



Ministry for Communities and Territories Development of Ukraine

RESTORATION DIGEST

The 67th Issue



Kyiv, October 28th, 2024



DEAR FRIENDS, COLLEAGUES, AND PARTNERS!

Last week, the Ministry team visited the South of Ukraine and inspected the restoration of port infrastructure. russia

continues to destroy port infrastructure deliberately. Our task is to preserve the functioning of the Ukrainian corridor. We also held several important meetings with our strategic partners. All our meetings are

not just about hands shaking but about demonstrating our respect for partners and stakeholders and the readiness to continue ongoing joint projects and launch new ones. Details are below.



USA

I was glad to meet with the We had an important meeting with the U.S. Ambassador to Ukraine, **Bridget Brink**. I thanked Ambassador Brink for supporting our country from the first days of the full-scale invasion and for efforts to unite the world to help and strengthen Ukraine.

We discussed and outlined the priorities and joint plans to address Ukraine's priority needs. The most important thing is providing Ukrainians with heat in winter. We are preparing for an extremely difficult heating season and must ensure maximum preparation. Creating a distributed generation system will be a priority for the coming years. We also continue to build energy infrastructure protection facilities.

The key areas of our bilateral cooperation remain support for decentralization reform, further implementation

of digital eco-systems, digitalization and reduction of corruption risks, and development of the internal control and audit system.

We also discussed reconstructing existing and opening new checkpoints on the border between Ukraine and the EU, protecting energy facilities, attracting private investment for large state-owned enterprises and companies, and ensuring the stable operation of the Ukrainian Corridor.



SWEDEN

We were glad to meet with the Special Envoy for Ukraine's reconstruction business sector and development, Ulrik Tideström, and the Ambassador of Sweden to Ukraine, Martin Öberg. In early October, we had talks within the Ukrainian Donor Platform (UDP) framework in Rome. The Ministry for Development outlined its priorities: restoration, housing policy

for internally displaced persons, regional development, and infrastructure. Bilateral cooperation with Sweden continues in these areas.

EUACI

EUACI We met with Allan Pagh Christensen, the head of the EU Anti-Corruption Initiative. The Ministry team is working on modernizing the DREAM ecosystem, which will become a platform for implementing large investment projects. Therefore, the Ministry for Development seeks to engage EUACI experts to monitor the quality of project implementation through this platform. Special thanks for the support in implementing the Geographic Information System for regional development; the final version of the Project is promised to be handed over to the Ministry soon.



WORKING VISIT TO THE ODESA REGION

The Ministry team, local authorities representatives, the Administration of Shipping, and Ukrainian Sea Ports Authority officials inspected Odesa, Chornomorsk, and Pivdennyi seaports. The focus was on the work of the Ukrainian corridor operation, the staff safety and protection,

and the restoration of port infrastructure after the russian attacks.

Despite russia's regular shelling of Ukrainian infrastructure, including civilian vessels and grain storage facilities, Ukraine continues to be a guarantor of the

world's food security. Over 2.8 thousand vessels have been called to the three ports since the launch of the Ukrainian Corridor, transporting products to more than 50 countries. We are working to protect critical infrastructure and logistics. We understand that the world's food security depends on it.



SCHOOLS' FACILITIES INSPECTION

Together with First Lady Olena Zelenska, we visited several schools in the Odesa region to familiarize ourselves with the progress of the school nutrition reform. Communities must be-

come leaders in implementing the reform. As the Ministry, we must work more on the ground to help communities increase the capacity to implement changes. We also continue to improve construction standards and regulations for the design of new catering facilities. We

also need to scale up the experience of communities using digital tools to receive state subsidies to purchase equipment and modernize canteens in their educational institutions. It will make us more understandable to both our people and our partners.







OLEKSANDR PERTSOVSKYI LED THE UZ

Oleksandr Pertsovskyi was introduced as the new Chairman of the Board of Ukrzaliznytsia. The new manager has precise tasks under the Rail Acceleration program:

- the operation of railway transport in the context of war
- quality solutions for the safety
- major repairs of infrastructure
- restoration of Ukraine's export potential

- development of inclusive infrastructure
- digitalization of processes

I thank Yevhen Liashchenko for his work as Chairman of Ukrainian Railways during one of the most challenging periods.

