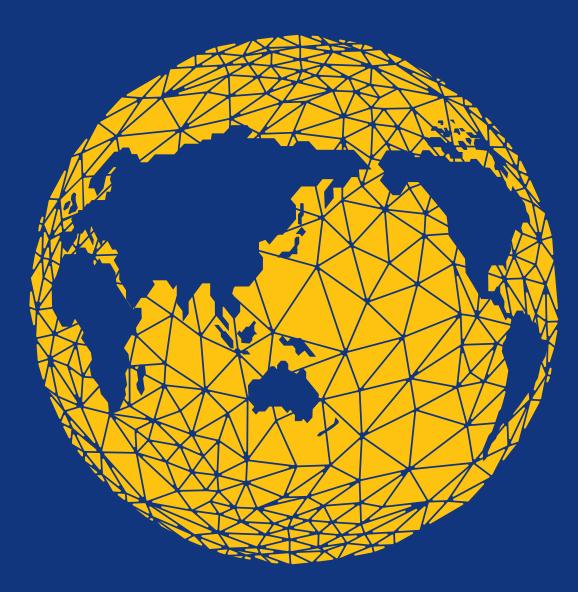
Meeting of the OECD Council at Ministerial Level

Paris, 7-8 June 2023



UKRAINE COUNTRY PROGRAMME



The cover note and Annex A of this document are issued under the responsibility of the Secretary-General of the OECD and do not necessarily reflect the official views of OECD Members. Annex B was approved by the External Relations Committee. Ukraine Country Programme



Overview

- 1. On 5 July, Ukrainian Prime Minister Denys Shmyhal submitted an official request for Ukraine's accession to the OECD, an ambition that Ukrainian leaders had expressed on several occasions previously. The request to open OECD accession discussions came shortly after the European Council had granted Ukraine European Union (EU) candidate status on 23 June 2022. On 4 October, the OECD Council recognised Ukraine as a prospective Member of the OECD and invited the Secretary-General to engage in an initial accession dialogue with Ukraine [C(2022)163/REV1 and C/M(2022)18, Item 240]. On 20 January 2023, the External Relations Committee (ERC) discussed a Secretariat proposal for a Country Programme for Ukraine pursuant to the terms and conditions set out in the Framework for the Establishment of Country Programmes [C/MIN(2013)12]. The proposal was transmitted to Council for discussion and decision. At its 25 January session, Council agreed to invite Ukraine to engage in a Country Programme and invited the ERC "to decide on implementation of the Country Programme, in particular on its mandate, financing, duration, renewal, content, governance, monitoring and evaluation" [C(2023)4/REV1 and C/M(2023)2, Item 18]. On 13 April 2023, the ERC agreed to launch the Ukraine Country Programme set forth in Annex B of this document, for a duration of four years [ERC(2023)11/REV2].
- An OECD Ukraine Country Programme will represent a move beyond the Action Plan 2. that has been in place (and periodically updated) since 2015, in several ways. Whereas the Action Plan was structured in three pillars - (i) anti-corruption, (ii) governance and the rule of law, and (iii) investment and business climate - the Country Programme will refocus OECD work on policy priorities as guided by two strategic documents: Ukraine's National Recovery and Development Plan and the OECD's 2017 Framework for the Consideration of Prospective Members [C/MIN(2017)13]. Integration into the European Union (EU) is the main foreign policy priority for Ukraine, and the top priority in the Government's Priority Action Plan for 2023.¹ Policy priorities identified for the Country Programme therefore reflect relevant EU's Accession priorities for Ukraine, namely the seven EU Commission Recommendations² while contributing to the overall Programme objective of supporting the reconstruction and recovery of Ukraine in line with Ukraine's own priorities. The Country Programme will also help structure the OECD's contribution to the work of the Multi-Agency Donor Co-ordination Platform led by Ukraine, the European Union and the United States, and its implementation will be adjusted as required in line with the priorities emerging from the Platform.
- 3. Furthermore, the Country Programme is envisaged to be funded as a multi-annual Programme, with clearly defined deliverables and an agreed, though necessarily flexible, timeline. In that sense, it is more structured and comprehensive, more concrete and predictable than the Action Plan. Also, it has been organised on a whole-of-OECD/whole-of-government basis, to ensure that it corresponds well to the policy reform priorities that Ukraine and the Organisation have agreed in the context of Ukraine's request for OECD Membership. Given resource constraints and the scale of the challenges facing Ukraine, a co-ordinated, mutually agreed approach, with certain level of flexibility to adjust the implementation of activities to Ukraine's difficult and highly uncertain context, will be critical to delivering the best possible outcomes. Finally, the Country Programme signals a step change in Ukraine's relationship with the OECD and

^{1.} See: https://www.kmu.gov.ua/en/news/uriad-zatverdyv-plan-priorytetnykh-dii-na-2023-rik

^{2.}See:<u>https://www.eeas.europa.eu/delegations/ukraine/eu-commissions-recommendations-</u> ukraines-eu-candidate-status_en?s=232

underpins the Council's decision to conduct an "initial accession dialogue" with concrete measures, targets and actions [C(2022)163/REV1].

4. The Country Programme thus offers a more structured form of co-operation with the Organisation, bringing various benefits. The Country Programme will enable Ukraine to familiarise itself with OECD working methods, to align with OECD standards and best practices, to draw closer to OECD bodies, to adhere to selected OECD legal instruments, and to connect with a large network of experts and peers in OECD countries via participation in OECD bodies. In addition, Ukraine will be able to participate in horizontal projects of global significance, to exchange and harmonise data, so that it be better represented in OECD databases and indicator systems, and to second officials to the Organisation.

Governance, Organisation, Monitoring and Evaluation

- 5. The Ukraine Country Programme will be governed in accordance with the Organisation's rules, in particular the Framework for the Establishment of Country Programmes [C/MIN(2013)12] (hereinafter "the 2013 Framework"), as well as the Organisation's rules and regulations, in particular the Council Resolutions on a New Governance Structure for the Organisation [C(2006)78/REV1/FINAL] and Governance [C(2015)100] and on Partnerships in OECD Bodies [C(2012)100/REV2/FINAL], as well as the Financial Regulations of the Organisation [C(2008)92/REV1].
- 6. Accordingly, the External Relations Committee (ERC) agreed to launch the proposed Country Programme for Ukraine, subject to the decisions by other competent bodies:
 - Output Results to be delivered under the Programme will be included in the Programmes of Work and Budget (PWB) of the relevant committees which are submitted by these committees to the Council for approval, via the Budget Committee.
 - The grant agreements to fund the Programme will be submitted to the Budget Committee for review and acceptance in accordance with Regulation 14, paragraph 2 of the Financial Regulations.
 - Decisions on Partnerships in OECD bodies will be taken by the Council, via the ERC, in consultation with the relevant committees.
 - Decisions on adherence to OECD legal instruments will be taken in line with the relevant rules and practices.
- The co-ordination of the Country Programme will be assured by the Ukraine Unit within 7. the Global Relations and Co-operation Directorate, with the support of the OECD Ukraine Liaison Office in Kyiv. The Unit's role will be to ensure the timely implementation of the work as per agreement, liaise with OECD Directorates, including corporate services, develop the proposal, prepare monitoring reports to ERC and Council, as requested, liaise with donors and communicate with the Government of Ukraine on issues related to the Country Programme. The Kyiv Office team will provide on-theground support to teams on mission, including online missions, ensure relevant engagement of Ukraine government representatives in OECD work and support the preparation of Ukrainian officials for participation in OECD meetings and events. GRC will also contribute with analytical inputs on the work as needed, will ensure stakeholder engagement and will act as the main contact point for OECD members, OECD Directorates and the Government of Ukraine on issues related to the Country Programme. The ultimate objective of the co-ordination is to ensure that OECD support is coherent and that activities are well implemented, with due regard for the Ukrainian authorities'

absorption capacity, particularly given the demands of wartime on the public administration.

- 8. On the part of the Government of Ukraine, the implementation of the Country Programme will be overseen by the Minister of the Cabinet of Ministers of Ukraine, as defined by the OECD-Ukraine Memorandum of Understanding. The co-ordination of the Programme's implementation will be carried out by the Secretariat of the Cabinet of Ministers of Ukraine in close consultation with line ministries and relevant organs.
- 9. In accordance with these provisions, the Ukraine Country Programme has been designed as described below. The Secretariat will report every six months on the implementation of the Country Programme – *ad hoc* reports may be requested by Council. The Ukraine Country Programme will undergo regular monitoring and bi-annual reporting of progress of its outputs and outcomes, and a final evaluation at the end of its implementation period, inspired by the practices and evaluations of other Country Programmes, notably with regards to the methodology used to measure qualitative and quantitative metrics.

Outline of the Country Programme

- 10. This Country Programme structures Ukraine's co-operation around two fundamental pillars: (i) the 2017 Framework for the Consideration of Prospective Members [C/MIN(2017)13] and (ii) Ukraine's own priorities, namely those of the draft chapters of the National Recovery and Development Plan (NDRP), under development by the Government, as well as those reflected in the Government's Priority Action Plan for 2023 approved on 14 March.³ In line with the latter, in the short-term, the Country Programme will contribute support macro-economic management and business environment reforms, continued decentralisation and regional development, effective public administration, the rule of law, environmental protection and integration into the EU. The mid- to long-term priorities reflected in the former are moving targets, because the NDRP is a "living document", evolving as the war proceeds, and the government expects it to remain so until the war ends.
- 11. The Country Programme does not provide Ukraine with any special status vis-à-vis the OECD, nor does it imply any commitment with respect to accession to the OECD. As stated in the Council decision of 4 October 2022, the opening of accession discussions and the preparation of a draft roadmap for accession, would require a further decision by Council at a future time [C/M(2022)18, Item 266 c)]. Nevertheless, in contrast to most other Country Programmes, the *content* of the Programme will be designed to help Ukraine advance towards such a goal in the context of the initial accession dialogue that Council.
- 12. The Programme will enable Ukraine to leverage OECD expertise and best practices, strengthen institutions, and build capacity for successful policy reforms aligned with OECD standards and best practices. The Country Programme will consist of (i) reviews and other projects resulting in policy recommendations, and complemented by capacity-building activities, (ii) OECD instruments to which Ukraine could adhere, and (iii) targets for enhancing Ukraine's participation/status in OECD bodies, all these as **benchmarks for reform**. Ukraine's convergence with OECD standards will be mutually beneficial for all partners involved and will simultaneously help Ukraine move closer to certain parts of the EU *acquis*.

