соціальні питання. Ми сприятимемо постійному моніторингу та нагляду зі сторони замовника проекту за дотриманням нами екологічних та соціальних зобов'язань, описаних вище.

Ми надамо замовнику проекту, ЄІБ та аудиторам, призначеним будь-ким з них, право перевіряти всі наші облікові записи, звіти, електронні дані та документацію, які стосуються екологічних і соціальних аспектів поточного договору, а також всі такі облікові записи, звіти, електронні дані та документацію наших субпідрядників.

ПІБ

Посада

Підпис

Належним чином уповноважений на підписання договору від імені

Дата

Примітка: Це Зобов'язання необхідно направити до Банку разом з договором у випадку процедури міжнародної закупівлі (як визначено у додатку 3.3.2). В інших випадках воно має бути в ініціатора проекту та надаватися Банку за запитом.

Цей документ був виданий англійською та українською мовами. Англійська версія – основна, а український варіант складений виключно задля зручності. У випадку невідповідностей між двома версіями документу, англійська версія вважатиметься пріоритетною.

³⁸ Наприклад: ОВНСС (Оцінка впливу на навколишнє та соціальне середовище) та ПЕСМ (Плани екологічного та соціального менеджменту).

ENVIRONMENTAL AND SOCIAL COVENANT

We, the undersigned, commit to comply with – and ensuring that all of our sub-contractors comply with – all labour laws and regulations applicable in the country of implementation of the contract, as well as all national legislation and regulations and any obligation in the relevant international conventions and multilateral agreements on environment applicable in the country of implementation of the contract.

Labour standards. We further commit to the principles of the eight Core ILO standards³⁹ pertaining to: child labour, forced labour, non-discrimination and freedom of association and the right to collective bargaining. We will (i) pay rates of wages and benefits and observe conditions of work (including hours of work and days of rest) which are not lower than those established for the trade or industry where the work is carried out; and (ii) keep complete and accurate records of employment of workers at the site.

Occupational and Public Health, Safety and Security. We commit to (i) complying with all applicable health and safety at work laws in the country of implementation of the contract; (ii) developing and implementing the necessary health and safety management plans and systems, in accordance with the measures defined in the Project's Environmental and Social Management Plan (ESMP) and the ILO Guidelines on occupational safety and management systems⁴⁰; (iii) providing workers employed for the project access to adequate, safe and hygienic facilities as well as living quarters in line with the provisions of Standard 9 of the EIB's Environmental and Social Handbook for workers living on-site; and (iv) using security management arrangements that are consistent with international human rights standards and principles, if such arrangements are required for the project.

Protection of the Environment. We commit to taking all reasonable steps to protect the environment on and off the site and to limit the nuisance to people and property resulting from pollution, noise, traffic and other outcomes of the operations. To this end, emissions, surface discharges and effluent from our activities will comply with the limits, specifications or stipulations as defined in [insert name of the relevant document]⁴¹ and the international and national legislation and regulations applicable in the country of implementation of the contract.

Environmental and social performance. We commit to (i) submitting [insert periodicity as indicated in the tender documents] environmental and social monitoring reports to [insert name of the Contracting Authority]; and (ii) complying with the measures assigned to us as set forth in the environmental permits [insert name of the relevant document if applicable]⁴² and any corrective or preventative actions set forth in the annual environmental and social monitoring report.

We hereby declare that the environmental and social obligations as part of this contract were duly taken into account in the design documentation, which has passed the relevant examination and fully

³⁹ <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

⁴⁰ http://www.ilo.org/safework/info/standards-and-instruments/WCMS_107727/lang--en/index.htm

⁴¹ For instance: ESIA (Environmental and Social Impact Assessment) and ESMP (Environmental and Social Management Plans).

⁴² For instance: ESIA (Environmental and Social Impact Assessment) and ESMP (Environmental and Social Management Plans).

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

complies with Ukrainian legislation and regulations, on the basis of which the relevant tender documentation was created. We commit to (i) reassessing, in consultation with [insert name of the Contracting Authority], any changes to the project design that may potentially cause negative environmental or social impacts; (ii) providing [insert name of the Contracting Authority] with a written notice and in a timely manner of any unanticipated environmental or social risks or impacts that arise during the execution of the contract and the implementation of the project previously not taken into account; and (iii) in consultation with [insert name of the Contracting Authority], adjusting environmental and social monitoring and mitigation measures as necessary to assure compliance with our environmental and social obligations.

Environmental and social staff. We shall facilitate the contracting authority's ongoing monitoring and supervision of our compliance with the environmental and social obligations described above.

We accord the Contracting Authority and the EIB and auditors appointed by either of them, the right of inspection of all our accounts, records, electronic data and documents related to the environmental and social aspects of the current contract, as well as all those of our sub- contractors.

In the capacity of

Name

Signed

Duly authorised to sign the contract for and on behalf of

Date

Note to the Promoter: This Environmental and Social Covenant must be sent to the Bank together with the contract in the case of an International Procurement Procedure (as defined in Article 3.3.2). In other cases, it must be kept by the Promoter and made available, upon request, to the Bank.

This document is being executed in English and Ukraine. The English version is the operative document and the Ukrainian version is for convenience only. To the extent of any inconsistencies between the two versions, the English version shall prevail.

Annex 2: Template for Sub-project Fiche (> EUR 1 million, except for WATER SUPPLY AND DRAINAGE SECTOR) – SAMPLE

PROJECT FICHE (WITH PARTIAL EXAMPLE OF FILLING) UKRAINE RECOVERY PROGRAMME (URP/UERP)	
Sub-Projects Name:	Sub-Project promoter:
Major repairs of the buildings complex of Andriyivska general education sanatorium boarding school of I-II grades of Novosanzharskyi rayon of Poltava oblast council in Andriyivka village, Novosanzharskyi rayon, Poltava oblast	Construction, urban development and architecture and housing and communal services Department of Poltava oblast state administration
Location: <i>(address of the object (building) of works shall be indicated)</i>	
Sub-Projects reference number:	Sector: <i>Public buildings</i>
Implementing body: Construction, urban development and architecture and housing and communal services Department of Poltava oblast state administration	Type: <i>(new project/ extension/ rehabilitation – to be selected)</i>
	Date: <i>(indicated as date when the Fiche is signed)</i>
Contact Person: Contact (e-mail, telephone):	Signature of the Promoter: <i>(title and name of the signatory shall be indicated; signature shall be covered by stamp of the sub- project promoter)</i>

1. Sub-Project

1.1 Background

The project provides for major repair of buildings of the sanatorium school in Poltava region, including procedural building, medical center, dining room, laundry, heat-generating, garage with: replacement and insulation of the roofing, insulation of facades, replacement of windows and doors, internal finishing (flooring, ceilings, walls}, internal utilities (heating, water supply, sewerage and ventilation systems, power supply).

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

The project also identified major repairs of the educational buildings №1, №2 and dormitories №1, №2 with bringing in accordance with the requirement of DBN 8.2.6-31 2016 "Thermal insulation of buildings". Ramps are provided for access for peoples with disabilities.

In addition, the project provides landscaping and rehabilitation of the territory (playgrounds, tracks, parks lakes, etc.), street lighting, fence installation, replacement of external heating systems, installation of fire alarm systems, lightning protection, fire alarm system, etc.

The project provides for major repair of buildings of the sanatorium school in Poltava region, including procedural building, medical/ center, dining room, laundry, heat-generating, garage with: replacement and insulation of the roofing, insulation of facades, replacement of windows and doors, internal finishing (flooring, ceilings, walls}, internal utilities (heating, water supply, sewerage and ventilation systems, power supply).

The project also identified major repairs of the educational buildings №1, №2 and dormitories №1, №2 with bringing in accordance with the requirement of DBN 8.2.6-31 2016 "Thermal insulation of buildings". Ramps are provided for access for peoples with disabilities.

In addition, the project provides landscaping and rehabilitation of the territory (playgrounds, tracks, parks lakes, etc.), street lighting, fence installation, replacement of external heating systems, installation of fire alarm systems, lightning protection, fire alarm system, etc.

The project was designed on basis of ... (to indicate reference to relevant construction standards and norms including cost-estimated norms of Ukraine in construction).

1.2 Reasons for undertaking the Project and key objectives

The buildings of the sanatorium school need repair in accordance with the requirements of energy efficiency, it is necessary to replace the roofing and all utilities. All areas of the buildings need major repair, which will provide an opportunity for a modern comfortable educational institution that will improve the health of children from all over the region.

1.3 Technical description of the project including relevant key dimensions and capacities

Land plot area - 26 hec; Total area - 5236.4 m²; Building volume - 21925.2 m³; Sportsgrounds, running track, roads areas - 10849,04 m²; Timescales for construction - 18 months.

1.4 Entity (ies) responsible for project design, construction and supervision

(To indicate the title/name of:

- the project designer,*
- the contractor performing construction,*
- the technical supervisions services,*
- the engineering consultancy services (if any).*

1.5 Investment cost (total) in EUR

Engineering and supervision	
Land	
Civil works (Building work) Equipment	
Miscellaneous	
Technical contingencies	

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

Price contingencies (...% escalation p.a.), if applicable	
Interest during construction	
Total	- (Excluding VAT) - (Including VAT)

1.6 Expected expenditure schedule (in EUR)

year	2022	2023	2024	2025	Total
EUR					

1.7 Expected technical/ economical life-span (years)

(The expected life-span of the reconstructed/constructed building/object as envisaged set by the project design documentation shall be indicated)

1.8 Implementation period (dates: month, year)

a) Start:

b) Completion:

1.9 Authorization required to implement/operate the project

Please provide the name(s) of the authority(ies) issuing the relevant permit(s) and whether or not the authorization(s) has (have) been issued. If permits are not issued, please indicate the expected date.