I also thank all the partners and like-minded people who

work with us every day for Ukraine's victory.

Oleksii KULEBA,

Deputy Prime Minister for Restoration of Ukraine - Minister for Communities and Territories Development of Ukraine



KEY FIGURES OF THE WEEK

UKRAINIAN CORRIDOR

TEMPORARY HUMANITARIAN SEA ROUTE

In total, since the beginning of the corridor functioning:

- Arrived: 2883 vessels;
- Loading in progress: 36 vessels.
 Exported:
- grain cargo 52 mt;
- other cargo 26 mt;

TOTAL – more than 78 mt Declared for arrival: 93 vessels, 2.3 mt



eVIDNOVLENNIA

DAMAGED/ DESTROYED HOUSING COMPENSATION PROGRAM

DAMAGED HOUSING

(repairs and overhauls) With a substantial financial commitment of UAH 7.7 billion, we have approved 72.5 thousand applications for housing restoration.

TOP-5 regions:

- Kharkiv
- Kyiv
- Donetsk
- Mykolaiv
- Kherson



Restored apartment building under United24 program with support of UNDP in Irpin, the Kyiv region

DESTROYED HOUSING

(buying new housing)
11252 certificates were generated according to applications, and UAH 17.5 billion was approved for payment. 4727 certificates have already been implemented, with a total of

UAH 8.7 billion.

TOP-5 regions:

- Kharkiv
- Donetsk
- Kyiv
- Kherson
- Mykolaiv



DESTROYED AND DAMAGED INFRASTRUCTURE*

Facilities	Damaged or destroyed	Restored
TOTAL:	222 632	50 525
Individual houses	169 296	28 503
Energy	-	10 110
Apartment buildings	22 295	5 725
Life sustenance	8 957	2 818
Education	3 914	897
Social, sports, and cultural facilities	1 878	315
Healthcare	1 651	512
Roads	1 048	485
Administrative and Centres of administrative services	1003	206
Others	12 610	954



Damaged apartment building after a night drone attack in the Kyiv region

*As of October 25th, 2024, according to regional military administrations since February 24th, 2022

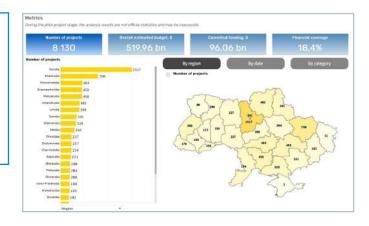
RESTORATION PROJECTS: DREAM ANALYTICS**

The Digital Restoration Ecosystem for Accountable Management (DREAM) is a significant milestone in Ukraine's restoration efforts. It's not just a state digital platform for implementing restoration projects but a powerful tool that underscores our unwavering commitment to transparency and accountability.

8130 projects have been added to DREAM since the launch of its beta testing in September 2023. The number of projects by sector includes:
3125 projects created in the Education sector
1143 projects created in the Healthcare sector
908 projects created in the Water, Sanitation, and Waste management sector
821 projects created in the Housing sector

698 projects created in the Transport sector





*Digital Restoration Ecosystem for Accountable Management (DREAM) is the state digital platform for implanting restoration projects. DREAM collects, organizes, and publishes open data across all stages of reconstruction projects in real time, implementing the highest standards of transparency and accountability.

** DREAM collects, organizes, and publishes open data across all stages of restoration projects in real time, implementing the highest standards of transparency and accountability. As of now, DREAM contains only a part of restoration projects. Legislation ensuring all restoration projects are included in DREAM is being developed.

All the data on projects in DREAM is available on the public <u>portal</u> and via the business intelligence <u>module</u>. At the pilot project stage, the analysis results are not official statistics and may need more accuracy. Join the DREAM and find more information concerning investment projects on <u>dream.gov.ua</u> or write to <u>info@dream-office.org</u>



OLEKSII KULEBA MET WITH U.S. AMBASSADOR BRIDGET A. BRINK

Deputy PM Oleksii Kuleba held a working meeting with U.S. Ambassador to Ukraine Bridget Brink



Deputy Prime Minister expressed hope for further bilateral cooperation and outlined priorities and joint plans to address Ukraine's top priorities identified by the Government. The most important thing is to provide Ukrainians with heat in winter. It is equally essential to ensure water supply for half a million residents of Mykolaiv

and the region, who have not had constant access to clean water for more than two years. Oleksii Kuleba emphasized that the Ministry's competence has been expanded to include the policy of building social housing for internally displaced persons.