³ See: <u>https://www.kmu.gov.ua/en/news/uriad-zatverdyv-plan-priorytetnykh-dii-na-2023-rik</u>

Funding and duration

- 13. Given the stress on Ukraine's public finances in wartime, the Country Programme will be **funded in full by donor contributions** through voluntary contributions (VCs) to the Country Programme through a multi-year funding arrangement. While it is intended that the Country Programme be politically and financially supported as a whole, to be confirmed with the Ukrainian authorities, financial contributions can be organised throughout the life of the programme, or in annual instalments, to reflect donors' own budgeting arrangements. Financing the Programme in this way will streamline support to Ukraine from OECD Member countries eager to contribute to the Organisation's work with the country, maximise the efficient use of resources and facilitate the monitoring of, and reporting on, the financial expenditures. In accordance with OECD financial regulations, grants are to be submitted to the Budget Committee as soon as possible after the launch of the Country Programme. The note to be prepared for the Budget Committee will specify the various Output Areas and Output Results to which they will be allocated.
- 14. The Country Programme will run for **four years** in order to allow sufficient time for Ukraine to demonstrate concrete results, while permitting OECD Members to assess the absorption capacity of the country, its political willingness to work closely with the OECD and its readiness to put changes in place. The implementation of the Programme may be put on hold, or its duration extended in case of *force majeure*, pending ERC approval.
- 15. As per Council request, the launch of the Country Programme is expected to be welcomed at the OECD Ministerial Council Meeting in June 2023 in the presence of Prime Minister of Ukraine. The Ukraine Country Programme might be renewed for further periods, at the parties' request, subject to (i) a review of the results, (ii) availability of financing and (iii) ERC approval.
- 16. Following consultations with the Government of Ukraine and OECD Directorates during February 2023, and a subsequent consultation in March 2023 to address OECD Members' comments, a list of priorities in the short, medium and longer term, including reviews and capacity-building activities, has been identified, revised and is presented in Annex B. The activities are costed individually, and it estimated that the total cost of the 4-year Country Programme for Ukraine will be EUR 16,500,000 for its entire duration.

Expected outcomes

- 17. The Country Programme is to be a **mutually beneficial partnership**, where together the OECD and Ukraine can develop and oversee the strategic orientation of the relationship and ensure that the dialogue remains focused and forward-looking, with a view to both Ukraine's recovery and its EU and OECD accession ambitions. The Country Programme will offer Ukraine:
 - enhanced access to international best practices and exchange of experiences via greater participation in OECD bodies;
 - tailored-made reviews and peer learning;
 - improved quality of policy reforms in line with OECD standards;
 - further anchoring of long-term reforms, including via adherence to selected OECD legal instruments;
 - enhanced network of international experts and peers; and
 - stronger links with the OECD community.

18. In sum, such a Programme could help Ukraine advance on its OECD and EU agendas and implement its National Recovery and Development Plan in line with international best practices and consistent with the approach to recovery agreed by Ukraine and its partners in the Lugano Principles.⁴

Programme Content

- 19. The Country Programme includes three types of deliverables/targets:
 - a list of proposed reviews and other capacity-building activities requested by the Ukrainian authorities;
 - selected OECD legal instruments for Ukraine to advance alignment with the Organisation's standards, divided into short, medium, and long-term priorities; and
 - potential forms of partnership in OECD bodies (e.g., Participant or Associate status).
- 20. OECD activities in support of Ukraine already being implemented will continue to run in parallel according to previously agreed obligations with the government of Ukraine and donors. The work implemented in the framework of this Country Programme will seek synergies with these other activities as appropriate and will build on findings and recommendations stemming from this work as relevant. Annex A presents a short description of OECD activities under way which will continue but are to be implemented outside the scope of this County Programme, including sources of financing, duration and donors.
- 21. In addition, previous OECD work on Ukraine, concluded prior to the beginning of the Country Programme, will remain relevant and is well reflected in the proposals presented in Annex B. Specifically, findings and recommendations from previous work will be used as benchmarks to assess the status of implementation of OECD policy recommendations, identify pitfalls and delve deeper into policy support. Moreover, two economic sectors, agriculture and energy, will be the focus of sectoral policy work, given the longstanding OECD work in these sectors and their importance for Ukraine's postwar recovery and reconstruction.
- 22. In December 2022, the International Energy Agency (IEA) and Ukraine signed a twoyear joint work programme to help the country's energy system recover and lay the foundations for its transition to a secure and sustainable energy future. The OECD and IEA Secretariat will continue to closely co-ordinate the implementation of their work in Ukraine and will seek synergies and complementarities to maximise impact. The Secretariat will also continue to co-ordinate its work with the International Transport Forum (ITF) and to seek synergies and complementarities as relevant, particularly in relation to work on the impact of war in Ukraine on transport infrastructure and connectivity.
- 23. Annex B below presents a list of deliverables requested by Ukraine and discussed with the Government of Ukraine and OECD Directorates. The following criteria were applied to guide the selection:

⁴https://decentralization.gov.ua/uploads/attachment/document/1060/Lugano_Declaration_URC202 2-1.pdf

- policy reviews and capacity-building activities that directly support Ukraine's recovery and development;
- priorities in line with the OECD's 2017 Framework for the Consideration of Prospective Members [C/MIN(2017)13];
- priorities in support of Ukraine's own National Recovery and Development Plan, the Government Priorities for 2023;⁵
- priorities that support Ukraine's adherence to OECD legal instruments or enhanced participation in OECD bodies;
- priorities that address key EU accession challenges particularly the seven European Commission recommendations and Ukraine's alignment with EU Acquis;⁶
- priorities that show clear OECD value added/comparative advantage, so as to ensure the additionality of OECD support and avoid overlaps and duplication of work with Ukraine's other international partners; and
- feasibility of activities in wartime.
- 24. Annex B is divided in three sections, with priorities as agreed with the Government of Ukraine as follows:
 - Section 1 Output results: list of reviews and capacity-building activities requested by the Ukrainian Authorities and confirmed by OECD Directorates.
 - Section 2 Potential forms of partnership in OECD bodies.
 - Section 3 OECD legal instruments to which Ukraine will seek adherence.

Programme Implementation

- 25. Implementation of the Country Programme will begin in the second half of 2023, following the June 2023 Meeting of Council at Ministerial Level. Subject to the course of the war, specific work can begin in line with the rough sequencing of activities presented in Annex B. Short-term priorities, to kick-off in 2023 and early 2024, have been selected for their relevance to the Government's own 2023 priorities and their feasibility in wartime. Most desk research, consultations and exchanges with Ukrainian officials needed for this work can take place despite the war, either remotely or with the support of the team in the OECD Ukraine Liaison Office in Kyiv (the "Kyiv Office"). OECD staff missions to Ukraine will continue to be restricted in number, scope and duration, and will be subject to the Organisation's rules and procedures governing missions to high-risk destinations.
- 26. Programme implementation will be flexible and adapt to changing circumstances both in Ukraine and abroad. This flexibility could, if necessary, extend to the duration of the Programme itself, subject to ERC approval, should circumstances require that it be put on hold for a time or simply extended for some period. The Kyiv Office is being set up and adapting to the local conditions to support the implementation of the Country

⁵ <u>https://www.kmu.gov.ua/en/news/premier-ministr-nazvav-10-priorytetiv-uriadu-na-2023-rik</u>

⁶ <u>https://neighbourhood-enlargement.ec.europa.eu/commission-analytical-report-ukraines-alignment-eu-acquis_en</u>

Programme, and the Secretariat continues to monitor the situation and the associated risks closely.

27. Throughout the years, the OECD has built a strong network of Ukrainian stakeholders within the administration and beyond, with whom a high level of trust and professional trust has been created. Also, the OECD and Ukraine have put in place informal yet systematic work methods given the difficult circumstances, which will allow to maximise the chances of success. The dedicated Ukraine Unit in GRC and the dedicated OECD Unit in the Secretariat of the Cabinet of Ministers work very efficiently together, and with the Kyiv Office team, this collaboration will be taken to the next stage. There is thus good reason to be confident about Ukraine's ability and readiness to undertake the Programme with the OECD. Close co-operation and communication will also help the two parties identify changes in the situation and adapt the work to the evolution of conditions in Ukraine.

Cross-cutting issues

Environment

- 28. Ukraine's economy has long been dominated by energy-, resource- and pollutionintensive sectors, a legacy of the Soviet past. Prior to the war, it faced challenges arising from outdated technologies in the mining and metallurgical sectors, energy-inefficient housing and outdated transport systems. The war itself has caused further widespread and severe environmental damage, with both short- and long-term consequences for human health and ecosystems⁷. The OECD has worked with Ukraine to address the Soviet industrial and infrastructure legacy and other environmental challenges since the early 1990s. It will be critical to keep them in focus as Ukraine rebuilds, investing in a more sustainable and energy-efficient future.
- 29. OECD policy recommendations, legal instruments, policy guidance, and capacitybuilding activities included in the Country Programme could help Ukraine advance towards its domestic policy goals, while helping it fulfil commitments made to the EU and the IMF, as well as under the UN Sustainable Development Goals (SDGs). All activities included in the Country Programme will take into account the environmental component to some extent. For example, the work on Responsible Business Conduct guidelines and more particularly work on energy and environmental sectors will seek help Ukraine design and implement effective policies to address environmental problems and sustainably manage resources.

Gender

30. The OECD has long championed gender equality and has developed gender-specific legal instruments to provide a framework for policy action, most notably the 2013 *Recommendation on Gender Equality in Education, Employment and Entrepreneurship* [OECD/LEGAL/0398] and the 2015 *Recommendation on Gender Equality in Public Life* [OECD/LEGAL/0418]. These Recommendations have been adopted by the OECD Council and adhered to by some Partners, and they provide policy principles, guidelines and concrete measures to advance gender equality. Ukraine aims to adhere to these instruments and the Country Programme includes capacity-building activities to help Ukraine implement the Recommendations and improve gender policy.

⁷ <u>https://www.oecd.org/ukraine-hub/policy-responses/environmental-impacts-of-the-war-in-ukraine-and-prospects-for-a-green-reconstruction-9e86d691/</u>

31. In general, the Country Programme will mainstream gender into all activities and will use gender specific tools and data available to the extent possible. The implementation of the Country Programme will also be ensured by gender-diverse OECD teams, and the OECD will seek to ensure gender balance among the experts and Ukrainian stakeholders it involves in the work.

Risks and Mitigation strategies

- 32. Due to Russia's ongoing war of aggression against Ukraine and the constantly changing nature of the hostilities, the Country Programme will face specific risks that do not normally feature as a part of OECD work. The Country Programme has been drafted with an awareness of the wartime conditions in Ukraine and an understanding that these might change abruptly. The main risks and proposed mitigation strategies are outlined below. OECD staff working on the Country Programme understand the need to adapt quickly to changing conditions and to leverage available resources for the successful continuation of the Country Programme. The Programme offers a level of flexibility to address any emerging needs and takes full consideration of the highly volatile context.
- 33. Potential risks and proposed mitigation strategies are as follows:
 - a. Escalation of Hostilities.

In case of escalation of hostilities, particularly greater concentration of Russian action against Kyiv and the Kyiv region, in-country activities will be put on hold, OECD-Ukraine Liaison Office staff will be evacuated, and the situation will be closely monitored to ensure continuation of the activities on the ground as soon as conditions allow. All work feasible for continuation will continue and will be co-ordinated by the GRC Ukraine Unit and OECD-Ukraine Liaison Office from Paris. The team will remain in close contact with Ukrainian counterparts and ensure rapid resumption of work as and when the security situation improves.

b. Capacity limitations.