1.10 Jobs affected by the investment

Number of jobs that will be created, secured or lost as a consequence of the project

a) during construction:	(to be indicated according concrete project)
b) post construction (operation and maintenance) - secured:	(to be indicated according concrete project)

1.11 Physical indicators

Please indicate (quantify) planned physical output/result of the project.

Indicator name and definition (as given example)	Baseline (year)	Target value (year)
a) Total attendants	230	1000 (annually)
b) Including IDPs	167	1000 (annually)

1.12 Procurement

Type and specifics on tender(s)

Open national tendering

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**1.13 Environmental impacts**

a) Please explain briefly the effects of the project on the environment.

(The reference to Environment Impact Assessment (EIA if such is envisaged by national legislation for particular case and/or by the project design) may be indicated here)

b) Does the Project have any particular environmental risks or benefits?

c) For Sub-Projects requiring an EIA, according to EU or national legislation, provide the Bank with a copy (preferably in electronic format) of the Environmental Impact Study (EIS), including a non-technical summary (NTS), or provide a web-site link to the location where the EIS is published for at least 3 years, and will confirm that the project incorporates all mitigating measures recommended as a result of the EIA, in order to ensure compliance with the EIB's Public Disclosure Policy.

d) For Sub-Projects with a potential to affect a site of nature conservation importance that is protected under national or international legislation or agreements, the Promoter shall obtain a confirmation from the competent nature conservation authority, or an equivalent assessment satisfactory to the Bank, that the Sub-Project does not have a significant negative impact on the site of nature conservation importance that is protected under national or international legislation or agreements.

1.14 Operation and maintenance of the facilities:

a) Organisation in charge of the operation and maintenance of the Sub-Project;

(Sub-Project promoter name or respective local authority/organization as property owner shall be indicated here)

b) Operating and maintenance costs and available budget for operation and maintenance.

1.15 Economic and financial aspects

a) Population served by the Sub-Project, or other pertinent demand analysis (e.g. traffic);

b) If applicable, a summary of cost-benefit or economic feasibility analysis;

c) If applicable, cost recovery mechanism (Will users be required to contribute to the cost of the Sub- Project? Tariff policy?).

1.16 Consultations

a) Please confirm if consultations were carried out for this project with end beneficiaries, local civil society organizations and/or other relevant stakeholders, and provide the date, place and number of participants.

b) Key issues and concerns raised by stakeholders and how these are being addressed.

c) Please describe any other forms of public participation and collaboration planned for this project scheme.

1.17 Final Beneficiaries

a) Please describe the main end beneficiaries of this project (if possible disaggregated by gender, age, origin, socioeconomic profile), and the estimated total number of final beneficiaries.

b) Please highlight any vulnerable groups (such as IDPs, poor households, people with disabilities and special needs, etc.), that may be affected either positively or negatively through project activities.

2. Overall conclusions and recommendations

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

(given as example)

The project foresees the establishment of a new perspective model of education for better socialization and adaptation of pupils with IDPs.

The Project will serve residents of the city, including internally displaced peoples. 130614 IDPs will have access to the project, 4000 IDPs (pupils) will benefit after project implementation.

(Annual IDP quantities for the sanatorium school – 4000)

Place: *(address of the sub-project promoter shall be indicated)*

Date: *(date of signature of the Fiche shall be indicated)*

Promoter:

Responsible person:

Annex 3: Template for WATER SUPPLY AND DRAINAGE SECTOR Sub-project Fiche (> EUR 1 million) – SAMPLE

PROJECT FICHE
(for WATER SUPPLY AND DRAINAGE SECTOR PROJECT)
UKRAINE RECOVERY PROGRAMME (URP)

1. BASIC INFORMATION

- Project Name:
- Project number:
- Municipality:
- Location:
- Contact person:
 - Address:
 - Telephone no:
 - Fax:
 - E-mail:
- Form filled in by:..... (Name, organization), Date:
- Form validated by: (Name, organization), Date:

2. PROJECT DESCRIPTION

2.1 The Project

- Give a brief description of the project (what is the purpose?)
- Provide one or several overview map(s) of the project area (in pdf file, max. A3 format) which distinguish between existing and foreseen infrastructure and which show(s):
 - all towns or villages concerned by the project,
 - available water resources (groundwater bodies, reservoir lakes, lakes, rivers) and main infrastructure of the water supply system (aqueducts, treatment plants, service reservoirs, pumping stations, trunk mains);
 - if existing: main facilities of the wastewater collection and treatment system (main collectors, treatment plants, overflows to rivers or lakes);
 - if separate from wastewater: main facilities of the storm water collection and treatment system (storm water retention tanks, main collectors, overflows to rivers or lakes).

2.2 Background

- Description of existing situation and reasons for wanting to undertake the project, including a description of current deficiencies/risks in water supply/wastewater/environment. In particular, highlight any known health issue to be addressed by the project or known potential impact on/risk to water supplies.
- Institutional and legal framework (administration, ownership and operation of water infrastructure, existing facilities).
- Is there any existing or potential inter-municipal cooperation for water or wastewater services, such as a regional water supply system or cooperation with other towns? In particular, are there ideas, possibilities for connection to water/wastewater systems in other municipalities?

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME

- Please describe all ongoing water and wastewater projects and, if relevant, provide the funding sources.
- Is the project part of a national, regional or urban master plan, development plan or strategy? If yes, please provide the planning horizon (e.g. 2035) and the year of approval.
- State the river-basin or sub river-basin to which the project area belongs and describe the river basin management authority.
- For all water sources used please provide technical details (e.g. depth of wells, number and depths of intakes from a reservoir lake) and describe the basic treatment steps
- If wastewater treatment is available, please provide capacity of the plant(s) and treatment technique(s) used including sludge disposal. If relevant, mention types of industrial wastewater discharged into the system and level of pre-treatment

2.3 Service Area

- If the service area is identical with the municipality area, only fill one column
- If the service areas for water supply and for wastewater collection and treatment are not the same please indicate the relevant population and size
- In case data are not available, please provide estimate and indicate with “(e)”

		Service area	Municipality
General data	Average household size		
	Average household income per month		
Water supply	Total population		
	Physical area (km ²)		
	Number of people affected by the project		
	Number of people supplied with piped water supply from the central system		
	Is supply discontinuous to any area for any part of the year? If so, when and how many hours of supply are provided?		
	Length of central system water supply network (excluding house connections) in km		
	Number of water supply connections		
	Number of water supply connections that are metered		
Wastewater	Total population		
	Physical area (km ²)		
	Number of people affected by the project		
	Length of sewer system (excluding house connections) in km		
	Number of people connected to piped wastewater collection network		
	Number of people connected to piped wastewater collection network and wastewater treatment plant		
	Number of people using septic tanks		

2.4. Average Water Balance for the service area

- To be given for the latest calendar year available.
- All data are for the daily average
- If data are not available either provide estimate (and indicate with and indicate with “(e)”) or indicate “n.a.” (not available).

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**2.4.1 Water production**

Component	Unit	Volume
A. Groundwater Abstraction	m ³ /day	
B. Spring or source Abstraction	m ³ /day	
C. Surface Water Abstraction from river or lake or reservoir	m ³ /day	
Total Produced volume of drinking water (A+B+C)	m ³ /day	
Of which: <i>pumped</i> into the distribution network	m ³ /day	
Of which: gravity fed into the distribution network	m ³ /day	

2.4.2 Water distribution

	Domestic	Commercial	Other
(M) Metered legal consumption (m ³ /day)			
(UM) If relevant: un-metered legal consumption, (m ³ /day) (*)			
Sub-totals (M+UM)			
Total billed consumption (m ³ /day)			
Estimated leakage (m ³ /day)			
Per capita domestic consumption (liters 1 person /day)			

(*) only relevant in case there is a fixed component (e.g. billing per connection, billing per inhabitant, billing per month, lump sum). See 2.14.1 and 2.14.2 for explanation

2.4.3 Wastewater collection and treatment

Wastewater collected (m ³ /day)	
Wastewater treated (m ³ /day)	
Estimated infiltration into sewers from groundwater/surface (m ³ /day)	

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**2.5 Trends for the last 5 years**

- All data are the totals for the whole year
- If data are not available either provide estimate (and indicate with and indicate with “(e)”) or indicate “n.a.” (not available).
- Please provide a comment in case of a significant drop or rise in population or volumes

2.5.1 Potable water supply

Year	Served Population	Total Water Production	Billed Domestic Consumption	Billed other Consumption	Total billed consumption (col 5 = col 3 + col 4)	Non-revenue water (col 6 = 2-5)	Pipe bursts
Unit	Inhabitants	Million m ³ /year	Million m ³ /year	Million m ³ /year	Million m ³ /year	Million m ³ /year	Number
Col.	1	2	3	4	5	6	7
2016							
2017							
2018							
2019							
2020							

2.5.2 Wastewater Treatment

Year	Connected Population	Wastewater collected	Wastewater treated
Unit	Inhabitants	Million m ³ /year	Million m ³ /year
2016			
2017			
2018			
2019			
2020			

2.6 Technical Description

The description shall include:

- Brief justification of the chosen solution and mention of the alternatives considered (if any) and reasons for discarding,
- relevant key dimensions (main data only):
 - water mains and sewers: length(s), diameter(s), and material(s)
 - reservoirs: capacity, water height, material,
 - pumping stations: max. capacity, number of pumps, fixed or variable speed, command (local or remote)
 - water or wastewater treatment plants: technology, capacity
- design assumptions used (such as water demand per inhabitant, pollution load, etc.) and planning horizon in years (such as 10 years, 20 years) or with date (2030, 2040). It is not necessary to provide list of standards or design rules.
- If helpful, in addition to the map already provided in 2.1, please include plans or drawings in suitable scale and format (pdf file, max A3 size) showing the layout, indicating existing and proposed key water and wastewater infrastructure such as water mains, pumping stations, treatment plants, trunk sewers. Please do not provide detailed drawings such as profiles, cross sections, etc.