Ambassador Bridget Brink congratulated the Deputy

Prime Minister and the new team of the Ministry and emphasized that the key areas of bilateral cooperation remain: support for decentralization reform, further implementation of DREAM, digitalization, and reduction of corruption risks, development of the internal control and audit system.





Bridget Brink
noted priorities for
U.S. assistance,
including addressing
emergency energy
needs, improving border
crossing points,
and supporting a
transparent recovery.

Oleksii Kuleba also introduced the Head of the State Agency for Ukraine's Restoration and Infrastructure Development. Sergiy Sukhomlyn outlined the Agency's priorities and informed the U.S. partners that, in addition to restoring and protecting critical infrastructure, the Agency continues to implement institutional transformation processes: increasing capacity building, creating a central procurement service, an audit and internal control service, and improving the project management team.





Serhii SUKHOMLYN, the Head of the State Agency for Restoration and Infrastructure Development of Ukraine:

The agenda includes protecting regional power supply facilities and small substations in areas close to the front line. Maintaining the proper condition of the transport infrastructure is also extremely important for ensuring logistics in the frontline regions, implementing a project to provide communities with solar panels, and installing modern LED lighting systems.



Oleksii KULEBA, Deputy
Prime Minister for
Restoration of Ukraine Minister for Communities
and Territories
Development of Ukraine:

We are preparing for the heating season and considering the worst possible scenarios for Ukrainian cities. So far, Ukraine has received 160 cogeneration units from USAID. Creating a distributed generation system will be a priority for the coming years. We also continue to build passive protection facilities for energy infrastructure.



SWEDEN SUPPORTS UKRAINIAN CIVILIAN SECTOR

Sweden implements a multi-year support program for Ukraine's civilian sector



The Government of Sweden plans to introduce a multi-year support program for the civilian sector, similar to the cooperation in the defense sector. It was announced during a meeting between the Deputy Prime Minister for the Restoration of

Ukraine – Minister for Communities and Territories Development of Ukraine, Special Envoy for Ukraine's reconstruction business sector and development Ulrik Tideström, and Ambassador of Sweden to Ukraine Martin Öberg.

Oleksii Kuleba noted the importance of coordinating with the Ministry the international partners' cooperation with communities. It is important to avoid imbalance or duplication of projects in the regions.



Oleksii KULEBA,
Deputy Prime Minister for
Restoration of Ukraine Minister for Communities
and Territories Development
of Ukraine:

Ensuring a stable heating season is a big task. We concentrate on the construction of second—and third-level energy infrastructure protection facilities. One of the Ministry's top priorities is re-

storing water supply systems in Mykolaiv and the Mykolaiv region. Ensuring logistics is also important, so we prioritize rebuilding bridges and roads.

The Ministry's priority is developing a housing policy for internally displaced persons. As for regional policy, the agenda remains unchanged—we continue implementing the Decentralization Reform.







The Deputy Prime Minister for Restoration of Ukraine also invited Special Envoy Ulrik Tideström to join the Advisory Group under the State Agency for Reconstruction and Infrastructure Development

of Ukraine. The group will coordinate activities and monitor financial and technical donor assistance with other international partners, contributing to more efficient resource use

and project implementation. For his part, Ambassador of Sweden to Ukraine Martin Öberg noted that the lion's share of Sweden's international assistance is provided to Ukraine.



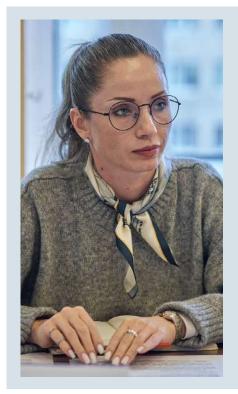
Ulrik TIDESTOM, the Special Envoy for Ukraine's reconstruction, business sector and development:

We will implement a multi-year support program for the civilian sector of Ukraine. A similar program is already in place for the military sector. After the Swedish parliament approves it, we plan to increase the assistance to the civilian sector. We need to be able to respond quickly

to Ukraine's needs, which are constantly growing in the face of war. Our government's task is to support Ukrainian businesses. We are working on developing tools to help Swedish entrepreneurs work with Ukrainian businesses without any obstacles. We also encourage Swedish entrepreneurs to import goods from Ukraine to support the Ukrainian economy, especially for companies not ready to make significant investments.