Already mindful of the weakened institutional capacities in the Ukrainian government due to the war, the activities of the Country Programme have been sequenced to reflect not only short, medium and long-term priorities, but also to avoid overload (not all projects will proceed at once). The work will focus first on activities that need a large amount of desk research and that do not make excessive demands on the Ukrainian authorities. However, if a change in circumstances burden further the Ukrainian public administration capacities to take part in the Country Programme, a decision can be made to limit the activities even further and/or delay some activities, in order to refrain from overburdening Ukrainian institutions and staff. Furthermore, with Ukraine's challenges and circumstances changing daily, actions on priorities will vary depending on immediate needs. Should the country find itself limited in capacities and resources to engage in the OECD Country Programme, the OECD will implement greater use of OECD-Ukraine Liaison Office staff for increased support and co-ordination locally, and to alleviate any potential burden on the Ukrainians. The work will at all times be demand-driven and orchestrated in such a way that OECD support is enabling rather than burdensome.

c. Financial constraints.

Given the financial burden the Ukrainian government faces, especially in the light of the war, OECD Members agreed to the Programme being funded in full by voluntary contributions (Ukrainian contributions, particularly in-kind contributions or help with in-country costs, will also be welcomed) to mitigate the risks to Programme implementation resulting from the Ukrainian state's financial difficulties. The Programme will be launched only if the minimum level of funds for a start of initial activities envisaged in the Programme is secured by donors.

d. Staffing constraints.

Should the Country Programme work experience barriers in implementation due to insufficient staff resources, the OECD Ukraine Unit will communicate with OECD counterparts about the need for additional staff to ensure timely implementation depending on identified needs and gaps.

e. Missions.

As noted above, the Country Programme will be implemented with an awareness of the risks associated with missions to Ukraine, and the OECD's rules and procedures governing missions to high-risk destinations will apply. In addition, every effort will be made to ensure that missions are (i) essential, (ii) as short as possible, and (iii) limited in size. To the extent possible, project work will be conducted a distance, with maximum reliance on online interactions. This will limit risks to OECD staff and at the same time reduce the burden on Ukrainian institutions.

34. Risks and mitigation strategies will be continuously evaluated, co-ordinated, and discussed internally and between the OECD and the Ukrainian authorities. Should Country Programme work experience barriers in implementation for any reason, the GRC Ukraine Unit, with the help of the OECD Ukraine Liaison Office, will communicate with OECD and Ukrainian counterparts about the reasons for delays and identify ways forward.

Complementarity

- 35. The Country Programme has been designed with specific reference not only to Ukraine's government priorities but also to the activities and priorities of Ukraine's other international partners. Activities presented in Annex B are aligned with broader policy priorities but also bring OECD's unique added value to the broader reform and recovery efforts. Some proposed projects have been set aside to avoid duplication, whereas others have been prioritised because they appear to fit well into the broader picture, particularly in relation to several key points of reference.
 - On 3 January 2023, the Prime Minister announced the ten priorities for government action in 2023,⁸ several of which would benefit from in-depth OECD support in areas such as education, decentralisation, reform of state property management and public administration reform. These are reflected in the 2023 Government Action Plan adopted in March 2023.
 - On 1 February 2023, the European Commission published a detailed analytical report assessing the capacity of Ukraine to assume the obligations of EU membership and its position with regard to their with the EU acquis. The EC report ranked 33 policy areas according to their level of preparation to implement the EU

⁸ <u>https://www.kmu.gov.ua/en/news/premier-ministr-nazvav-10-priorytetiv-uriadu-na-2023-rik</u>

acquis in each policy area. The Country Programme takes these priorities into account and will seek to support Ukraine's EU aspirations.

- The results of the IMF February 2023 mission to Ukraine⁹ also acknowledged concrete achievements but highlighted priority areas for further reform and improvement, for which OECD legal instruments, know-how and networks could support. On 31 March 2023, the IMF Board approved a new 48-month extended arrangement under the Extended Fund Facility (EFF) as part of a US\$115 billion total support package for Ukraine. Ukraine's EFF-supported programme aims to anchor policies that sustain fiscal, external, price and financial stability and support economic recovery, while enhancing governance and strengthening institutions to promote long-term growth in the context of post-war reconstruction and Ukraine's path to EU accession. In all these areas, the OECD can bring expertise and support Ukraine meet its obligations.
- The G7 Ambassadors Support Group for Ukraine has been actively engaged with the government with the aim to advance Ukraine's economic reform process through co-ordinated advice and assistance. The Group encourages Ukraine to strengthen its reforms in various areas, spanning from rule of law and democratic institutions to green transition and gender equality. The Country Programme is well aligned with these priority areas of focus of the Group, and particularly can contribute to the Group Priorities for 2023¹⁰ under Japanese presidency in terms of supporting economic recovery and development, advancing the judicial reform and law enforcement, fight against corruption, strengthen governance and institutions, and pursue the reform the energy sector and the transition to green economy.

Co-ordination

- 36. Programme implementation will be co-ordinated closely with Ukraine's other international partners to ensure co-ordination and relevance. The Multi-Agency Donor Co-ordination Platform for Ukraine¹¹ co-chaired by the United States, the European Union and Ukraine, will be the high-level platform for the co-ordination of donors' support to Ukraine. The objective of this platform is ultimately to unite and direct efforts aimed at rebuilding Ukraine. To that end, the Platform will work closely with the Ukrainian authorities to define, prioritise and sequence strategic needs and will coordinate international efforts to support a sustainable, resilient, inclusive, and green economic recovery. The OECD is part of the Platform, to ensure additionality and avoid overlaps. The OECD's support will focus on policy issues where the Organisation has strong comparative advantages to complement efforts by other members of the Platform.
- 37. The activities presented in the Country Programme reflect the priorities identified not only by Ukraine itself and the OECD, but also by the EU, the IMF and other bilateral donors, with whom the draft Programme has been discussed. As the Co-ordination

⁹ <u>https://www.imf.org/en/News/Articles/2023/02/17/pr2346-imf-staff-and-ukrainian-authorities-reach-staff-level-agreement-on-the-review-of-pmb</u>

¹⁰ <u>https://www.ua.emb-japan.go.jp/files/100446057.pdf</u>

¹¹ <u>https://neighbourhood-enlargement.ec.europa.eu/news/ukraine-multi-agency-donor-</u> coordination-platform-ukraine-kick-starts-work-2023-01-26_en

Platform advances its agenda, and specific policy priorities are identified, the Country Programme will adjust the implementation timetable as needed in order to contribute to more pressing priorities agreed by the Platform. The Country Programme activities can also be adjusted in scope to adapt to identified priorities as they emerge and to avoid overlap with other activities.

38. In addition, the OECD Ukraine Liaison Office team will convene regular meetings at more technical level involving in-country representatives from the Platform members and other relevant stakeholders to ensure that its work is implemented in full alignment with the agenda of the Coordination platform.

Annex A - Ongoing OECD work in support of Ukraine

Macroeconomic and structural policies

39. The Economics Department has **established a Ukraine desk**, staffed by a Senior Economist and a seconded Ukrainian official. Work under way in ECO will prepare the ground for a full-fledged Economic Survey of Ukraine when circumstances permit. It is also responding to other requests for analytical input from Ukraine and working to incorporate Ukraine into OECD forecasting and indicator systems. (Funded by Poland, Lithuania and Slovak Republic, total EUR 120k, ongoing until end 2023)

Public governance

- 40. The OECD continues its work to disseminate the findings of the OECD report Rebuilding Ukraine by Reinforcing Regional and Municipal Governance launched in December 2022. A joint workshop with the European Alliance of Cities and Regions for the Reconstruction of Ukraine, the Committee of the Regions, the European Commission, and the governments of Switzerland, the United Kingdom and Ukraine "From Lugano to London: The Role of Local and Regional Governments in Ukraine's Recovery Process" will be organised on 25 May 2023 in Brussels. The objective is to explore how to strengthen the role of regional and local governments in Ukraine's reconstruction and recovery process, and on the road to EU accession. The event will also provide a platform to discuss the necessary capacities of sub-national governments in other countries with respect to disaster management and post-disaster reconstruction and recovery. The event will result in an outcome document including specific recommendations towards the London Ukraine Recovery Conference. (No funding, one-off activity)
- 41. The OECD-EU SIGMA (Support for Improvement in Government and Management) Programme has been providing strategic advice to Ukraine on the implementation of various aspects of the Public Administration Reform (PAR) Strategy and its Action Plan, as well as the Public Finance Management (PFM) Strategy continuously since 2008. Activities have been particularly intensified since the Revolution of Dignity in 2014 and have been maintained after the outbreak of Russia's aggression. Ongoing work includes further support to improving the strategic framework of PAR (PAR and PFM Strategy, reporting and monitoring), support to the design of the salary reform in the civil service, as well as improvement of the regulatory framework for civil service at central level and employees of local self-government. Work on implementation of the new Law on Administrative Procedure includes advice on most efficient and effective ways of setting up the new system and changes needed to the existing regulatory framework. Training and advice are also provided on improvements required to internal financial control and public procurement systems, as well as advice on improvement of approach towards spending reviews and in preparation of the new law on Accounting Chamber of Ukraine. Advice is provided to the Ministry of Economy on improving the policy and regulation on public procurement system. SIGMA cooperates with the Secretariat of the Cabinet of Ministers of Ukraine (SCMU), Ministry of Justice, National Agency of Ukraine for Civil Service, Ministry of Digital Transformation, Ministry of Finance, Ministry of Economy and with the responsible committee of the Verkhovna Rada (the Parliament). In 2023, at the request of the SCMU, SIGMA is carrying out assessment of Ukraine's public administration against the Principles of Public Administration as one of the fundamentals for the European integration process. The work is carried out in close

co-operation with the EU Delegation to Ukraine. (Funded by the EU, total EUR 1.8 million approx. for Ukraine, ongoing until end July 2025)

42. The OECD Regulatory Policy Division is organising in 2023 a series of four online workshops for the benefit of the State Regulatory Service of Ukraine (SRS). These workshops discuss **regulatory policy** in a broad and general manner, as well as taking a more in-depth look at topics such as ex-post evaluations, governance and performance of regulators, and finally, administrative simplification. The workshops are an opportunity for the SRS to learn more of the work and best practices developed by the OECD over the years in the field of regulatory policy and a chance for the OECD to best understand the needs of the State Regulatory Service of Ukraine. Interpretation English-Ukrainian for the workshops is provided by SRS with USAID support. (**No funding, in-kind support, ongoing until end 2023**)

Competition

- 43. An EU-funded **Market Study of the Ukrainian Electricity Sector**, which began in September 2021, continued after Russia's invasion of Ukraine, albeit with adjusted scope. The study will deliver recommendations on how to improve the functioning of Ukraine's electricity sector by identifying outstanding obstacles to competition in this sector in the context of Ukraine's integration with the European electricity grid in the spring of this year. The demand for this work which the Ukrainian authorities asked the OECD to continue reflects the government's determination to press ahead, to the extent possible, with long-term reform and reconstruction priorities even in wartime. The draft report was submitted to Ukrainian stakeholders and to the EU in January 2023. The final report is being finalised and will be launched on 30 June 2023. (Funded by the EU, total EUR 1.472 million, ongoing until July 2023)
- 44. The OECD will conduct **a project on PPPs and Concessions** in Ukraine by reviewing the application of an adapted SOURCE Methodology for PPPs and Concessions in Ukraine, which is to be integrated in the national eProcurement system PROZORRO. It foresees the application of an upgraded SOURCE tool which requires several rounds of evaluation under a quality assurance process for which the OECD would contribute. The work will start in early 2023. (Funded by the Sustainable Infrastructure Foundation, total EUR 30k, ongoing until end 2023)