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**2.7 Level of preparation of the project and responsibilities for preparation/implementation**

- List of relevant studies and plans carried out. Please provide the year of approval, the name of organization, type of organization (consultant, state institute/agency, other)
- Please provide for each of the project's components (e.g. Water intake, treatment plant, transmission main) the level of planning and design in table format. Have the planning and/or construction permits/approvals been obtained for all components? If yes, please give the relevant dates, if not provide the expected dates. If several permits are required, please add additional columns as appropriate.

	Documents available (please tick all relevant boxes)				Permits (please indicate the dates)	
Component (if relevant: contract name)	feasibility study	preliminary design	detailed design	Tender file	Obtained	expected

- Have the future sites of major installations (such as pumping station, reservoir, WWTP) already been chosen?
- Has all the land required for the project been acquired? If not, please indicate the current status and the expected date of acquisition.
- Will the project require temporary or permanent involuntary resettlement? If yes, please provide all relevant information.
- Please provide the names of agencies/organisations/consultants responsible for further project preparation (design/tender documents).

2.8 Environmental (including hydrological) and social impacts, climate action

Please explain briefly any potential negative effects that the project may have on the environment (during construction phase and during operation phase).

Is an Environmental Impact Assessment (EIA) required under the law? Have the EIAs been performed and approved? Describe manner of public participation.

- Will the project require acquisition of land? Will it trigger expropriation? Is there the need to prepare a resettlement plan according to the RPF?
- Will the foreseen construction work require an important influx of workers (equal or more than 500 workers)? (If yes) Has an Influx management plan been prepared?
- Where the project area is adjacent to a river/stream, what is the approximate low flow of the receiving river/stream (m3/second)?
- Is there any flooding experience in the project area?
- Is there any drought experience in the project area?
- Do you have a climate risk vulnerability assessment for the project, the project area or the region? If not, have you taken into account increased risks of flooding and drought for the design of project components?
- Are there any areas of nature conservation interest in the vicinity or downstream (nature reserves, area with special wildlife/natural features)? If yes, has a screening been carried out under either the EIA or other procedures?
- Are there any industrial enterprises operating in the area? What industries have operated in the past?

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**2.9 Planned implementation period**

- Contract ready for awarding: [...] months after the Bank's non-objection on the fiche
- Construction period: [...] months after notification to contractor

2.10 Investment cost estimate

- Please give all items in current prices to be updated accordingly for each component, if applicable.
- The investment cost breakdown, financing plan and sources of funds shall also be presented on an EXCEL spreadsheet the template of which shall be submitted by the Bank.

	UAH	EUR <1>
Design		
Supervision of design Civil works Supervision of civil works - etc.		
Equipment - Item 1 - Item 2 - etc.		
Land Acquisition		
Miscellaneous		
Technical contingencies		
Price contingencies (...% escalation p.a.), if applicable <2>		
VAT (3)		

<1> 1 EUR = x UAH [please insert exchange rate used, to be updated accordingly] <2> Please make clear what kind and amount of contingencies have been applied <3> Note (Please explain the VAT procedures and percentage)

2.11 Expected expenditure schedule by origin of funds (in UAH excluding VAT)

Total	Breakdown by Year					
	2022	2023	2024	2025	2026	beyond

Annex 4: URP/UERP Financial Management Guideline

1. Financial Management

This document (hereinafter - the Instructions) contains a description of the basic principles and recommendations for the financial management of EIB Ukraine Recovery Programme and Ukraine Early Recovery Programme. The provisions of the Instructions clarify the provisions of concluded legal agreements and/or regulations issued for the implementation of the Program. In case of divergences between the texts of agreements and regulations with the text of these Instructions, the provisions of the agreements and regulations shall prevail.

1.1. Financing and LFTAs

The EIB provides the Loan funds to Ukraine in accordance with the Finance Contract between Ukraine and the EIB FI № 91.906 Serapis № 2019-0903 dated December 9th, 2020, ratified by the Law of Ukraine No. № 1645-IX dated 14.07.2021 (hereafter – Finance Contract⁴³) for the purpose of the URP, and the Finance Contract between Ukraine and the EIB FI No. 84.160 Serapis No. 2014-0532 dated December 22, 2014, ratified by the Law of Ukraine dated April 22, 2015 No. 346-VII - for the purposes of implementing the UERP.

Ukraine, represented by the Ministry of Finance of Ukraine (hereinafter – MoF), in co-operation with the Ministry of Territories and Communities Development and Infrastructure of Ukraine (hereinafter - MCTDI) and, as appropriate, local state administrations and / or local self-government bodies makes loan funds available to Final beneficiaries (hereafter –FB) on terms acceptable to the EIB.

The EIB loan funds are transferred to the FBs in the form of a subvention of a special fund, provided from the State budget to the relevant local budgets, to finance activities for the implementation of Sub-projects within the framework of the Program. The loan funds transferred from the project accounts to the suppliers or goods, services or works are considered subventions provided from State budget to corresponding local budgets on the date of such payment/transfer in national currency or for payments in foreign currency in national currency equivalent calculated using official National Bank of Ukraine exchange rate effective on the date of such transfer⁴⁴.

The main documents establishing the procedure for transferring loan funds to the Final Beneficiaries are the Loan Funds Transfer Agreements concluded between the Ministry of Finance, MCTDI, the Owners of Objects⁴⁵ and the FB, (hereinafter – LFTAs).

Unified templates of LFTAs are applied for the entire Program and can be changed only if MCTDI, MoF and EIB confirm acceptability of such changes.

The list of obligatory documents from FBs for LFTAs signing is provided in **Annex 5.2**.

1.2. Structure and responsibilities

The purpose of financial management is to provide:

- Qualitative financial planning and budgeting;
- Proper accounting of Programme related assets and liabilities, including loan proceeds, local co-financing, investment grants and technical assistance (if appropriate);

⁴³ https://zakon.rada.gov.ua/laws/show/971_002-20#n2

⁴⁴ <https://zakon.rada.gov.ua/laws/show/1324-2021-%D0%BF#Text>

⁴⁵ In case if, FB is not owner of an Object.

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- Preparation, processing and controlling of payment orders and supplementing documents;
- Reporting as required by the Finance Contract, CMU Resolution # 70, CMU Resolution # 1324 (URP), CMU Resolution # 378 and 068 (UERP) as well as other related to the URP/UERP legal and regulatory acts.

The financial management functions outlined above are to be carried out by relevant personnel of:

- The Program implementation unit (hereinafter – PMSU) established within MCTDI at the Programme level;
- FBs at the Sub-projects level.

At the Sub-project level, the UNDP teams may support FB with applying of financial management procedures stated herein and/or provided by other legal agreements between stakeholders of Programme and/or Ukrainian legal and regulatory acts.

At the request of MCDT /PMSU and/or technical assistance (hereinafter – TA) or on regular basis as set up by this document and/or by Ukrainian legal documents, the FBs provide all necessary information regarding Sub-projects implementation, ensure timely submission of reports and certified copies of accompanying documentation.

FBs assume responsibility for content and accuracy of information and financial documentation regarding Sub-projects implementation. The MCDTI/PMSU / TA are responsible for content, accuracy and timely submission of consolidated reports and documentation regarding Programme implementation as a whole.

1.3. Costs eligibility

The following costs are not eligible for the Loan financing⁴⁶ (subvention):

- VAT and other taxes and duties;
- land acquisition, purchase of buildings;
- maintenance and other operating costs, operational expenses;
- acquisition of second-hand assets;
- interest during construction;
- purchase of licenses for the use of non-generated public resources (e.g., telecom licenses); patents, brands and trademarks;
- purely financial transactions, including expenses related to operations of the Project Accounts (commissions etc.), currency conversion charges.

Also, the subventions cannot be utilized to cover the following expenses:

- Penalties and charges arising from non-performance under the contracts;
- Author (architectural) supervision during construction.

1.4. Planning and budgeting

Starting from the date of approval, the Sub-projects within URP/UERP are subjects to proper analysis for the purposes of planning and budgeting.

For early stages of the Programme implementation, the updated Procurement plans become a basis for planning and budgeting. Following the completed tender procedures, actual contractual

⁴⁶ Finance Contract, Schedule A, Project Specification and Reporting, A.1.4 General Provisions.

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commitments and progress under contracts (actual performance and payment schedules of contracts) become the basis for proper planning and budgeting under the URP/UEP.

At Sub-project level the FB / Local budget funds holder prepares and submits to MCTD/PMSU:

- Information about the use of subvention funds and scheduled expenditures for the current (monthly) and the following fiscal years of the Sub-projects implementation in the form determined and acceptable for the EIB and circulated by the MCTDI to FBs by a separate letter;
- Proposals regarding amounts of subvention from special fund of state budget to local budgets (at the request of the MCTDI/PMSU, according to the procedure of state budget requests preparation for the next year);
- Information on the planned amounts needed to meet financial obligations of FB from local budgets/own funds according to the LFTAs (at the request).