The Head of the Agency for Restoration, Serhii Sukhomlyn, outlined the Agency's main priorities and tasks. First is the construction of energy facilities protection, the construction of social housing in regions, critical infrastructure recovery, and the construction of a water supply system in the Mykolaiv region. The Agency is also implementing projects to equip communities with solar power plants. At the same time, the Agency will arrange institutional changes that will contribute to more transparency in its work.



Maryna Denysiuk, Deputy Minister for Communities and Territories Development of Ukraine:

Private sector participation in recovery projects is a priority. In particular, through the communication platform for business coordinated by the Ministry. The initiative aims to strengthen the interaction between international and Ukrainian companies in rebuilding Ukraine. This platform is an effective tool to help Swedish business companies better understand Ukraine's current needs and opportunities.



Martin ÖBERG, the Ambassador of Sweden to Ukraine:

Currently, this assistance accounts for 10% of the country's budget. We allocate funds for military needs and also assist the civilian sector, including humanitarian aid and infrastructure reconstruction projects. We also have a financial assistance strategy for Ukraine, where the priority is the direction of European integration.



Natalia KOZLOVSKA, Deputy Minister for Communities and Territories Development of Ukraine:

Currently, territorial communities need assistance in developing urban planning documentation. This is an applied tool for reasonable recovery and reconstruction planning. Only then can we say that the assistance to communities is comprehensive which will contribute to their physical recovery. Sweden's vast practical experience in this area will be useful here. SALAR also has a joint initiative with the State Property Fund to create separate municipal and state property registers. We would also like to contribute to its implementation.



UKRAINE FACILITY: COOPERATION WITH EUROPEAN COMMISSION

The Ministry for Communities and Territories Development of Ukraine continues cooperation with the European Commission within the Ukraine Facility



The Ministry of Communities and Territories Development of Ukraine team met with Gabriel Blanc, the Team Leader and Head of the Reconstruction of Ukraine working group.

The European Commission representatives presented the status of implementing the Ukraine Investment Framework component and its new stages, considering the Public Investment Management Reform.

Deputy Minister Oleksii Riabykin emphasized that new rules for public investment management should be in place in Ukraine by 2025, and the Ministry is actively involved in harmonizing these rules and criteria at the government level.



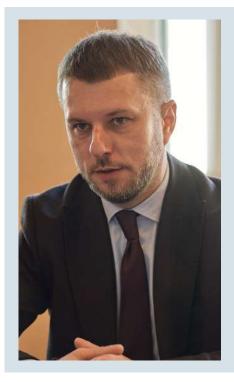




On the other hand, Deputy Minister Maryna Denysiuk emphasized that the main focus of a single project portfolio should be structuring and prioritizing projects by sector and including an integrated policy approach to regional development.

Gabriel Blank spoke about the plans to implement

the Ukraine Investment
Framework and the
importance of applying
a programmatic approach
to selecting regional
projects.



Oleksii RIABYKIN, Deputy Minister for Communities and Territories Development of Ukraine:

We have a huge imbalance between the capacities of different regions. The regions near the frontline currently have no budget revenues, while the rear ones operate almost as they did before the war. Public investment is a matter of community cohesion. We plan to reflect this in the criteria for prioritizing projects at the regional level.



Gabriel BLANC, Team Leader – Reconstruction of Ukraine, DG NEAR:

To support Ukraine's resilience, we have ambitious plans to attract \$40 billion in investment to Ukraine over the next three years. Part of these funds will be attracted to the sectors under the umbrella of the Ministry for Communities and Territories Development.



Maryna DENYSIUK,
Deputy Minister for
Communities and
Territories Development
of Ukraine:

On the one hand, Pillar I of the Ukraine Facility provides that 20% of the funding is directed directly to implementing regional projects. On the other hand, we are working together in the context of Pillar II of the Ukraine Facility, which has developed mechanisms to stimulate private and public investment as the primary tool for Ukraine's recovery.