Education and Skills

- 45. The OECD co-operation with Ukraine in the area of education and expanded in the past year despite the war with Ukraine administering PISA 2022 survey in October 2022 (with results to be released in December 2023) and Ukraine's confirmed participation in PISA 2025 assessment. The PISA 2025 participation agreement was signed by Ukraine's Minister of Education and the OECD Director for Education and Skills on 28 February 2023 in Kyiv. In addition to this, Ukraine confirmed its participation in the OECD survey on social and emotional skills. (Funded by Stiftung Auxilium, total EUR 250k, ongoing until end 2024).
- 46. Building on the data collected through these large-scale surveys, the OECD will support Ukraine to gain actionable insights to define priorities for rebuilding the post-war education system. (Funded from the PISA Part II reserve of carry forward appropriations, total EUR 157k, until end 2025)

- 47. Through the PISA Network, the OECD helped support displaced learners inside and outside the country, including supporting Ukrainian refugee school leavers to **complete their entrance exams for higher education across European countries**. During the academic year 2022-2023 EDU is also supporting Ukraine with the development of the Master's exit exams. (Funded by Germany, total EUR 30k, ongoing until June 2023).
- 48. The OECD is continuing to support Ukraine's Ministry of Education and Science to upgrade its online education resources to support displaced learners inside and outside Ukraine and build the system inside and outside Ukraine. In particular, the OECD has identified and is now working on the translation and adaptation of evidence-based digital learning resources developing children's socio-emotional and cognitive skills; and develops policy briefs on catch up strategies for students whose education was disrupted using digital and non-digital means and supports the Ministry in providing information about a sound regulatory framework to make a more intensive use of cloud-based digital solutions in education. (Funded by Stiftung Auxilium, total EUR 180k, ongoing until October 2023)
- 49. The Education Policy Committee has supported OECD Members through policy advice, analysis and comparative data on the **integration of Ukrainian refugees into the education systems of host countries**. Four thematic policy briefs were produced in the second half of 2022, focusing on refugee students, refugee teachers, integration through VET systems, and social and emotional well-being¹². In addition, in July 2022 the INES network collected information from OECD Members on their education policy response to support Ukrainian refugees. The INES programme is planning a repeat survey in spring 2023, with the results to be released in Q2-Q3 2023. (Funded by Ireland and the UK, total EUR 60k, until end 2024)
- 50. With regards to on-going OECD support to Ukraine's post-war recovery, the OECD Education 2030 project will produce a series of "recovery strategies", i.e. case studies examining how countries have rebuilt their education system after a major crisis (e.g. war, natural disaster etc.). It is expected that nine "recovery strategy" case studies will be shared with Ukraine by April 2023. (Funded by Stiftung Auxilium, total EUR 180k, ongoing until April 2023 to be extended)

Migration

- 51. The OECD is administering the Survey of Arriving Migrants from Ukraine (SAM UKR) in co-operation with the European Asylum Agency (EUAA) to collect information about Ukrainian refugees that had to flee the country. There was a joint report published in October 2022, but the survey is being updated and a follow-up report is planned to be published in 2023. The updated survey focuses on integration, migration and return intentions. (Funded by CPF, total EUR 107k, ongoing until end 2023)
- 52. The OECD is supporting the reception and integration of Ukrainian refugees in recipient countries, monitoring the flows and their composition in member countries, along with policy responses, to identify and address emerging challenges. Activities build upon the existing work and include outputs/events on labour market outcomes, dual intent integration and improving the monitoring and data quality in emergency situations. (Funded by CPF, total EUR 139k, ongoing until end 2024)

¹² <u>How VET systems can support Ukraine</u> (July 2022); <u>The Ukrainian Refugee Crisis: Support for teachers in host countries</u> (August 2022); <u>Supporting refugee students from Ukraine in host countries</u> (August 2022); <u>Supporting the social and emotional well-being of refugee students from Ukraine in host countries</u> (November 2022).

53. The OECD co-operates with the French Ministry of the Interior and other French authorities as part of a new DG Reform funded TSI project on 'Improving the assessment, recognition and validation of skills and qualifications for refugees from Ukraine in France' to better support Ukrainians' skills-appropriate labour market inclusion. (Funded by the EU, total EUR 280k, ongoing until February 2024)

Tax

- 54. The OECD provides support to Ukraine in implementing international tax standards to address base erosion and profit shifting (BEPS), with a view to tackling tax avoidance and fostering domestic resource mobilisation. The OECD will also provide help in addressing tax policy and administration challenges arising from the war. Expected outputs include training for officials, guidance and support in the design and implementation of legislation, regulations and administrative policies to implement BEPS standards, and work to address the tax challenges regarding the displaced population and improve compliance of multinational enterprises (MNEs) during the war. Additional activities include tailored training for judges of the Administrative Court and the Supreme Court, as well as Ukraine's inclusion in OECD Revenue Statistics, which will enable detailed policy analysis and recommendations for mid- and long-term tax policy strategy. (Funded by Norway and Switzerland, total EUR 2 million, ongoing until end of 2025)
- 55. The OECD provides **support to Ukraine in implementing tax transparency standards**, as well as effectively using the information exchanged, through the Global Forum for Transparency and Exchange of Information for Tax Purposes. The work includes support with the implementation of a Voluntary Disclosure Programme on the occasion of the launch of the Common Reporting Standard (CRS) in Ukraine. (Funded by Norway and Switzerland, total EUR 500k, ongoing until end of 2025)

Energy

56. The International Energy Agency (IEA) signed a two-year joint work programme with Ukraine to help the country's energy system recover from the destruction caused by Russia's invasion and lay the foundations for its transition to a secure and sustainable energy future. Cooperation will focus on the recovery of Ukraine's energy system and its transition to sustainable energy. (Funded by the EU through the EU4Energy Programme, Lithuania, Canada and Clean Energy Transitions Programme, total EUR 4.033 million, ongoing until mid-2025)

Environment

- 57. The OECD is analysing the green debt capital markets in Ukraine. The work reviews the current use of green bonds in Ukraine and analyses prospects for their broader use to mobilise finance for green investments. (Funded by the EU and Germany, total EUR 80k, ongoing until December 2023).
- 58. The OECD is reviewing Ukraine's administrative capacity for environmental management and greening economic development. The report provides an overview of the institutional capacity at central and sub-national levels, with a particular focus on the economy and environment ministries as key actors for environmental action and beneficiaries of the Programme. It provides recommendations and a number of benchmarks. (Funded by the EU, total EUR 25k, ongoing until December 2023).
- 59. The OECD is providing analytical support to assessing current **environmental taxation regime** and funding mechanisms for environmental protection in Ukraine and options for

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reform. The report will review the existing environmental taxes and charges and possibilities for reform in the context of the conceptual development of a new climate fund/reform of the existing National Environmental Fund. (Funded by the EU and Germany, total EUR 80k, ongoing until December 2023)

60. The OECD is working on a project to support more **sustainable use of water resources**, better use of environmental data and better availability of such data for policymakers and citizens. Activities focus on mobilising finance and improving the economic viability of water-related strategies. (Funded by the EU, total EUR 324K, ongoing until June 2024)

Agriculture

61. The OECD has been **monitoring the latest developments in Ukraine's agricultural policies** since 2004, as part of its annual Agricultural Policy Monitoring and Evaluation report. The current assessment for 2023 looks at recent domestic policy developments, policy responses to the COVID-19 pandemic, trade policy developments, and policy responses to Russia's war of aggression in Ukraine. It also includes a focus section on climate change adaptation policies for the agricultural sector. (Funded by Part I, ongoing)

Anti-corruption

- 62. The OECD is delivering law enforcement capacity building. An initial training on financial investigations for newly hired detectives of the National Anti-Corruption Bureau of Ukraine (NABU) was organised. In addition, the OECD is delivering an advanced training course on the detection and investigation of complex corruption and related money laundering for anti-corruption detectives and prosecutors and Financial Intelligence Unit (FIU) officers. The OECD is also preparing guidelines for law enforcement practitioners on evidence collection. (Funded by the United States, total USD 126k, ongoing until end 2023)
- 63. The OECD is conducting a review of Ukraine under the **5th round of Istanbul Anti-Corruption Action Plan of the OECD Anti-Corruption Network of Eastern Europe and Central Asia** (ACN) in the framework of the EU Integrity Action for the Eastern Partnership. The review will evaluate Ukraine against a set of narrowly defined benchmarks based on international standards and good practices that cover issues of anticorruption policy, prevention of corruption and criminal responsibility for corruption. The report will be available in autumn of 2023. (Funded by the EU, under the EU for Integrity Programme, total EUR 4.5 million including Ukraine and other countries, ongoing until end 2023)
- 64. The OECD is providing capacity building and networking opportunities through its participation in the ACN Law Enforcement Network, the OECD Global Law Enforcement Network, and the ACN Business Integrity Group. In the framework of these networks, Ukrainian practitioners take part in dedicated expert meetings, workshops and benefit from analytical products developed for law enforcement officials or business integrity specialists. The work is ongoing and is expected to continue at least through the end of ACN current Work Programme in 2026. (Funded by the EU, the United States and Germany, total EUR 6.87 million including Ukraine and other countries, ongoing until end 2026)

SME policy

- 65. The OECD is reviewing the overall policy environment for SME policy making in Ukraine along 12 thematic dimensions of the Small Business Act for Europe. The data collection is ongoing, and the results of this assessment will be published in late 2023. (Funded by the EU, total EUR 250k, ongoing until October 2024).
- 66. The OECD works with Ukraine to advance the **digital transformation of its SMEs** by building the capacity of its enterprise support infrastructure, developing tools to assess firms' digital maturity, and proposing ways to promote digital skills and culture among SME managers and entrepreneurs. Digitalisation has become even more urgent since the start of the war. (Funded by the EU and the Czech Republic, total EUR 250k, ongoing until October 2024)

Transport

- 67. The International Transport Forum (ITF) together with Poland's Ministry of Infrastructure organised a High-level Dialogue for Ukraine on 29-30 March 2023 in Rzeszów on the Polish-Ukrainian border on "Connecting Ukraine with Europe and the World: Rebuilding and Developing Sustainable Transport Infrastructure and Efficient Supply Chains". Ministers discussed physical and soft measures to improve Ukraine's connectivity and ways in which ITF can provide support. A follow-up Ministerial meeting on Ukraine will be held at the ITF Summit on 25 May in Leipzig, Germany. (Inkind support, Poland, one-off)
- 68. The ITF will develop research work with respect to the rebuilding of Ukraine's transportation infrastructure and supply chains to make them greener, more sustainable and better connected (Funded by Canada, CAD 300k, ongoing until September 2024)

Financial Literacy

69. Ukraine will be part of the OECD **Technical Assistance Project on Financial Literacy** (FL) in Countries from the Dutch Constituency Programme (DCP), along with Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Moldova, Montenegro, North Macedonia and Romania. In the framework of the project, Ukraine will be included in data collection and research on FL of adults and will benefit from comparative analysis and recommendations on the implementation of their National Financial Literacy Strategy; peer learning with the participation of regional/ international experts resulting in policy conclusions and recommendations; and knowledge sharing at annual project meetings, bringing together policy makers and FL stakeholders from the financial sector, academic, donor and NGO communities. (Funded by the Netherlands, total EUR 1.974 million (incl. Ukraine and other countries), ongoing until end 2028).