In order to properly plan and budget, in fulfilling its obligations under the terms of the LFTAs, the FBs should make the necessary and sufficient measures to ensure that local budgets / own funds are available in the current / next budget year to finance the costs of the Program in the part that is not covered by the subventions.

At Programme level, the MCTDI/ PMSU:

- Consolidates information from the FBs and provides the EIB (with copy to MoF) with information on the actual state of borrowing and spending plans for the next 6 months at the request of the EIB and / or during the preparation of the allocation requests to the EIB of the next tranche of the loan;
- Updates Disbursement Schedule, prepares Disbursement Requests, Procurement Plans;
- Consolidates and submits to the MoF proposals to the draft state budget of Ukraine for the next year regarding the amount of financing of the URP /UEP proposals for adjusting the amounts of financing of the respective budget programs.

1.5. Bank accounts management

In order to finance sub-projects under the URP/UEP, the MoF opens the corresponding special accounts in Ukreximbank, including:

- ✓ **EUR Collection Account (Disbursement Account or DA) is opened by the MoF prior to a first disbursement⁴⁷:**

- Account Holder: MoF.
- Account Currency: EUR / UAH.
- Account purpose: receiving of the EIB Loan funds, currency exchange (EUR/UAH), further splitting of funds to the Project Accounts.
- Signatories of bank payment orders – MoF and MCTDI.
- The bearer of charges and fees – the FB (Section 8 of the LFTAs).
- Responsible for operations on the sale of foreign currency - MoF and MCTDI.

⁴⁷ Article 1.2.D of the Finance Contract

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME✓ **Separate Project Accounts (PAs) are opened by MoF in Ukreximbank for each one LFTA (each FB)**

- Accounts holder: MoF.
- Accounts currency: EUR / UAH.
- Account's purpose: receipt of transactions from DA and its transfer to bank accounts of Contractors under contracts with FB, which have obtained No-objections from EIB.
- The signatories of the bank payment order: MoF, MCTDI and or Local budget funds holders (FBs).
- The Bearer of charges and fees: the FB (to be indicated in the LFTAs).

The documents that are necessary for opening of accounts shall be prepared and submitted by the MoF. Other parties of the URP must provide the necessary information to the serving bank in accordance with the current legislation of Ukraine

The list of obligatory documents required for PA opening and use is provided in **Annex 5.2**.

The Forms of Ukreximbank specimen signatures cards are given in **Annex 5.3**. The form is filled out, signed and sent electronically.

The MCTDI coordinates collecting and submission to MoF of specimen signatures cards and other supplementing documents from the FB and Local budget funds holder.

The MoF certifies for Ukreximbank specimen signatures cards and returns to each party 1 copy of their cards.

The MoF prepares Power of attorney to authorized representatives of the to submit to Ukreximbank payment orders and to receive bank account statements.

The MoF provides Letter(s) to the Ukreximbank with explanations on mechanisms of the EIB loan funds expenditures, bank fees payments, etc.

The MoF informs the MCTD about details of special accounts as soon as they are opened.

Important note:

FBs ensure including of appropriate expenditures for servicing bank charges and fees to their financial (budgetary) plan in order to avoid delays with their reimbursement.

1.6. Preparation and processing of sets of payment documents**Invoices**

The works contractors (providers of services for technical supervision/TS and services of engineer consultants (if available) (hereinafter - Contractors)) shall issue invoices to the FB (contracting authority) in accordance with respective contracts. Terms and procedures of invoicing shall be stipulated in respective clauses of contracts concluded between the FBs and the Contractors.

The Contractor is to issue invoices:

- For advance payment - in the amount stated in respective contract taking into account current Ukrainian legislation;

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- For partially completed works, services or supply of goods – in the amount certified by respective acceptance certificate of works performed or goods supplied, taking into account the sum of outstanding advance payment.

Together with invoice, the Contractor shall provide the FB with the certified copies of documents confirming business transactions occurred (copies of acceptance certificates, shipping documentation, etc.).

According to the Ukrainian regulations, Contractors registered in Ukraine (including Representative offices of foreign Contractors in Ukraine) are obliged to issue invoices and receive payments within the territory of Ukraine in Hryvnia (UAH). Foreign contractors are allowed to get payments in Euro (EUR) or in other foreign currency to their accounts in foreign banks.

Contractors registered as VAT payers in Ukraine shall indicate the amounts in the invoices in the following way:

- a) Amount excluding VAT;
- b) Amount of VAT;
- c) Total Amount including VAT.

This need is related to different sources of financing without VAT and amounts of VAT. At the expense of the EIB, amounts without VAT are financed, as defined by line a). Amounts not covered by EIB loans are funded from other sources.

Verification of invoices and payment documents

The FB, with assistance of MCDTI/PMSU / TA:

- Ensure proper tendering process is conducted and contracts concluded in accordance with current legal and regulatory framework (as well as amendments to contracts, in case of need);
- Ensure proper form, terms and conditions of contracts used;
- Verifies and confirms that the supplier (contractor) and supplier (contractor) bank are not subject to the sanctions according to sanctions lists determined in Chapter 3.4 of PIG;
- Ensure control over due form and content, amounts and other data provided in financial documents: invoices; contract's guarantees/security bonds; delivery-acceptance certificates for goods, services and works acceptance certificates (forms KB-2v, KB-3); other financial documents stipulated by the terms of contracts.
- Ensure proper preparation of packages of payment documents - bank payment documents and accompanying documents for further approval by the MCTDI, the Ministry of Finance and the servicing bank.

Forms of Ukreximbank's payment documents and a detailed step-by-step explanation of their filling are given in **Annex 5.4**.

The list of obligatory supporting documents to each payment and certificate format are given in **Annexes 5.5 and 5.6**.

During the Project implementation will be used electronic signature system for the payment documents. Step-by-step instructions for using an electronic signature is provided in **Annex 5.7**.

According to LFTAs conditions the sets of payment documents are being processed and approved by MCTDI during 5 (five) business days and by MoF during 5 (five) business days from the day of their receipt, otherwise documents must be returned for correction with appropriate comments.

1.7. Accounting

URP/UERP accounting systems is based on the following principles:

- **Appropriate bookkeeping at Sub-project level:** FBs ensure to keep their accounting for fully reflection of transactions relating to the financing, execution and operation of Sub- project according to the Ukrainian national accounting/budgeting standards and procedures in the monetary unit of Ukraine.
- **Language:** accounting of financial transactions, reconciliation of accounts and financial reporting is carried out in Ukrainian language. Translation of selected documents, if so, requested by the EIB, is to be provided by the FB (upon request -- with support of UNDP).

Transaction's recording at Programme level: MCTDI/ PMSU / TA keeps financial transactions recording for each Sub-project separately and for the URP as a whole on the basis of the information provided by the FBs in the simplified accounting database for financial transactions of the URP created in Microsoft Excel or other format.

1.8. Reporting

The following table summarizes the list of reports to be prepared by the FB and/or Local budget funds holder and/or MCDTI/PMSU / TA during the implementation of URP (or upon its completion) in order to fulfil the requirements of the FC, LFTAs, CMU Resolution 1324 of 15.12.2021, CMU Resolution # 70 of 27.01.2016.

Reports (if required) are to be signed by the authorized representatives of FB / / Local budget funds holder / /MCTDI/MoF.

Electronic versions are to be delivered by e-mail to the addresses of Programme participants. List of addressers is controlled and adjusted from time to time by the MCTDI/ PMSU. In case of large volumes, the information can be shared via external data storage device.

The EIB, the MoF and/or the MCTDI may request any report of the list, or any other report related to the Program at point of time different from that indicated in the table below. The list of reports may be amended and supplemented as a result of legislative changes, in which case the parties agree on the timing of the submission of new reports and the responsibility for their drafting.

Table 1: List of reports to be prepared during implementation of a Programme (or upon its completion)

No	Name of report	Responsible for preparation	Addressee	Form for submission	Frequency/ deadline	Document providing template	Source of Requirements to produce the report
	To be prepared by managers of funds of local budgets / FB						
1	Report on use of subvention	Subvention holders/FBs	MCTDI	Will be determined by MCTD in a separate letter to FB	Monthly, by 20 date	Will be determined by MCTDI in a separate letter to FB	Defined by CMU Resolution # 1324, Resolution # 378 (for UERP)
2	The final report on the results of the project implementation	FB	MCTDI	Will be determined by MCTD in a separate letter to FB	Within two months after the completion of payments, or earlier at the request of MCTDI	Will be determined by MCTDI in a separate letter to FB	Finance Contract
	To be prepared by MCTDI/PMSU/TA/MoF						
3	Information on use of subvention	MCTDI	MoF	Will be determined by MoF in separate letter	Monthly, by 25 date	Will be determined by MoF in a separate letter	Defined by CMU Resolution # 1324, Resolution # 378 (for UERP)
4	Consolidated resolution on accounting and reporting on budget execution in terms of implementation of state budget revenues and expenditures, revenues and expenditures of local budgets through the subvention	MCTDI	State Treasury / FB	E-form / Hard copy (signed)	Defined by CMU Resolution # 1324	Annex to CMU Resolution # 1324	CMU Resolution # 1324