UNDP SUPPORTS THE RECOVERY PROGRAMS IN UKRAINE

The Ministry for Communities and Territories Development of Ukraine and UNDP are implementing large-scale projects



A meeting between the Ministry for Development and UNDP discussed the results of the programs that had already been implemented and the prospects for cooperation.

Under-Secretary-General of the United Nations, Deputy Administrator of the United Nations Development Program Xu Haoliang congratulated the new ministry team and noted that UNDP supports the team's work strategy, which involves detailed planning and clear requirements for implementing joint projects. UNDP Resident Representative in Ukraine

Jaco Silier noted that the Organization is currently providing unprecedented support to Ukraine, the lion's share of which is directed to projects of the Ministry of Development. According to him, UNDP will continue to support the Ministry in the recovery process.

Deputy Minister Natalia Kozlovska cited the program to restore 18 apartment buildings in the Kyiv region with funds raised by the UNITED24 fundraising platform as an example of successful cooperation. This project was made possible through technical support and

UNDP oversight. Since the platform accumulates contributions from people and businesses around the world, it was important that the reconstruction be as transparent as possible. Natalia Kozlovska noted that the Ministry is developing a social housing project to provide sustainable housing solutions for internally displaced persons.

Deputy Minister Maryna Denysiuk, in turn, emphasized the need to pay more attention to achieving the results of joint work and making them tangible for each community.





Maryna DENYSIUK,
Deputy Minister for
Communities and
Territories Development of
Ukraine:

We are a result-oriented team. Therefore, developing effective mechanisms for prioritizing investment projects is extremely important. It is equally important to attract public funds as investments and create transparent conditions for the private sector. In this context, it is important to continue all the reforms launched, including Public **Investment Management** Reform, Decentralization Reform, and Public Administration Reform, to increase government agencies' capacity building and implement PPP projects at the community level.

Christoforos Politis, UNDP Deputy Resident Representative in Ukraine, noted that UNDP is trying to implement a new philosophy of cooperation and be guided by one principle: all efforts change the fate of people in communities and help them. The organization uses an approach that the Ministry for Development is currently implementing. Namely, it identifies three types of regions: frontline areas, the country's center, and regions far from the war, and priority projects for each. Oleksii Riabykin, Deputy Minister, emphasized that the Ministry has split Ukraine into three nominal regions formed by the war. Each of these regions requires a special approach.



Oleksii RIABYKIN, Deputy Minister for Communities and Territories Development of Ukraine:

The agendas of the frontline regions differ significantly from those of the rear areas, but they all deserve parity in development. In February 2025, we will receive development strategies for each region. This will allow us to consider the objective situation in Ukraine and categorize and prioritize projects according to the needs of each community and region. We look forward to UNDP's support in adapting our institutional capacity and vision of Ukraine's future development, which should be formed now despite the ongoing war.



Jaco SILLIER, UNDP Resident Representative in Ukraine:

More than 60% of all UNDP assistance goes to projects managed by the Ministry of Development. We are jointly implementing more than 12 projects with a total value of over \$415 million.



EUACI CONTINUES TO SUPPORT ANTI-CORRUPTION INITIATIVES OF THE MINISTRY

The EU Anti-Corruption Initiative (EUACI) will continue to support the Ministry in implementing best practices for accountability, transparency, and effective management of the reconstruction process



At the Deputy Prime Minister for Restoration of Ukraine Oleksii Kuleba meeting with the Head of EUACI Allan Pagh Christensen, parties discussed the prospects for cooperation. Allan Pagh Christensen noted that the European Union Anti-Corruption Initiative in Ukraine is committed to continuing collaboration with the Ministry for Communities and Territories Development in the IT sector, in particular in the implementation of the GIS for regional development, as well as providing quality expertise for the analysis and preparation of Ukrainian legislation. EUA-CI's assistance in institutional change at the Agency for Restoration is also essential.





In the reconstruction sector, EUACI is ready to focus its efforts within one of the projects on



redeveloping the city of Mykolaiv, which has already been agreed upon with the local authorities.



CONTACTS

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