Annex B – Activities for the Country Programme for Ukraine

Section 1 – Output Results

Section 1 – Outpu	t Results				
OECD Reviews	Total Cost EUR	OECD Body	Ukrainian Government Body (lead or requesting the project)	Rationale	Relevance
	nentation (k	ick in 2023-early 202	24)		
Economic Survey of Ukraine	EUR 850k	Economic and Development Review Committee	Ministry of Economy	The government of Ukraine's Draft Recovery Plan Blueprint for "Economic recovery and development" has set out economic recovery priorities with corresponding tasks and activities with a focus on integrating Ukraine into the EU economic sphere. An OECD Economic Review of Ukraine will serve as a diagnostic of necessary macro and microeconomic policy recommendations aimed to restoring economic growth and contribute to a comprehensive economic recovery programme and prioritise structural reforms. In December 2022, Ukraine's Ministry of Social Policy contacted the OECD, requesting assistance with the analysis of Ukraine's current pension system and recommendations on how to improve the system's financial sustainability. In a call with First Deputy Minister of Social Policy of Ukraine, Darina Marchak, she stressed the need for OECD expertise in pension system analysis and reform. Ukraine requested further improvement of its pension system to match the conditions set out by the EU integration process, utilizing best practices from EU Member States. The Pension Reform could be one of the focus thematic areas of the Economic Review of Ukraine. The creation of a Ukraine Desk in the OECD Economics Department launched on 1 February 2023 will assist the preparation for the Economic Survey of Ukraine.	2017 Framework: Review recommended <u>NRDP</u> : Chapter "Economic recovery and development" <u>EU</u> : Chapter 17 Economic and Monetary Policy 2023 Govt Priorities: Macro-financial and economic stability <u>IMF</u> : N/A
Tax Policy Review	EUR 650k	Committee on Fiscal Affairs	Ministry of Finance	Ukraine has announced to start tax reform to eliminate corruption in the tax sphere and level the playing field for all market participants, while tax reform is noted across several dimensions in the National Recovery and Development Plan of Ukraine and will therefore remain on the country's reform agenda to ensure that the tax policies are responding to the recovery and development priorities of Ukraine. A Tax Policy Review will be carried out with a view to rethinking and redesigning the tax system in a way that is aligned with new challenges and opportunities that will arise over time. The work includes a comprehensive review of i) the strengths and weaknesses of the pre-war tax system, from a tax policy and administration perspective, ii) the impact of the war on the tax base, and iii) the feasibility of particular tax designs which may lead to a path forward featuring dynamic tax reforms aligned with the country's economic recovery needs after the war, while further supporting the country's alignment with international norms and best practices.	2017 Framework: Tax transparency NRDP: present throughout thematic Chapters <u>EU</u> : Chapter 16 Taxation 2023 Govt Priorities:

					Macro-financial and economic stability <u>IMF</u> : fiscal policy assessment
Public Governance Review	EUR 500k	Public Governance Committee	Minister of the Cabinet of Ministers Secretariat of the Cabinet of Ministers of Ukraine	A Public Governance Review will bring Ukraine closer to OECD public governance standards, as well as bring expertise and lessons learned from practitioners across the OECD with committees and networks to bear. Developing areas to strengthen democracy will offer Ukraine an opportunity to reinforce democratic governance and protect it from existing and emerging threats. Efficient public administrations, the consolidation of the Ukrainian society and the rule of law having been identified as priorities in the Ukraine's National Recovery Plan/ Government priorities and are central elements to the OECD Public Governance Directorate and its Reinforcing Democracy Initiative. The review will draw on the findings and recommendations of the Public Administration Reform monitoring report produced by SIGMA in 2023. While focusing on the analysis of the state of play against the OECD policy recommendations, it will also zoom in on the issues flagged by the SIGMA report and provide additional insights, examples of good international practice and additional recommendations.	2017 Framework: Review recommended NRDP: present throughout chapters EU: Ch 23 Judiciary and Fundamental Rights 2023 Govt Priorities: <u>OECD/LEGAL/0390</u>
					IMF: governance assessment
Integrity and Anti-corruption Review of Ukraine	EUR 1.1M	Public Governance Committee and its Working Party of Senior Public	National Agency for Corruption Prevention Ministry of Justice	Ukraine's current and post-war environment requires preservation and development of institutional safeguards to ensure unimpeded recovery and reconstruction efforts. Ukraine's anti-corruption efforts through innovative good practices and other tools have not gone unrecognized and require further support to maintain momentum. The European Commission outlined seven recommendations for Ukraine's EU candidacy. Outlined target areas of reform, of which five of seven of these reforms are centred on reducing corruption. The European Commission's recommendations include reform of the Constitutional Court,	2017 Framework: OECD Values NRDP: Thematic Ch. "Justice"
		Integrity Officials Working Group on Bribery in International Business Transactions	continuation of judiciary reform, reform of the Specialised Anti-Corruption Prosecutor's Office and the National Anti-Corruption Bureau of Ukraine, combatting money laundering, and anti-oligarch reform. An Integrity and Anti-corruption Review will help Ukraine design and implement comprehensive integrity and anti-corruption strategies and policies, support implementation of the OECD/SIGMA, the Working Group on Bribery in International Business Transactions (WGB) and the Anti-Corruption Network recommendations in the overall framework bringing the country in line OECD and EU standards.	EU: Ch 24 Justice, Freedom and Security; and EC 7 Recommendations (anti-corruption)	
				In February 2023 Ukraine became a Participant of the WGB with the aim to become a Party to the OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions (the "Anti-Bribery Convention") and a full member of the WGB. This objective will require significant reforms of	2023 Govt Priorities: priority reforms
		Anti-corruption Network		anti-corruption legislation and building the capacity of law-enforcement bodies to combat foreign bribery. Furthermore, the 2021 Recommendation for Further Combatting Bribery of Foreign Public Officials in International Business Transactions can provide a strong tool to incentivize anti-corruption compliance in the	IMF: assessment of governance, anti-

				private sector that is key for ensuring integrity in the reconstruction of Ukraine with the involvement of the private sector. Ukraine's National Agency on Corruption Prevention recently expressed a desire to adhere to the Recommendation on Public Integrity and is in close contact with the Secretariat of the Cabinet of Ministers of Ukraine regarding a possible request for adherence, noting a pre-adherence review is required for adherence. An OECD Integrity and Anti-corruption Review of Ukraine will assist the Ukrainian government's goals in its NRDP focused on concrete reform actions on how to make the disciplinary regime more coherent and effective and would provide recommendations for strengthening corruption risk management practice, especially in the Ministry for Communities, Territories and Infrastructure Development. The system of asset declarations was one of the strongest anti-corruption tools in Ukraine, but it has been suspended during the war. There is now a strong public pressure to relaunch it. A review and capacity building for this system is particularly timely in the context of reconstruction. Ukraine has also expressed interest for support its anti-oligarchs reform. This would require assessing policy capture risks (e.g. through conflict of interest, lobbying and political finance) as well as public procurement, SOEs and competition issues, as well as responsible business conduct, risk-based due diligence practices across both state-owned and private companies.	corruption and rule of law
Infrastructure Policy Review of Ukraine	EUR 1M	Public Govern. Committee Investment Committee and its Working Party on RBC Committee on Financial Markets Insurance and Private Pensions Committee	Ministry for Communities, Territories and Infrastructure Development	The OECD could conduct Infrastructure Policy Reviews to support Ukraine in setting up institutions and processes to rebuild its infrastructure, identify weaknesses of the eco-system, support deployment at scale, and monitor outcomes with a view to ensuring that infrastructure reconstruction and renewal result in sustainable, inclusive public infrastructure, addressing such challenges as, <i>inter alia</i> , accessibility for those with reduced mobility. These elements are critical to achieving value for money, long-term strategic objectives, and integrity and legitimacy of investment decisions. The reviews would rely on existing OECD instruments on infrastructure such as the Recommendation on the Governance of Infrastructure (2020) and the Recommendation on Effective Public Investment Across Levels of Government (2014) and leverage the analytical policy work that has been developed in directorates. The review could include additional modules to support implementation: 1) Analysis of real cases/sectors to establish templates to scale-up implementation (by sector]; 2) Capacity building and dissemination activities to further operationalise the framework and templates, including adaptation to changing needs, capabilities including procurement and actor capacity, e.g. sub-national bodies. The OECD could also build on on-going work on responsible business conduct (RBC) and sustainable infrastructure, including Men it comes to (i) promoting policies to enable sustainable infrastructure and (ii) operationalizing RBC through risk-based due diligence/sustainable financing. Further to the OECD Guidelines for Multinational Enterprises, among other instruments, this work stream would be based on RBC due diligence guidance instruments and the new OECD Recommendation of the Role of Government in Promoting Responsible Business Conduct to which Ukraine is adherent. Moreover, previous OECD assessments, including the Investment Policy Reviews of Ukraine and RBC Due Diligence Practices in Ukraine's Energy Sector, could help inform this	2017 Framework: Convention on Combating Bribery Adherence NRDP: present throughout thematic chapters EU: Ch 15 Energy, Ch 21 Trans-European networks, Ch 27 Environment and climate change, Cha 24 Justice, freedom and security 2023 Govt Priorities: <u>OECD/LEGAL/0460</u> IMF: N/A

Medium-term impl	ementati <u>on</u>	(kick off 2024-2025)			
Review on restoring connectivity, building high- quality communication infrastructure and making Ukraine digital- resilient	EUR 480k	Committee on Digital Economy Policy	Ministry of Digital Transformation National Commission for the State Regulation of Electronic Communications , Radio Frequency Spectrum and the Provision of Postal Services (NCEC)	The ongoing Russian aggression against Ukraine has demonstrated the key role of the Internet, connectivity, digital security, data governance, digital services in economic and social resilience. Restoring connectivity and core Internet infrastructure and promoting resilient, secure, and high-quality broadband infrastructure will therefore be a key pillar of any programme to support Ukraine's recovery. This Review will provide an analysis of the state and quality of connectivity and cybersecurity in Ukraine and of the underlying policy frameworks. Based on this analysis, the OECD could develop a set of tailored recommendations to 1) enable fast and cost-effective deployments of fixed and mobile broadband networks to restore and improve connectivity 2) foster access to broadband services at competitive prices 3) overcome pre-existing connectivity divides and 4) cost-effective deployment of mobile broadband networks on the railways, 5) build a more digital resilience component this Review could also provide recommendations on developing Ukraine's digital resilience system key performance indicators (KPIs), Digital Resilience strategy and Programme Plan. Within digital resilience system key performance indicators (KPIs), Digital Resilience strategy and Program Plan. The analysis could also enable Ukraine to leapfrog its broadband infrastructure towards the most advanced connectivity and ensure equal access for all, and the Recommendation on Digital Security of Critical Activities and the OECD Policy Framework on Digital Security. It would also draw on past OECD telecommunications country reviews, OECD countries' experience and a body of good and evidence-based practices the OECD developed over the years. The Review will be complemented by capacity-building activities to support alignment with the relevant Recommendations.	2017 Framework: Adherence to "Codes of Liberalisation of Capital Movements and Current Invisible Operations" NRDP: Thematic Ch "Digitalisation" EU: Ch 10 Digital Transformation and Media Sector 2023 Govt Priorities: <u>OECD/LEGAL/0456</u> IMF: N/A
Reviews of Alignment with Environmental and Waste Management Instruments	EUR 1.2M	Environment Policy Committee and its subsidiary bodies Chemicals and Biotechnology Committee	Ministry of Environmental Protection and Natural Resources Ministry of Economy	 Environmentally sustainable, net-zero and green development are identified as a key priorities of Ukraine's Post-war Recovery and Reconstruction Plan and are major components of the EU integration requirements, including in light of the European Green Deal. The OECD will undertake a series of OECD reviews to take stock and evaluate the existing environmental, waste and chemicals management policies and instruments. It is proposed that these reviews will focus on the following priority areas as covered by the following OECD legal instruments: 1. Recommendation of the Council on Good Practices for Public Environmental Expenditure Management [OECD/LEGAL/0345] – with a focus on analysis of the revenue raising potential and expenditure transparency and accountability (including the operations of an environmental funds or an equivalent) and with implications for Ukraine's system for financing of green investment from the public funds and using the public money to mobilise private finance; 2. Recommendation on Environmental Information and Reporting [OECD/LEGAL/0471] – the most recent legal instrument dealing with environmental data collection, management and public disclosure. This work would include analysis of environmental damage inflicted by the Russian invasion; 3. Recommendation on Integrated Pollution Prevention and Control [OECD/LEGAL/0256] – with a focus on integrated environmental permitting for large enterprises and with possible links to the 	2017 Framework: N/A NRDP: Thematic chapter and national program EU: Ch 27 Environment and Climate Change 2023 Govt Priorities: N/A IMF: N/A