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No	Name of report	Responsible for preparation	Addressee	Form for submission	Frequency/ deadline	Document providing template	Source of Requirements to produce the report
5	Report implementation of the action plan on realization of the investment project	MCDTI/PMSU/TA	MoF	Electronic version	Quarterly, by 15 date of next month	Point 42 of CMU Resolution # 70 of 27.01.2016	CMU Resolution # 70 of 27.01.2016
6	A report on flow of funds in a special account	MCTDI PMSU/TA	MoF	Electronic version		Annex 9 to CMU Resolution # 70	CMU Resolution # 70
7	Information (Report) of URP Programme Expenditures	MCTDI PMSU	EIB, Copy MoF	Electronic version/ signed original	On request / before the next tranche allocation	Will be agreed by EIB	Finance Contract
8	Report on Sub-Project implementation	MCTDI PMSU	EIB, Copy MoF	Electronic version	Bi-annually	Annex 4.2 of Finance Contract	Finance Contract
9	Action plan for the implementation of the investment project	MCTDI/PMSU/TA	MoF	Electronic version	Bi-annually	Annex 7, CMU Resolution # 70 of 27.01.2016	CMU Resolution # 70 of 27.01.2016
10	Report on implementation of Agreements of Ukraine with IFI	MCTDI	Ministry of Foreign Affairs	Electronic version/ signed original	Bi-annually, by 30 date of next month	Point 46 of CMU Resolution # 70 of 27.01.2016	CMU Resolution # 70 of 27.01.2016
11	Audited accounts of the Project and audit reports	MCTDI PMSU	EIB, Copy MoF	Electronic version/ signed original		Will be agreed with EIB	Finance Contract

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No	Name of report	Responsible for preparation	Addressee	Form for submission	Frequency/ deadline	Document providing template	Source of Requirements to produce the report
12	Report on the implementation of the plan for achieving the performance indicators of the investment project	MCTDI PMSU	MoF	Electronic version		Annex 11, CMU Resolution # 70 of 27.01.2016	CMU Resolution # 70 of 27.01.2016
13	The final report on the results of the project implementation	MCTDI/TA/MoF	CMU	Electronic version	Within two months after the completion of payments, or earlier at the request of CMU	Point 49 of CMU Resolution # 70 of 27.01.2016	CMU Resolution # 70 of 27.01.2016
14	Report on completion of the project	MCTDI	EIB, Copy MoF	Electronic version	July 2027	Annex A.2 of Finance Contract	Finance Contract
15	Report on the completion of the project - updating the actual values of the project indicators for inclusion by the Bank in the results measurement table (RMT)	MCTDI	EIB, Copy MoF	Electronic version	December 2029 (or 3 years after Report on completion of the project)	Point 49 of CMU Resolution # 70 of 27.01.2016	Finance Contract
	To be prepared by the State Treasury of Ukraine						
16	Information on use of subvention and cash outlays within local budgets	State Treasury	MoF/ MCTDI	Will be determined by MoF	Monthly, by 15 date	Will be determined by MoF in separate letter	Defined by CMU Resolution # 1324

Annex 5: Financial Management Guidelines - Templates

Annex 5.1: List of documents for signing the Loan Funds Transfer Agreements within the URP/UERP

Annex 5.2: List of documents for Project Account opening and use within the URP/UERP

Annex 5.3: Ukreximbank Card

Annex 5.4.A: Payment Instruction in National Currency template

Annex 5.4.B: Payment Instruction in National Currency to top up the account template

Annex 5.4.C: Application for sale of foreign currency template

Annex 5.5: Request for Funds Transfer

Annex 5.6: The list of documents required for making payments as part of the implementation of URP/UERP

Annex 5.7: Systematic instructions for using an electronic signature

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Annex 5.1: List of documents for signing the Loan Funds Transfer Agreements within the URP (may change in accordance with requirements of MCTDI/MoF)

1. Statutory documents of the Parties (Signatories) of LFTA (the Facility Owner, the Managers of Subvention Funds for local budgets, the Final Beneficiary) – Statutory of Unit of local authority etc.
2. Order on the appointment of the corresponding signatory to current position
3. Copies of the Ukrainian passport and tax code of the authorized signatories
4. Extract from the Unified State Register of Legal Entities regarding Signatories of LFTA
5. Decisions of local government authorities on appointment of the Final Beneficiaries, the Managers of Subvention Funds for local budgets under the SPs
6. Certificate confirming ownership of Facilities financed by EIB loan funds
7. State Expertise Conclusion on design documentation
8. Other documents if necessary according to letter of MoF/MCTDI.

All documents must be duly certified.

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Annex 5.2: List of documents for Project Account opening and use within the URP

1. Order on the appointment of the corresponding Signatory, an order to Signatories' authorization to sign the payment documents (if appropriate).
2. Copies of the Authorized Signatories' passport and individual tax code.
3. Certified copies of the passport and taxpayer code of the authorized signatory are submitted on paper to the MCDTI.
4. Extract from the Unified State Register of Legal Entities, Individuals- Entrepreneurs and Public Formations, or Extract from the Uniform Signs of LFTA Parties.
5. Certified copies of the Unified State Register of Legal Entities, Individuals- Entrepreneurs and Public Formations, or Extract from the Uniform Signs are submitted on paper to the MCDTI.
6. Cards with specimen signatures prepared by the Final Beneficiaries and Managers of Subvention Funds for local budgets signed using an electronic signature with a qualified electronic seal. Forms of specimen signatures cards are given in Annex 5.3.
7. Other documents if necessary according to letter of MoF/MCTDI.

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Annex 5.3: Ukreximbank Card (may change depending on the rules of Ukreximbank)

LIST OF PERSONS who have the right to manage the account and sign payment documents

INFORMATION ABOUT THE CLIENT:			
Full name	Ministry of Finance of Ukraine		
Short name	MinFin		
EDRPOU code	00013480		
Address	01008, Kyiv, Grushevskogo street, 12/2		
Tel., Fax number	277 54 33; 277 54 82		
Email			
INFORMATION ABOUT THE BANK:			
Full name	Joint Stock Company "The State Export-Import Bank of Ukraine"		
Short name	JSC "Ukreximbank"		
EDRPOU code	00032112		
Address	127 Antonovycha Street 03150 Kyiv		
INFORMATION ON PERSONS ENTITLED TO DISPOSE OF THE CLIENT'S ACCOUNT, AND SAMPLES OF THEIR SIGNATURES TO BE USED IN CHECKING THE FILLING OF THE REQUISITES OF CUSTOMER PAYMENT DOCUMENTS ON OPERATIONS UNDER THE CURRENT ACCOUNT №			
Position and information on the granted signature right (first signature / second signature)	Last name, first name and patronymic (if available) (indicated in full)	Sample of Signature	Sample of the seal (if applicable by the client)
<i>To write in full the position, the name of the organization of the Local Funds Manager / Final Beneficiary (First signature)</i>			
OTHER INFORMATION			
(here should be provided information on the procedure for registration of customer payment documents)			
The payment document should be considered valid if it has: (one of the following options is selected)			
<input type="checkbox"/> two signatures corresponding to the samples of the first and second signatures above and a sample of the imprint of the seal (if any)			
One of the above signatures and sample of the seal (if applicable)			
CERTIFICATION:			
Certificate text:		Signatures	Date of certification
<p>I, Marchenko SM, Minister of Finance of Ukraine, <i>(name and position of the head (another authorized person) / head of the organization to which the client is administratively subordinated, hereinafter - the Organization)</i></p> <p>I hereby certify the list of persons who have the right to manage the account and sign settlement documents, including:</p> <p>1) the above persons have all the necessary authority to dispose of the client's current account;</p> <p>2) the authenticity of the signatures of such persons and the imprint of the seal (if any), which are affixed to this list in my personal presence</p> <p>I, _____, <i>(full name and position of Ukreximbank JSC employee)</i></p> <p>I hereby certify that on the basis of the documents provided by the client it is established that the above persons have the necessary authority to dispose of the client's current account, and confirm the Bank's acceptance of this list</p>			

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Annex 5.4.A: Form of Payment Instruction in National Currency template (may change depending on the rules of Ukreximbank)**Payment instructions for credit transfer**

Document number:	1	
Date of preparation of PI:	2	
Currency date:*		
Sum in words:	3	
Amount:	4	
Payer code:	00013480	
Payer/actual payer:	Ministry of Finance of Ukraine	
Payer's account:	5	
Payer's payment service provider:	JSC "Ukreximbank" (Kyiv)	
Recipient/actual recipient:	6	
Beneficiary code:	7	
Beneficiary's account:	8	
Provider of payment services of the recipient:	9	
Purpose of payment:	10	
Bank marks		
Date accepted for execution		Evening <input type="checkbox"/>
Date of execution		

Signature of the payer _____ Signature of the payment service provider _____
M.P.

Signature of the payer _____
M.P.

Signature of the payer _____
M.P.

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**Recommendations to fill Payment Instruction (in National Currency)**

1. Serial number of the payment instruction shall be indicated. Each FB maintains a separate, sequential numbering of Payment Instructions.
2. The date of filling of the Payment Instruction by the Final Beneficiary shall be indicated*.
3. The invoice/act amount of the Contractor without VAT shall be indicated – in words.
4. The invoice/act amount of the Contractor without VAT shall be indicated – in digits
5. Project Account No. of FB shall be indicated
6. The name of the Contractor shall be indicated
7. Registration number of Contractor shall be indicated
8. The bank account of the Contractor shall be indicated (as per contract)
9. The name and location (city) of the Contractor's bank shall be indicated
10. The payment purpose shall be indicated, for example:

«Adv. Payment or Payment according to the contract № dd. , invoice№_ dd. .
LFTA #__ dd. . without VAT, FI №91.906 SN2019- 0903);KPKV2761610,KEKB3220.»**

Important: amount of symbols in line “payment purpose” shall not exceed 160.

