May 2, 2019

OFFICIAL DOCUMENTS

H.E. Stepan Kubiv
First Deputy Prime Minister – Minister
Ministry of Economic Development and Trade of Ukraine
Kyiv, Ukraine

Re: Grant No. TF0B0149
Additional Financing for Conflict Response and Recovery
Pilot and Capacity Building Project
Letter Agreement

Excellency:

In response to the request for financial assistance made on behalf of Ukraine ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("Bank"), acting as administrator of grant funds provided by various donors ("Donors") under the Ukraine Multi-Partner Trust Fund for Peace Building and Recovery (TF072823), proposes to extend to the Recipient a grant in an amount not to exceed three hundred fifty thousand United States Dollars (USD 350,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

This Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date this Agreement and returning one duly executed copy to the Bank.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Baher El-Hifnawi
Acting Country Director
Belarus, Moldova and Ukraine
Europe and Central Asia Region
AGREED:

UKRAINE

By
Authorized Representative

Name
Stepan Kubiy

Title
First Vice Prime Minister - Minister of Economic Development and Trade of Ukraine

Date
28.05.2019

Enclosures:

(1) “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds” dated February 25, 2019

(2) Disbursement and Financial Information Letter of the same date as this Agreement, together with the “Disbursement Guidelines for Investment Project Financing”, dated February 2017
Grant No. TF0B0149
ANNEX

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions (as defined in Section 1.02 below) constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, in this Section or in the Original Grant Agreement:

(i) “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants,” dated October 15, 2006 and revised in January 2011.”

(ii) “Category” means a category set forth in the table in Section 3.01 of this Agreement.

(iii) “Original Grant Agreement” means the Agreement for Conflict Response and Recovery Pilot and Capacity Building Project (SPF Grant No. TF0A3307) dated August 19, 2016 between the Recipient and the Bank.


Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to build the capacity of the Recipient to address the development impacts of the conflict.

The Project consists of the parts described in Annex 1 to the Original Grant Agreement.

2.02. **Project Execution Generally.** The Recipient declares its commitment to the objective of the Project. To this end, the Recipient through MOT, shall carry out the Project in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the Anti-Corruption Guidelines; and (c) this Article II.

2.03. **Implementation Provisions.** Sections 2.03 (Institutional and Other Arrangements), 2.04 (Safeguards), 2.05 (Donor Visibility and Visit), 2.06 (Project Monitoring, Reporting and Evaluation), 2.07 (Financial Management) and 2.08 (Procurement) of Annex 1 to the Original Grant Agreement are hereby incorporated by reference and shall apply, mutatis mutandis, to this Agreement, and the Recipient undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.
Article III
Withdrawal of Grant Proceeds

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services and consulting services,</td>
<td>350,000</td>
<td>100%</td>
</tr>
<tr>
<td>Training and Workshops, Operating Costs under Part 1 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>350,000</td>
<td></td>
</tr>
</tbody>
</table>

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date is June 3, 2020.

Article IV
Recipient’s Representative; Addresses

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its Minister of economic Development and Trade.

4.02. **Recipient’s Address.** For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient’s Address is:

Ministry of Economic Development and Trade of Ukraine  
12/2 Hrushevsky St.  
Kyiv, 01008  
Ukraine; and

(b) the Recipient’s Electronic Address is:

Facsimile:

+38044 226-3181
4.03. **Bank's Address.** For purposes of Section 7.01 of the Standard Conditions: (a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
APPENDIX
Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Section 2.11, Procurement is deleted in its entirety and the remaining Section 2.12, Anti-Corruption in Article II is renumbered accordingly.

2. Paragraphs 19 (Procurement Plan) and 20 (Procurement Regulations) in the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.