		Nuclear Face		 new recommendation on environmental enforcement and compliance, which can include support to the strengthening the operations of the State Environmental Inspectorate of Ukraine; 4. Recommendation on Environmentally Sound Management of Waste [<u>DECD/LEGAL/0329</u>] - the most comprehensive legal instruments on waste which can help to rebuild waste management systems and deal with the war-generated waste (household, housing, abandoned vehicles, hazardous, weaponry); 5. Recommendation of the Council on Water [<u>OECD/LEGAL/0434</u>] – using the existing National Policy Dialogue on water with Ukraine, to provide support to post war reconstruction of water management and water and wastewater infrastructure; 6. Recommendation on Countering the Illegal Trade of Pesticides [<u>OECD/LEGAL/0446</u>] which would help Ukraine with identifying illegal shipments of pesticides into the European Union (through Odessa); 7. Decision-Recommendation on the Systematic Investigation of Existing Chemicals [<u>OECD/LEGAL/0232</u>] to support managing industrial chemicals. The work will be complemented by targeted capacity building activities for policy and regulatory reform with a view of Ukraine's adherence to the main OECD instruments. These activities will include targeted seminars to present the main features and requirements of selected OECD instruments, followed with training activities and technical support that will help the Ukrainian officials and experts to build their capacity to implement the requirements of the above-mentioned instruments and to launch their reform with a longer-term view of Ukraine's adherence. This proposed work will be a continuation of the OECD support to the environmental policy reform that the OECD has been providing to Ukraine Ukraine Ukraine under the GREEN Action Task Force. 	
Report on radiological protection in a conflict zone	EUR 75k	Nuclear Energy Agency	Ministry of Energy of Ukraine Energoatom	The NEA will prepare a report on considerations of assuring Radiological Protection in a conflict zone. This is not at all considered in the current international system of radiological protection and calls for different means of monitoring, training, dose considerations, and other aspects not currently envisaged. The report would be directly relevant and practical to the Ukrainian authorities.	EU: Ch 15 Energy NRDP: Energy Sector chapter
Competition Policy Peer Review	EUR 250k	Competition Committee	Antimonopoly Committee Ministry of Economy	Ukraine has been a Participant in the OECD Competition Committee and its subsidiary bodies since 2011. In 2014 and then again in 2020, Ukraine requested to become an Associate in the Competition Committee and the decision is still pending. A Competition Peer Review will assess the competition framework and enforcement practice. Ukraine has made progress in important areas, such as fighting bid rigging in public procurement by transitioning to an electronic auction and procurement system which has led to greater transparency, access to competitive markets, and promoted an integrity-based approach. A Competition Policy Peer Review will generally guide Ukraine in necessary reforms in competition law and policy and bring it closer in line with Adherence to the OECD Recommendations in the area of competition policy. A Competition Policy Peer Review will also benefit Ukraine's progress to EU adherence, specifically as outlined in the EU Chapter on Acquis on Competition Policy which includes rules and procedures to fight anticompetitive behaviour by companies, to scrutinise mergers between undertakings, and to prevent governments from granting state aid which distorts competition in the internal market.	2017 Framework: Competition Authority in Institutional Framework NRDP: various thematic chapters EU: Ch 8 Competition Policy; and EC 7 Recommendations (anti-oligarch reform)

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					2023 Govt Priorities: OECD/LEGAL/039
					IMF: assessment of productivity and competitiveness
Justice Review of Ukraine	EUR 700k	Public Governance Committee	Ministry of Justice	A comprehensive justice system review can help Ukraine get closer to the values and international standards, strengthen the rule of law and deepen fundamental values, as well as modernise and align its judiciary system with international good practices. The European Commission's recommendations include reform of the Constitutional Court, continuation of judiciary reform. Such review has been mentioned during the meetings of the Working group on the recovery plan contribution on justice and the rule of law. As part of the planned OECD review of the justice system of Ukraine, the Ministry of Justice proposes together with the Supreme Court to carry out an assessment of the justice system in Ukraine in 2023, which could also include	2017 Framework: OECD values NRDP: various thematic chapters, including "Justice" chapter
				an analysis in accordance with the EU Justice Scoreboard methodology.	EU: Ch 24 Justice, Freedom and Security; and EC 7 Recommendations (judiciary reform)
					2023 Govt Priorities: priority reforms
					IMF: Assessment of governance, anti- corruption and rule of law
Statistical Policy Review	EUR 650k	Committee on Statistics and Statistical Policy	Ministry of the Cabinet of Ministers, State Statistics Service of Ukraine	Ukraine's National Recovery Programme has identified hurdles in the collection and analysis of statistics due to temporary or current occupation, hostilities, and mass migration. An OECD statistical review will ensure coherence of Ukrainian statistical policies and practices, with those of OECD best practices focused on legal and institutional framework, statistical infrastructure, quality of available data in various statistical domains. Most importantly, the establishment and maintenance of a sound statistical and data infrastructure including efficient data flows, aligned with policies and good practices in OECD members will inform Ukraine's reconstruction and recovery efforts. The main purpose of the OECD review of the national statistical system will be to assess its alignment with the Recommendation on Good Statistical Practice and to identify policy recommendations with the view to five and the Recommendation.	2017 Framework: Recommendation on Good Statistical Practice NRDP: Various thematic chapters
				recommendations with the view to further align it with the Recommendation. To this end, the Review will cover three central aspects of the legal and institutional framework for official statistics, namely: 1) an evaluation of the legal base for official statistics and its application in practice; 2) an analysis of the statistical system and its institutional structure, including functions, competence, relationship, and responsibilities of all	EU: Ch 18 Statistics

				actors of the system; and, 3) an assessment of the compliance of the national statistical system with the Recommendation. The review of the national statistical system could be complemented with the review of the statistical and data infrastructure and an examination of the quality of available data in various statistical domains (for instance housing and population census, labour force survey or business register). Since 2013, Ukraine has been invited on an ad hoc basis as an Invitee to all subsidiary bodies of the OECD Committee on Statistical Policy (CSSP), except the Working Group on International Investment Statistics,	2023 Govt Priorities: N/A IMF: N/A
Education Policy Study	EUR 500k	Education Policy Committee	Ministry of Education and Science	as well as the Working Party on Financial Statistics of the CSSP and the Committee on Financial Markets. The OECD will provide Ukraine with (1) access to best international policy and practice on recovery, reform and transformation, drawing in particular on the experience of countries that have gone through major rebuilding and restructuring efforts; as well as with (2) advice and guidance on how to contextualise and implement these policies in the context of Ukraine. This will cater both to the immediate needs of the education system as well as its medium-term transition into a well-performing education system. Areas of focus of the study are likely to include governance of education and system capacity, resourcing of education, the digitalisation of the education system, the use of data for policy making, support to individual learners, and teacher policies. In addition, an early reflection on the certification of different forms of learning occurring in and outside of Ukraine will enable the country to reintegrate learners with diverse experiences into the education system after the war and build a more diverse workforce that could support the recovery. In addition, the OECD will help Ukraine with implementation support and technical assistance to integrate effectively into international fora and working mechanisms for data development, peer-learning and collaboration in education, including its own policy committees and technical working groups.	2017 Framework: "Education at a Glance" project NRDP: national program and thematic chapters EU: Ch 28 Education 2023 Govt Priorities: priority reform, <u>OECD/LEGAL/0398</u>
Review on Improving Financial Market and Corporate Governance for Recovery	EUR 1.1M	Corporate Governance Committee Committee on Financial Markets, Insurance and Private Pensions Committee	National Securities and Stock Market Commission (NSSMC) Ministry of Economy National Bank of Ukraine State Property Fund	The development of well-functioning capital markets and financial institutions will be crucial in order to mobilise the private and public sector funding necessary to fuel a sustainable recovery for Ukraine. Public funds will not be sufficient to finance the recovery and future development needs. To attract much-needed foreign investment as well as to support the growth of available domestic finance, a strategy for the development of Ukraine's public and private capital markets will be of critical importance. For such a strategy to be effective, it must be based on a comprehensive assessment of Ukraine's current legal, regulatory and institutional framework for the functioning of its capital markets, including the extent to which it aligns with relevant OECD standards such as the Recommendation on Principles of Corporate Governance, the Recommendation on Guidelines on Corporate Governance of State-Owned Enterprises, the Recommendation on Core Principles of Private Pension Regulation and the Recommendation for the Good Design of Defined Contribution Pension Plans, and the Recommendation on High-Level Principles on Financial Consumer Protection. Ukraine has long suffered from fragmented capital markets and regulatory oversight featuring trading on multiple markets that lack sufficient liquidity to allow them to function effectively. Addressing these weaknesses will require a holistic assessment of Ukraine's capital markets, including the nature of and potential for listing of state-owned enterprises as well as the role of institutional investors. It will also require an integrated analysis of the above-mentioned issues and requirements, in order to identify the reforms necessary to help Ukraine address its future public and corporate sector financing needs.	IMF: N/A 2017 Framework: Adherence to Corporate Governance Principles and recommendations on capital market NRDP: fundamental pre-requisites EU: Ch 15 Energy, Ch 6 Company law 2023 Govt Priorities: <u>OECD/LEGAL/0414</u> IMF: increase transparency and