*According to point 17 of Instructions on non-cash payments in Ukraine in national currency by users of payments services⁴⁸: *“the payer’s payment service provider (bank) accepts the payment instruction for execution within 30 calendar days from the date of its preparation by the initiator. The date of drawing up the payment instruction is not taken into account,”*

**In the case of an advance payment, the number and date of the invoice shall be indicated, in other cases -- the number and date of the act (acts) is indicated.

⁴⁸ Approved by Decree of National Bank of Ukraine dated from 29.07.2022 № 163
(https://zakon.rada.gov.ua/laws/show/v0163500-22?find=1&text=%D0%BA%D0%B0%D0%BB%D0%B5%D0%BD%D0%B4#w1_1)

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Annex 5.4.B: Form of Payment Instruction template (may change depending on the rules of Ukreximbank)**Payment instructions for credit transfer**

Document number:	1	
Date of preparation of PI:	2	
Currency date:*		
Sum in words:	3	
Amount:	4	
Payer code:	00013480	
Payer/actual payer:	Ministry of Finance of Ukraine	
Payer's account:	5	
Payer's payment service provider:	JSC "Ukreximbank" (Kyiv)	
Recipient/actual recipient:	Ministry of Finance of Ukraine	
Beneficiary code:	00013480	
Beneficiary's account:	6	
Provider of payment services of the recipient:	JSC "Ukreximbank" (Kyiv)	
Purpose of payment:	Replenishment of current account	
Bank marks		
Date accepted for execution		Evening <input type="checkbox"/>
Date of execution		

Signature of the payer _____ Signature of the payment service provider _____

M.P.

Signature of the payer _____

M.P.

Recommendations for filling out a payment instruction (in national currency) for transferring funds from the DA to the Sub-Project Account

- 1 – The serial number of the Payment Instruction is indicated.
- 2 – The date of completion (compilation) of the Payment Instruction* by the final beneficiary is indicated.
- 3 – The amount of the invoice/act (s) of the Contractor without VAT is indicated - in writing
- 4 – The amount of the invoice/act(s) of the Contractor without VAT is indicated – numerical value
- 5 – The Account No. of DS is indicated
- 6 – The number of the Sub-Project Account of the Final Beneficiary is indicated

*According to point 17 of Instructions on non-cash payments in Ukraine in national currency by users of payments services⁴⁹: *“the payer’s payment service provider (bank) accepts the payment instruction for execution within 30 calendar days from the date of its preparation by the initiator. The date of drawing up the payment instruction is not taken into account,”*

⁴⁹ Approved by Decree of National Bank of Ukraine dated from 29.07.2022 № 163 (https://zakon.rada.gov.ua/laws/show/v0163500-22?find=1&text=%D0%BA%D0%B0%D0%BB%D0%B5%D0%BD%D0%B4#w1_1)

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**Annex 5.4.C - Foreign Currency Sale Application Form (may vary depending on the rules of Ukreximbank)**

Copy_

Joint-Stock Company "State Export-Import Bank of Ukraine"
 (hereinafter referred to as JSC "Ukreximbank" or bank)
 Ukraine, 03150, Kyiv, st. Antonovycha, 127

APPLICATION No/1/
 on the sale of foreign currency
 from " " 20 year /2/

Name/ surname, name, patronymic (if any) of the client: **Ministry of Finance of Ukraine.**

EDRPOU / RNOKPP^{code 1} client: **00013480.**

Location / place of residence of the client Ukraine, 01008, Kyiv, vul. Hrushevskogo, 12/2.

Last name, first name, patronymic (if any) of the client's representative authorized to resolve issues related to the sale of foreign currency on behalf of the client: _____

Purpose of sale of foreign currency: 219

With this application, the client gives the Bank:

- 1) before the start of trading, write off from the client's current account in foreign currency No UA /5/ in JSC "Ukreximbank" to the account opened by the Bank for the sale of foreign currency, funds in the amount to be sold on the terms specified in paragraph 2 of this application;
- 2) sell foreign currency credited to the account opened by the Bank for the sale of foreign currency, in accordance with paragraph 1 of this application, on the following conditions:

The amount of foreign currency, which needs to be sold	Name and code of foreign currency, which needs to be sold	The rate at which you need to sell foreign currency for UAH ²
/7/	EUR/978	At the rate of the bank, but not less than __ , __ /6/

- 3) credit funds in UAH received as a result of the sale of foreign currency to the client's current account in national currency No UA _____

- 4) in case of impossibility to sell foreign currency within the period specified by the current legislation of Ukraine, return it to the client's current account in foreign currency No UA _____

With this application, the client undertakes to pay a commission fee to the Bank for the provision of services for the sale of foreign currency in accordance with the invoices issued by the Bank.

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Acceptance by the Bank of this application for execution means reaching an agreement between the client and the Bank on the need to carry out the operations specified in it on the conditions specified in this application and the agreements concluded between the client and the Bank.

Signatures³:

(signature) _____

(signature) _____

1 - indicate the number of such a client card (for an individual entrepreneur) or series (if any) and the passport number of the client who, due to his religious beliefs, refuses to accept the registration number of the taxpayer's account card and officially notified the relevant regulatory authority and has a mark in the passport / entry in the electronic contactless media or the word "refusal" is affixed in the passport;

2 - the digital value of the exchange rate is indicated or indicated "at the Bank's rate" (if necessary, restrictions may be indicated: "at the Bank's rate, but not less than _____");

3 - sealed with the seal of the client, if he uses it in his activities.

Recommendations for filling in the Application for sale of foreign currency (application form of JSC "Ukreximbank")

1 - The serial number of the application is to be indicated.

2 - The date of filling by the FBs of the Application is to be indicated.

3, 4 - The name and telephone number of the authorized officer of the MoF is to be indicated (shall be submitted additionally by letter of MoF/MCTDI)

5,9 - Specifies the Disbursement Account No. (will be informed in advance by letter of MoF/MCTDI)

6 - The forecast Hryvnia exchange rate to the Euro shall be indicated. The forecast rate in this application should be no higher than the actual interbank rate, which will be used by JSC Ukreximbank on the date of transaction, otherwise the bank will deny the execution of the application. The interbank exchange rate can be inquired from PMSU.

7 - The amount of Euro sales is to be indicated. The calculation of the Euro amount is based on the amount in Hryvnias of the Contractor's invoice without VAT and the value of the forecast exchange rate UAH/EUR indicated in the table of this Application (see paragraph 6 above).

8 - Specifies the Sub-Project Account No. (will be informed in advance by letters of MoF/MCTDI)

10 – Electronic signatures and stamps for MoF and MCTD. NOT to be signed by FB

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Annex 5.5: To the Instructions “Financial Management of the URP”

Certificate of funds transfer

Ukraine y Recovery Program

No	Item	Description / Comments
	Final Beneficiary	
	SP Name	
1	Payment Instructions	Checked: Account details, fund recipient, sums in words, No. and Date of payment order, signatures and seals <input type="checkbox"/> Between internal MoF's accounts <input type="checkbox"/> To recipient account
2	Invoice	<input type="checkbox"/> Checked: invoice details, payment description, link to contract, date.
3.	Sufficient funding in budgets	Amount of payment instruction UAH w/o VAT _____ 1. Contract price UAH w/o VAT _____ Contract financing plan for _____ UAH w/o VAT _____ 2. Sum for SP in MCTD Order (<i>latest modification</i>) UAH w/o VAT _____ Used in UAH w/o VAT _____ Foreseen in Local Budget (Decision of Local municipality) UAH w/o VAT _____
	Type of Payment	
4	<input type="checkbox"/> Works performed	<input type="checkbox"/> Checked Forms KB-2V and KB-3 with confirmation of TS engineer, correct contract details and respective amounts <input type="checkbox"/> Other confirming documents (applied in case of partial payment, evidence) _____
5	<input type="checkbox"/> Advance payment	Advance payment: amount UAH _____; Expiration date _____ (min 4 months from date of issuance);
6	<input type="checkbox"/> TS services	<input type="checkbox"/> Checked Acceptance certificate of TS Services; <input type="checkbox"/> Checked conformity with Form KB-2V
7	<input type="checkbox"/> Other	<input type="checkbox"/> Checked supporting documents
8	Copy of Performance Guarantee Addendums to Works Contract	<input type="checkbox"/> Attached <input type="checkbox"/> Provided with previous payment document Expiration date of Performance Guarantee _____ Expiration date of Contract _____
9	Foreign currency exchange documents	<input type="checkbox"/> Checked application for exchange <input type="checkbox"/> Checked calculation without application for exchange
10	Comments	

Project Implementation Guidelines – EARLY RECOVERY AND UKRAINE RECOVERY PROGRAMME**Annex 5.6: The list of documents required for making payments as part of the implementation of URP (subject to changes according to the letter of MoF/MCDTI)****To make the first payment under each approved contract, the following must be done:**

1. the payment instruction for payment in the national currency is signed using an electronic signature with a qualified electronic seal;
2. statement on the sale of foreign currency in Word format (if necessary);
3. certificate regarding the transfer of funds in Word format;
4. a scanned copy of the invoice from the contractor (executor of works, supplier of goods and services);
5. a scanned copy of the contract (with all additions to such contract, if available) is provided once;
6. a scanned copy of the act of performed works/services for technical supervision/consulting engineer services (if available). In the case of provision of technical supervision services certificate, it is necessary to additionally provide scanned certificates of completed works for which payment for these services is made. In the case of payment for the services of a consulting engineer, it is necessary to additionally provide scanned copies of all previous acts of the implementation of such services under the project;
7. a scanned copy of the decision on the local budget for the relevant year, which provides for the use of budget funds within the framework of the Program. (or order, if there is such authority in the intersessional period);
8. a scanned letter confirming that the Executor/Contractor and the bank in which he is served are not under sanctions and comply with the decisions of the NSDC of Ukraine on sanctions (in an arbitrary form);
9. scanned protocol on recognition of the winner of the Contractor/Contractor;
10. a scanned copy of the decision of the relevant local councils regarding the approval of the signed Agreements on the transfer of funds;
11. a scanned copy of the network of managers and recipients (if available);
12. a bank guarantee (security) for the execution of the contract with a term of validity until the full completion of the works under the contract;
13. in the case of an advance payment, a bank guarantee (security) for the return of the advance payment with the validity period specified in the work performance (contract) contract.