					standards of corporate governance
Social Policy Review	EUR 300k	Working Party on Social Policy of the Employment, Labour and Social Affairs Committee	Ministry of Social Policy	In December 2022, Ukraine's Ministry of Social Policy contacted the OECD, requesting enhanced co- operation with the OECD on social policy reforms, including inclusion. First Deputy Minister, Daryna Marchak, stated that the current social system is inefficient, and that the Ministry would like to request OECD support in expertise. Social policy reform is the OECD's comparative advantage and will be a critical part of Ukraine's recovery efforts, especially in creating favourable conditions for the return of IDPs and Ukrainian citizens returning to Ukraine. A Social Policy Review of Ukraine will diagnose and propose policy recommendations to ensure the labour market, training, social protection and migration policies and institutions are in place to facilitate economic adjustment and promote inclusive and sustainable economic prosperity for all.	2017 Framework: N/A NRDP: National program and thematic chapters EU: Ch 19 Social Policy 2023 Govt Priorities: priority reform IMF: social safety net
Reintegration Policy Review	EUR 500k	Working Party on Migration	Ministry of Social Policy, Ministry of Reintegration Ministry of Economy	Close to 8 million Ukrainians have fled to the EU and other OECD countries, while many more have become displaced inside Ukraine. Successful return and reintegration of Ukrainian citizens returning to Ukraine is not only seen as a central component of Ukraine's Recovery Plan and reconstruction in general, but Ukraine's demographic future, too, depends on it. OECD countries are aligned with Ukraine in the vision of reconstruction and the role of displaced Ukrainians in it. An OECD Reintegration Policy Review will provide an overview of the main characteristics and structure of Ukraine's current capacity to support the return and reintegration of Ukrainian displaced persons from abroad, outlining key bottlenecks to the process, as well as proposing potential measures and activities needed to facilitate return and reintegration when the time comes.	2017 Framework: N/A NRDP: thematic chapters EU: Ch 24 Justice, Freedom, Security 2023 Govt Priorities: N/A
Vocational Education and Training Review	EUR 500K	Education Policy Committee	Ministry of Education and Science	A review of vocational education and training (VET) in Ukraine would draw on extensive experience and knowledge in the area of VET developed through a dozen of reviews of VET carried in the majority of the OECD countries and many non-member countries, as well as thematic work on various aspects of VET. The review would aim to identify skill needs in the Ukrainian economy and training provision that could best address them. Recognition of skills and qualifications of Ukrainians who return from exile after fleeing their country during the war would increase the supply of skills and facilitate access to employment of Ukrainian refugees. Implementation of this solution would require establishment of equivalences between vocational qualifications in Ukraine and vocational qualifications in of training. Digital technologies can alleviate staff and equipment shortages Ukraine will inevitably face in the reconstruction period. Digital tools could be used both by VET institutions and by employers facing skills shortages to train their staff. Finally, drawing on the	IMF: N/A 2017 Framework: N/A NRDP: national program and thematic chapters EU: Ch 26 Education and Culture 2023 Govt Priorities: <u>OECD/LEGAL/0398</u>

				ongoing project on VET in the context of green transition the review would support Ukraine in shaping a training offer that prepares students for green jobs.	IMF: N/A
Long-term impleme	entation (ki	ick off 2026-2027)			
Agricultural Policy Review	EUR 535k	Committee for Agriculture	Ministry of Agrarian Policy	The OECD published a 2022 edition of the Agricultural Policy Monitoring and Evaluation report in collaboration with Ukraine with a planned 2023 annual report which will focus on policy efforts to strengthen the agricultural sector's adaptation to climate change while simultaneously looking specifically at policy responses to Russia's war of aggression against Ukraine. We will continue to monitor developments in Ukraine' policies in the upcoming years. As the situation stabilises, we would propose to conduct an OECD Agricultural Policy Review. The nature of the review is such that it may be most useful, not in the immediate reconstruction phase, but in the recovery phase (i.e., the timing would not be immediate).	2017 Framework: N/A NRDP: National program and thematic chapters EU: Ch 11 Agricultural and Rural Development 2023 Govt Priorities: <u>OECD/LEGAL/0428</u> IMF: N/A
SME and Entrepreneurshi p Policy Review for Ukraine	EUR 350k	Committee on SMEs and Entrepreneurship	Ministry of Economy Ministry of Culture and Information Policy	The SME and Entrepreneurship Policy Review for Ukraine will provide tailored analysis and recommendations to national government on how to improve the design and implementation of national SME and entrepreneurship policies. This is based on an assessment of the performance of domestic new and small businesses, framework conditions and business regulations, and targeted SME and entrepreneurship programmes from an international perspective. The review will assess main strengths and weaknesses in the national SME and entrepreneurship policy landscape and will formulate policy suggestions to support SME and entrepreneurship development at the national and subnational levels. It will also support the implementation of the Recommendation on SME and Entrepreneurship Policy. Ukraine is already a Participant in the Committee on SMEs and Entrepreneurship.	2017 Framework: N/A NRDP: thematic chapters EU: Ch 20 Enterprise and Industrial Policy 2023 Govt Priorities: Macro-financial stability and business support programs IMF: N/A
Regulatory Policy Review	EUR 500k	Regulatory Policy Committee	State Regulatory Service Ministry of Economy Secretariat of the Cabinet of	A Regulatory Policy Review of Ukraine will map Ukraine's efforts to improve regulatory quality in line with the Recommendations on Regulatory Policy and Governance and share good regulatory practices that can help close the gaps. Ukraine is invited to the Regulatory Policy Committee on an ad hoc basis as an Invitee and has expressed interest in expanding State Regulatory Service of Ukraine with the OECD with the goal of improving the quality and stability of the regulatory environment which is in line with core areas of the OECD Regulatory Policy Committee. The current Head of the State Regulatory Service of Ukraine, Oleksii Kucher, expressed at the RPC in December 2022 Ukraine's desire to become an Associate of the OECD Committee and proposed the possibility of the OECD conducting a Regulatory Policy Review in Ukraine. Ukraine has implemented procedures that it claims meet the requirements of best international regulatory practices and	2017 Framework: Review recommended NRDP: national program and thematic chapters EU: Ch 3 Right of Establishment and

			Ministers of Ukraine	that such elevated co-operation would give a significant impetus to the implementation of best international economic practices and approaches in Ukraine contributing to a rapid economic recovery of the country. The review will draw on the findings and recommendations of the Public Administration Reform monitoring report produced by SIGMA in 2023. While focusing on the analysis of the state of play against OECD recommendations, it will also zoom in on the issues flagged by the SIGMA report and provide additional insights, examples of good international practice and additional recommendations.	Freedom to Provide Services, Ch 9 Financial Services, Ch 10 Digital Transformation and Media, Ch 15 Energy 2023 Govt Priorities: priority reforms and <u>OECD/LEGAL/0390</u> IMF: N/A
Labour Migration Policy Review	EUR 500k	Working party on migration of the Employment, Labour and Social Affairs Committee	Ministry of Economy Ministry of Reintegration Ministry of Internal Affairs, State Migration Service (SMS)	The reconstruction of Ukraine after hostilities will be the largest economic project of modern times in Europe, if not in all OECD countries. The associated labour needs will likely exceed the available supply in Ukraine and foreign workers will be needed as least temporarily to implement Ukraine's Recovery Plan especially as the demographic prospects of Ukraine have worsen with the war of aggression of Russia. This review will provide an overview of existing labour migration policies, assess the applicability of the existing system to support the labour needs during reconstruction, outlining limitations and proposing possible measures to adapt migration management system in Ukraine. The experience of other OECD countries in this domain may be useful and a full review and reinforcement of the Ukrainian labour migration system necessary.	2017 Framework: N/A NRDP: national program and thematic chapters EU: Ch 19 Social Policy and Employment 2023 Govt Priorities: priority reforms IMF: N/A
Review of Policies for Culture and Creative Sectors	EUR 350k	Local Economic and Employment Development Committee	Ministry of Culture and Information Policy	The Government of Ukraine requests a comprehensive review to help Ukraine adjust the state regional cultural policy during the war and to revise it completely according to the needs established during the Review in the post-war period. Russian aggression led to significant losses of cultural infrastructure and human resources. By the beginning of 2023, more than 1,200 cultural institutions and 200 religious buildings were damaged or destroyed. Also, about 10% (about 20 thousand of people) of cultural staff left the sector: 2/3 of this amount is displaced persons, and 1/3 is in Armed Forces. About 50% of cultural institutions are partially or completely closed during the war period. In 2022 all development expenses were transferred to the reserve fund of the state budget for further redirection to the needs of the defence of the state. Also, Ukraine still has an outdated system of cultural institutions from Soviet times. A comprehensive review will help Ukraine to adjust state regional policies for cultural and creative industries and to revise them according to the needs established during the Review for the post-war period.	2017 Framework: N/A NRDP: Culture and Information Policy Projects EU: Ch 26 Education and culture 2023 Govt Priorities: N/A IMF: N/A

Capacity-building a	Capacity-building activities – to be implemented throughout the 2023-2027 period					
Capacity building to help Ukraine attract more, better and safer investment for its reconstruction	EUR 200k	Investment Committee	Ministry of Economy Reforms Delivery Office UkraineInvest	This activity will support the Ministry of Economy and the Reform's Delivery Office with capacity building in terms of implementing reforms identified in past Investment Policy Reviews of Ukraine and ensuring that reconstruction efforts are aligned with sustainability goals and take into account potential security risks associated with investment in critical infrastructure. Ukrainelnvest could further benefit from the OECD IPA Network's vast peer-learning expertise on investment promotion and facilitation. The activity would consist of a series of workshops held by OECD Secretariat and external experts, to cover investment climate issues, focusing especially on investment promotion and facilitation, sustainability, and national security screening mechanisms.		
Capacity building to improve the tax legislation within the framework of the BEPS Action Plan implementation and the relevant OECD Instruments	EUR 350k	Committee of Fiscal Affairs	Ministry of Finance	Ukraine is an Associate member of the Inclusive Framework on BEPS and has already implemented a number of BEPS recommendations. A number of these recommendations are also incorporated in EU tax law through the Anti-Tax Avoidance Directives I and II and they are also related to specific OECD standards and best practices on international taxation – such as the OECD Model Tax Convention (MTC) and OECD Transfer Pricing Guidelines (TPG), as well as the Reports on Attribution of profits to Permanent Establishments. The objective of this activity is to further support Ukraine in aligning the relevant elements of tax legislation and policies to the core OECD standards on international taxation.		
Training for officials of the competent authorities on international taxation and transfer pricing issues	EUR 150k	Committee of Fiscal Affairs	Ministry of Finance	This activity aims to strengthen the capacity of the competent authorities to understand and apply the amended legislation on international taxation and transfer pricing matters.		
Capacity building to align Ukrainian legislation with the requirements of the OECD Anti-Bribery Convention	EUR 700k	Working Group on Bribery in International Business Transactions	National Agency for Corruption Prevention National Anti- Corruption Bureau	This project will provide technical assistance to fill gaps and align Ukrainian legislation with the requirements of the Anti-Bribery Convention, focusing on a review of corporate liability for corruption offences, the foreign bribery offence and tax non-deductibility of foreign bribery among other areas. The project will assist Ukraine in building its capacity to prevent, detect, investigate and prosecute foreign bribery, and will include a set of activities aimed at strengthening business integrity with a focus on implementing the 2021 Anti-Bribery Recommendation.		
Capacity building to support the implementation	EUR 160k	Competition Committee	Antimonopoly Committee	Based on the findings of the peer review of competition law and policy in Ukraine, the activity will provide targeted technical assistance to the competition authority in one area identified in the peer review, e.g. merger control. Depending on the area selected for the project and the specific needs of the Antimonopoly Committee, the project could support the development of guidelines, review them on the basis of		