For the second and subsequent payments for each approved contract:

1. the payment instruction for payment in the national currency is signed using an electronic signature with a qualified electronic seal;
2. statement on the sale of foreign currency in Word format (if necessary);
3. certificate regarding the transfer of funds in Word format;
4. a scanned copy of the invoice from the contractor (executor of works, supplier of goods and services);
5. a scanned copy of the contract and scanned copies of additional agreements to the contract (with all additions to such additional agreements, if available);
6. a scanned copy of the act of performed works/technical supervision services/consulting engineer services (if available). In the case of provision of technical supervision services certificate, it is necessary to additionally provide scanned certificates of completed works for which payment for these services is made. In the case of payment for the services of a consulting engineer, it is

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necessary to additionally provide scanned copies of all previous acts of the implementation of such services under the project;

7. a scanned copy of the decision on the local budget for the relevant year, which provides for the use of budget funds within the framework of the Program. (or order, if there is such authority in the intersessional period);

8. Final settlements under the contract of contractual works in the amount of 5 (five) percent of the Contractual price are made after the registration of the declaration of readiness of the Facility for operation;

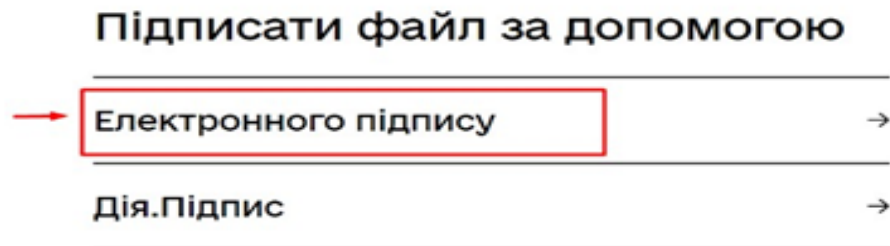
9. a bank guarantee (security) for the execution of the contract with a term of validity until the full completion of the works under the contract;

10. in the case of an advance payment, a bank guarantee (security) for the return of the advance payment with the validity period specified in the contract for the performance of works (contract).

After making payments through JSC "Ukreximbank", employees of the Mininfrastructure will inform the respective Final Beneficiaries about this.

Annex 5.7: The step-by-step instructions for applying an electronic signature

STEP 1. Follow the [link](https://id.gov.ua/sign) https://id.gov.ua/sign



STEP 2. Read the key

STEP 3. Sign and save document

Підписати та зберегти

👍 Рекомендуємо підписувати документи у форматі ASIC-E.

Це уніфікований формат електронного документообігу, який гарантує, що ваші документи прийматимуть всі держоргани.



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Виберіть, в якому форматі підписати документ

- ☐ XAdES. Дані та підпис зберігаються в XML файлі (*.xml)
- ☐ PAdES. Дані та підпис зберігаються в PDF файлі (*.pdf)
- ☒ CAdES. Дані та підпис зберігаються в CMS файлі (*.p7s)
- NEW!** ☐ ASIC. Дані та підпис зберігаються в архіві
 - ☐ ASIC-E. Дані та підпис зберігаються в архіві (розширений формат)
 - ☐ ASIC-S. Дані та підпис зберігаються в архіві (простий формат)

Алгоритм підпису

ДСТУ 4145

Тип підпису

Підпис та дані в одному файлі (enveloped)

Формат підпису

CAdES-X Long – Довгостроковий з повними даними ЦСК для перевірки

Файл(и) для підпису:

- Договір.docx

[Змінити](#)

Підписати

Назад

STEP 4. Download signed document



Документ підписано

± Завантажити все архівом

Файл з підписом

Договір.docx.p7s

44.6 КБ



Файл(и) без підпису

Договір.docx

11.7 КБ

±
Протокол створення та перевірки кваліфікованого електронного
підпису від 19.11.2021

Dorovip_Validation_Report.pdf

54.8 КБ



Annex 6: Environmental & Social Questionnaire

ENVIRONMENTAL AND SOCIAL STANDARDS MONITORING QUESTIONNAIRE

Please read this recommendation carefully before filling out the form!

1. This questionnaire is a part of the environmental and social monitoring of the Ukraine Recovery Programme and Ukraine Early Recovery Programme. Sections 1-5 are aimed at tracking the compliance with EIB Environmental and Social standards during the implementation of the sub-project; Section 6 is intended for data collection.
2. The questionnaire contains references to the “**sub-project**” (object(s) of construction, reconstruction or overhaul financed within the Ukraine Recovery Programme), the “**final beneficiary**”, “**contractor**” and “**sub-contractor(s)**” (if any), “**reporting period**” (time interval between the date of submission of the previous questionnaire and the date of submission of the current questionnaire).
3. The questionnaire may be submitted in electronic form approved by the digital signature of the final beneficiary and should reflect the current data/status of the sub-project implementation at the time of its completion and submission.
4. If the sub-project covers more than one object/construction site, the questionnaire must present cumulative data for all objects/sites on which construction works are being executed and activities performed by the final beneficiary.
5. The initial questionnaire is filled out and submitted by the final beneficiary of the sub-project within 14 days from the start of the construction works, interim questionnaires are updated every six months during construction, the final questionnaire is submitted within 14 days after the completion of the construction works on the sub-project.

GENERAL INFORMATION			
Questionnaire type:	<input type="checkbox"/> <i>initial</i>	<input type="checkbox"/> <i>interim</i>	<input type="checkbox"/> <i>final</i>
Sub-project's ID number:			
Name of the sub-project:			
Address/location of the object(s):			
Main types of construction/other works on the sub-project:			
<u>Final beneficiary</u>			
Name:			
Address:			
Phone:	mobile:	Email:	
<u>Contractor</u>			
Name:			
Address:			
Phone:	mobile:	Email:	

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Sub-contractor(s)		
Name:		
Address:		
Phone:	mobile:	Email:
Authorized representative of the final beneficiary		
Position, full name:		
<i>I, hereby, certify that the data contained in this questionnaire accurately reflect the current and/or planned activities on the sub-project</i>		
Date of completion	Signature	Stamp

1. ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL IMPACTS AND RISKS			
1.1.	Does the sub-project fall under Annex I or II of the EU Directive on Environmental Impact Assessment?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please indicate the category of the sub-project according to the EU Directive and provide a copy of EIA		
1.2.	Does the sub-project foresee/lead during the reporting period to:		<input type="checkbox"/> Yes <input type="checkbox"/> No
	• acquisition of land (public or private)		
	• involuntary resettlement of people		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please provide the details, indicating who occupies the land, and what mitigation measures will be implemented to compensate or relocate the affected people:		
	• any loss of assets or access to assets, loss of income or means of livelihood for individuals/groups of people		<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes", please provide the details, indicating compensation measures (e.g., monetary compensation, provision of equivalent assets, etc.) to be implemented:			
1.3.	Does the implementation of the sub-project foresee/cause during the reporting period a negative impact on the environment and/or social groups (residents of the community, users of the facility, etc.), individuals?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please provide a detailed description:		
1.4.	Does the sub-project meet special needs/provide specific assistance to vulnerable groups (IDPs, persons with disabilities, women, children, the elderly, etc.)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please provide a detailed description:		
1.5.	Does the final beneficiary have an action plan to mitigate negative environmental and social impacts and a person responsible for implementing mitigation measures?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please indicate the responsible person	Full name:	Mob. phone:
		Position:	Email:

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1.6.	Has the contractor/sub-contractor signed a contract for the construction waste disposal and is the waste disposed of properly and on time?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
------	--	------------------------------	-----------------------------

2. LABOUR STANDARDS			
2.1.	How many employees, including temporary workers, are engaged by the contractor/sub-contractor for the execution of the construction works at the current date?		
	Men:	Women:	Total:
2.2.	Are all engaged employees officially employed (based on employment contracts) and have they received information about terms and conditions of work?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "No", please indicate the number of informally employed workers:		
2.3.	Are there any signs of forced labour during the construction works (retention of employees' personal documents, work without consent or through the use of violence or intimidation)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please provide a detailed description and the remedial measures taken:		
2.4.	Are there any signs of minors labour during the construction works (engaging persons under 18 years old)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please indicate the number of minor workers and the relevant guarantees of their labour rights provided:		
2.5.	Are there any signs of discrimination or violations of employees' rights during the construction works (unequal work and/or payments conditions, non-payment of wages, illegal dismissals, lack of accommodation, proper sanitary conditions, etc.)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please provide a detailed description:		
2.6.	Does the contractor/sub-contractor have a Grievance Redress Mechanism and a person responsible for managing construction works and handling employees' grievances and appeals on work-related issues?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", please indicate the responsible person	Full name:	Mob. phone:
		Position:	Email:
2.7.	Does the contractor/sub-contractor employ migrant workers (persons having foreign citizenship) for the execution of the construction works?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes", specify the quantity:		
	If "Yes", do migrant workers have the same working conditions as local employees?		<input type="checkbox"/> Yes <input type="checkbox"/> No

3. OCCUPATIONAL AND PUBLIC HEALTH AND SAFETY PROTECTION			
3.1.	Does the contractor/sub-contractor have a person responsible for the health and safety of employees at the construction site?		<input type="checkbox"/> Yes <input type="checkbox"/> No
		Full name:	Mob. phone:

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3. OCCUPATIONAL AND PUBLIC HEALTH AND SAFETY PROTECTION				
	If "Yes", please indicate the responsible person	Position:	Email:	
3.2.	Does the health and safety protection system of employees at the company meet the requirements of international standards, in particular ISO 45001 (Occupational health and safety management systems)?		<input type="checkbox"/> Yes <i>please provide copy of ISO 45001 certificate</i>	<input type="checkbox"/> No
3.3.	Does the health and safety conditions of employees at the construction site meet national requirements?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.4.	Are employees provided with the necessary Personal Protective Equipment for the execution of the construction works?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.5.	Does the contractor/sub-contractor keep proper records of:		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	• working hours/scope of works performed by the employees (register, time sheet)		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	• briefings on Occupational Health and Safety and Fire Safety (briefings logs)		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	• accidents, including those that led to the death of employees		<input type="checkbox"/> Yes	<input type="checkbox"/> No
			If "Yes", please indicate the number of accidents during the reporting period:	
3.6.	Does the contractor/sub-contractor provide measures to restrict or prohibit unauthorized access to the construction site?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

4. STAKEHOLDERS ENGAGEMENT				
4.1.	Does the final beneficiary have an approved Social Management Plan for the sub-project?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.2.	Has a person responsible for informing stakeholders and liaising with local communities been appointed?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If "Yes", please indicate the responsible person	Full name:	Mob. phone:	
		Position:	Email:	
4.3.	Does the final beneficiary regularly inform public about the status of the sub-project implementation?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If "Yes", please indicate the frequency of informing, the communication channels used and links to the main publications during the reporting period:			
4.4.	Were consultations regarding the implementation of the sub-project held with stakeholders, including vulnerable groups?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If "Yes", please indicate the number of consultations during the reporting period and the main issues discussed:			
4.5.	Is a Grievance Redress Mechanism for the sub-project in place?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.6.	Has a person responsible for handling grievances and proposals from public and stakeholders been appointed?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

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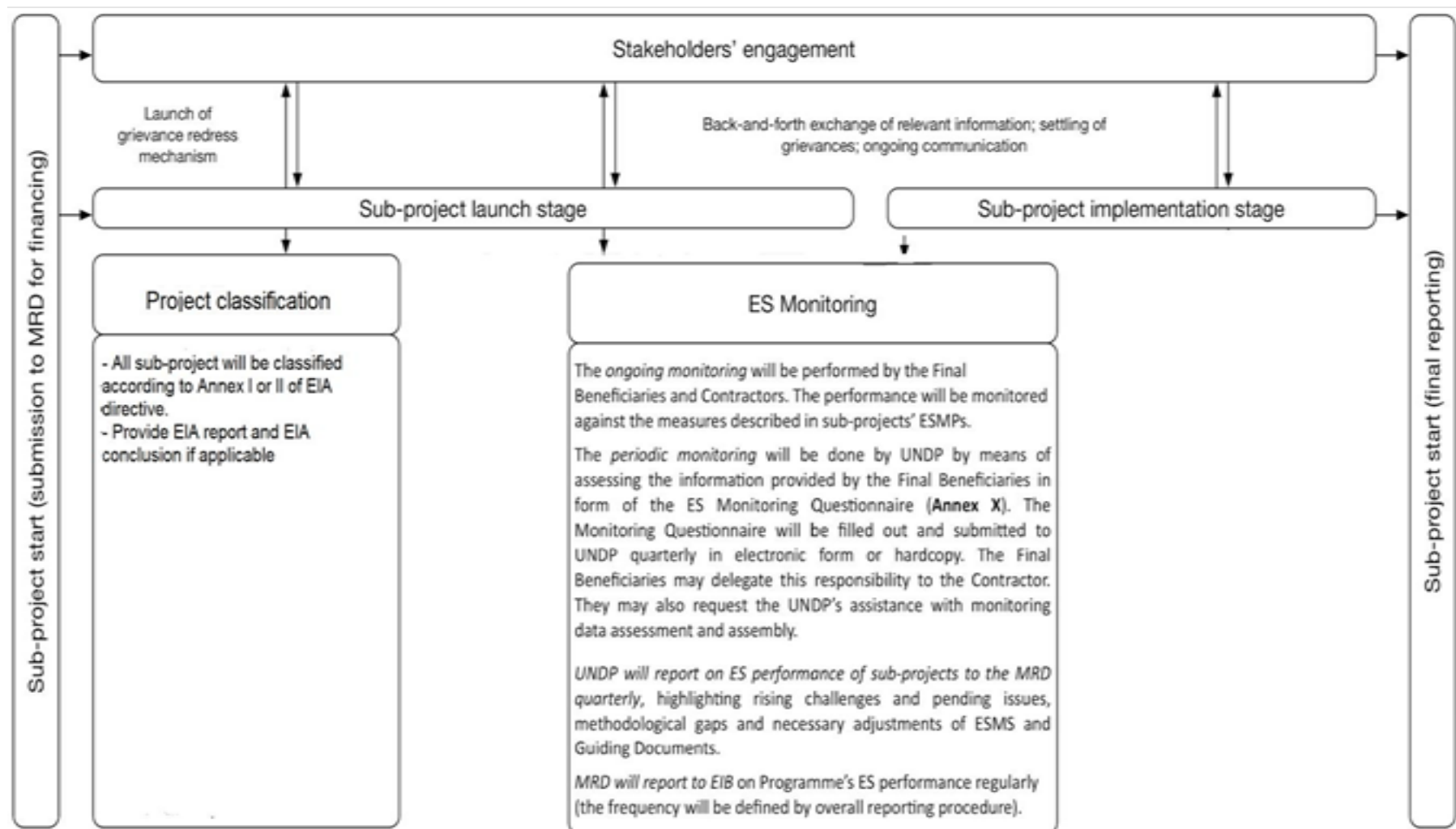
4. STAKEHOLDERS ENGAGEMENT			
	If “Yes”, please indicate the responsible person	Full name:	Mob. phone:
		Position:	Email:
4.7.	Were the grievances related to the implementation of the sub-project submitted?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If “Yes”, please indicate the number of grievances during the reporting period and summarize what was complained about and how the issue was resolved:		

5. SOCIAL IMPACT OF THE SUB-PROJECT (initial and final questionnaires only)		
5.1.	How many local residents will benefit from the implementation of the sub-project?	Estimated number (persons):
	How many internally displaced persons (IDPs) will benefit from the implementation of the sub-project?	Estimated number (IDPs):
5.2.	Please provide a description of the planned or achieved social impacts of the sub-project on local residents and IDPs, including specific benefits for women, children, persons with disabilities, elderly people:	
5.3.	How many new temporary and/or permanent jobs were created as a result of the sub-project implementation?	Total:
	For men:	
	For women:	

Annex 7: URP/UEP HELP-DESK Contact Form

URP-UEP HELP-DESK CONTACT FORM	
Final Beneficiary Name	
Responsible person	
Contact details; E-mail Mob. number	
Sub-project ID or Application reference number	
Location of object	
Name of object/ building	
Sector (health, education, social, infrastructure)	
Nature of enquiry (tick box or highlight)	<input type="checkbox"/> Application <input type="checkbox"/> Procurement <input type="checkbox"/> Environment and Social <input type="checkbox"/> Payment and budgeting <input type="checkbox"/> Construction <input type="checkbox"/> Final reporting
<i>Describe nature of request for assistance and attach relevant files (if necessary).</i>	

Annex 8: Overall scheme of ES coverage during sub-project's development



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Annex 9: Template for Sub-project Procurement Plan

Procurement plan

Contract Name	Promoter's Tender Number	Contract Type	Estimated amount (EUR)	Financing			Procurement Method	Tender Documents	Published in OJEU?	Estimated publication date	Estimated bid submission date	Estimated contract award date	Estimated contract end date	Procurement Status
				% financed by EIB	EIB financing (EUR)	Other Financiers								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

	Arbitrary number that is assigned consecutively
Contract Name	Scope of the contract or short description
Tender Identifier	Code or reference used by the promoter to refer to the contract (if any)
Contract Type	Type of contract being procured, works goods or services
Estimated Amount	Estimation of contract value by the promoter, the total at the bottom should match with the overall project cost
% financed by EIB	Share of the contract that will be financed by EIB, in accordance with the financing plan of the project
EIB financing (EUR)	estimated contract amount multiplied with the percentage of the previous column, the total must be equal to EIB's loan amount
Other Financiers	Names of other IF Is or MDBs that will be jointly co-financing the contract, if any
Procurement Method	Procurement method used, chosen among the ones available under 3.3 of the Guide to Procurement
Tender Documents	Type of standard tender documents used, whether they are based on other IFI's templates or national templates
Published in OJEU	Flag showing whether the tender notice will be published in the Official Journal of the European Union
Estimated publication date	Promoter's estimation of the date of publication of the tender notice
Estimated bid submission date	Promoter's estimation of the date of bid submission
Estimated contract award date	Promoter's estimation of the date of contract award
Estimated contract end date	Promoter's estimation of the date of contract end
Procurement Status	Status of the procurement process (not started - tender notice not yet published, ongoing - tender notice started but contract not yet signed or contract signed)