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of OECD recommendation s of the Competition Policy Peer Review of Ukraine				international experience and OECD standards and make recommendations to bring them in line with international good practices. Two workshops would accompany this activity, for instance this could be an outreach activity with policy makers, market players, and industry and consumer associations.	
Capacity building activities to support the implementation of the gender recommendation s and support gender mainstreaming	EUR 180k	Public Governance Committee Employment Labour and Social Affairs Committee on SMEs and Entrepreneurship	Government Commissioner for Gender Policy Secretariat of the Cabinet of Ministers of Ukraine	The OECD will organise four workshops on gender-related issues in order to support the Government of Ukraine, particularly the Government Commissioner for Gender Policy, to advance alignment with OECD Recommendations on Gender Equality in Education, Employment and Entrepreneurship and on Gender Equality in Public life, and further support the mainstreaming of the gender lens across policies. Following some key pillars of the recommendations, the OECD suggests the following thematic focus: Policies and practices supporting women's labour market participation and a more equal sharing of paid and unpaid work between men and women, Policies and practices to tackle the discriminatory gender wage gap and to support women's representation in leadership positions in private employment, Policies. A workshop on gender-based violence would also be organised, using OECD relevant material on such as Supporting Lives Free from Intimate Partner Violence. This is listed by the current adherents as the first priority for gender equality and will certainly remain a priority in Ukraine during post-war recovery. In addition, for support pertaining to the OECD Recommendation on Gender Equality in Public Life, the OECD can organise one study visit to a peer OECD country and one technical workshop on selected areas of focus relating to stronger implementation and mainstreaming of gender equality, identified in collaboration with Ukrainian authorities.	
Capacity building to support the implementation of OECD recommendation s of the SOE National Review of Ukraine	EUR 160k	Working Party on State Ownership and Privatisation Practices of the Corporate Governance Committee	Ministry of Economy National Securities and Stock Market Commission (NSSMC)	Successive Ukrainian governments have stated that a guidepost for intended SOE reform is to align national practices with the Recommendation on Guidelines on Corporate Governance of State-Owned Enterprises. The 2021 Review of Ukraine against the SOE Guidelines resulted in detailed recommendations regarding priority areas for reform. Based on this the project would provide targeted technical assistance to the relevant authorities toward implementing internationally agreed best practices in areas including centralising the exercise of state ownership practices; enhancing accountability through more transparency setting and monitoring of corporate objectives; improving disclosure at the corporate and the whole-of-government level; and professionalising and enhancing the autonomy of SOE boards of directors.	
Capacity building to support the implementation of OECD recommendation s from the OECD Rebuilding	EUR 350k	Regional Development Policy Committee,	Ministry for Communities, Territories and Infrastructure Development	This capacity building activity will help Ukraine implement policy recommendations from the OECD's 2022 report through a carefully sequenced series of policy papers on issues such as strategic planning for regional development, funding and financing for infrastructure reconstruction in regions and cities and post-disaster management in regions and cities, as well as six workshops and masterclasses with national and subnational authorities. These activities will strengthen the ability of all levels of government to design, implement and monitor subnational reconstruction and recovery projects, and manage public investment. Expected outcomes include a clear pathway established by the Ukrainian government to update the State Regional Policy and the State Strategy for Regional Development, as well as introducing/proposing adjustments to the	

Ukraine by Reinforcing Regional and Municipal Governance report				State Budget Act to increase the revenue raising capacity of local self-governments. Moreover, the work would help Ukraine further align its policies with flagship OECD Instruments, including the <i>Recommendation</i> on Effective Public Investment Across Levels of Government to which Ukraine adhered in 2018; and support alignment from an early stage with a proposed Recommendation on Principles for Regional Development Policy (under development in February 2023). It would also assist Ukraine in aligning with European Union (EU) standards, principles and practices, for example those related to local self-government, good governance and regional policy, thereby supporting its EU accession process.		
Capacity building to track and manage development and humanitarian aid flows to the recovery of Ukraine	EUR 500k	Development Assistance Committee	Secretariat of the Cabinet of Ministers of Ukraine	With substantial amounts of aid being channelled towards Ukraine's recovery it is important that the Government of Ukraine has effective means to track, co-ordinate and manage aid received and strengthen the transparency and accountability of how aid money is spent, to ensure it reaches those who need it the most. This is a top priority for the Ukrainian government and is in line with the Accra Agenda for Action on aid effectiveness. The OECD, using the data, associated methodologies, and definitions from the DAC Creditor Reporting System (CRS) and Total Official Support for Sustainable Development (TOSSD), is well-placed to support Ukraine's aid management needs, particularly the already established platform, with a strong focus on transparency, and supply up-to-date information on commitments and disbursements of aid. The project will also help Ukraine in the development of guidance on the distinction and linkages between development co-operation and humanitarian assistance. It will also obtain information not only on support from OECD members, but also from multilateral institutions and providers of development co-operation beyond the OECD.		
Capacity- building on Advanced Nuclear Modelling tools for Nuclear Energy and Safety Applications	EUR 150k	Nuclear Energy Agency	Ministry of Energy of Ukraine Energoatom	This activity will provide training on advanced nuclear modelling systems for early-career professionals in the nuclear sector (Ministry of Energy, Energoatom) and students in Ukraine (applied to reactor physics, shielding, dosimetry, criticality/safety, nuclear medicine, etc. according to Ukraine's immediate needs). Both in-person and virtual training using the NEA eLearning platforms will be conducted but the most complex software will require in-person training with direct supervision from senior experts hosted at the NEA. Ukrainian-language content could be prepared for some training materials.		
Overall co-ordination	Overall co-ordination throughout the 2023-2027 period					
Co-ordination of Country Programme for Ukraine	EUR 1M	Global Relations and Co-operation Directorate		Reporting to ERC, Council and Delegations as requested, liaising with LEG, PBF and corporate services for the preparation, implementation and reporting on the Programme, ensuring alignment with expected outcomes, co-ordinate inputs with other international organisations and support thematic work in substance and with stakeholder engagement. Work supported by the GRC Ukraine Unit in Paris in close co-ordination with the team in the OECD Ukraine Liaison Office in Kyiv.		
TOTAL COST ESTI	TOTAL COST ESTIMATE: EUR 16,500,000					

Section 2: Potential forms of partnership in OECD bodies

Short-term priorities				
Body	Form of Partnership, potential or actual ¹³	Associated Ukrainian Governmental Bodies		
Employment, Labour and Social Affairs Committee	Potential Invitee	Ministry of Social Policy, Ministry of Economy		
Corporate Governance Committee and Working Party on State Ownership and Privatisation Practices	Potential Invitee for the CGC; potential Participant for the WPSOPP (already an Invitee)	Ministry of Economy, National Securities and Stock Market Commission, State Property Fund		
Education Policy Committee	Invitee	Ministry of Education and Science		
Committee for Agriculture	Potential Participant (already Invitee)	Ministry of Agrarian Policy and Food		
Environment Policy Committee	Potential Participant (already Invitee)	Ministry of Ecology and Natural Resources		
Competition Committee	Potential Associate (requested, already a Participant)	Antimonopoly Committee		
Regulatory Policy Committee	Potential Participant (already Invitee)	State Regulatory Service		
Working Group on Bribery in International Business Transactions	Potential Associate (now Participant)	Inter-Agency Working Group under the Office of the President		
Public Governance Committee	Potential Associate (already a Participant)	Minister of the Cabinet of Ministers of Ukraine, Agency of Ukraine on Civil Service, Secretariat of the Cabinet of Ministers of Ukraine		
Investment Committee	Already Associate (in enlarged session for work under the Investment Declaration and the Working Party on Responsible Business Conduct)	Ministry of Economy		
Regional Development Policy Committee	Potential Participant (already Invitee)	Ministry of Communities, Territories and Infrastructure Development		
Governing body of the Co-operative Research Programme: Sustainable Agricultural and Food Systems	Potential member	Ministry of Agriculture or other relevant Ministry or relevant research institute		
Fisheries Committee	Potential Participant (already Invitee)	Ministry of Agrarian Policy and Food of Ukraine State Agency of Melioration and Fisheries of Ukraine		
Committee on Digital Economy Policy	Potential Participant (already Invitee)	Ministry of Digital Transformation		

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¹³ If already on the list of Invitees or is a Participant/Associate, Ukraine will strive to deepen co-operation through enhanced participation.

Medium-term priorities				
Body	Form of Partnership, potential or actual ¹⁴	Associated Ukrainian Governmental Bodies		
Committee on Statistics and Statistical Policy	Potential Participant (already Invitee except for the Working Group on International Investment Statistics)	State Statistics Service		
Health Committee	Potential Invitee	Ministry of Health		
Committee on Fiscal Affairs and its subsidiary bodies	Potential Participant (already Invitee)	Ministry of Finance		
Chemicals and Biotechnology Committee	Potential Invitee	Ministry of Environmental Protection and Natural Resources		
Nuclear Energy Agency Steering Committee and all its subsidiary bodies	Potential Participant (already Invitee)	Ministry of Energy		
Committee on Consumer Policy	Potential Invitee	State Service for Food Safety and Consumer Protection Ministry of Economy		
Working Party on Export Credits and Credit Guarantees of the Trade Committee	Potential Participant (already Invitee)	Ministry of Economy		
Committee for Industry, Innovation and Entrepreneurship and its Working Party on Industry Analysis	Potential Invitee	Ministry of Strategic Industries		
Committee for Scientific and Technological Policy and its subsidiary bodies	Potential Invitee (already an Invitee in the WP of National Experts on Science and Technology Indicators [NESTI])	Ministry of Education and Science		
Working party on migration	Potential Invitee	Ministry of Social Policy Ministry of Reintegration Ministry of Economy State Migration Service		

¹⁴ If already on the list of Invitees or is a Participant/Associate, Ukraine will strive to deepen co-operation through enhanced participation.

Section 3: Relevant OECD legal instruments for further alignment and potential adherence

Short-Term Priorities (2023-2024)				
Legal Instrument	Status	Lead / Responsible Governmental Bodies		
Recommendation on the Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector [OECD/LEGAL/0427]		Ministry of Ecology and Natural Resources		
Recommendation on the OECD-FAO Guidance for Responsible Agricultural Supply Chains [OECD/LEGAL/0428]		Ministry of Agrarian and Food Policy		
Recommendation on Gender Equality in Education, Employment and Entrepreneurship [OECD/LEGAL/0398]		Vice Prime Minister for European and Euro-Atlantic integration Secretariat of Cabinet of Ministers Ministry of Social Policy		
Recommendation on Guidelines on Corporate Governance of State-Owned Enterprises [OECD/LEGAL/0414]	Decision pending	Ministry of Economy National Securities and Stock Market Commission State Property Fund State Auditory Service of Ukraine		
Recommendation on the Governance of Infrastructure [OECD/LEGAL/0460]		Ministry for Communities, Territories and Infrastructure Development		
Recommendation on Regulatory Policy and Governance [OECD/LEGAL/0390]		State Regulatory Service		
Declaration on International Investment and Multinational Enterprises [OECD/LEGAL/0144] and related legal instruments	Adherent	Ministry of Economy		
Recommendation on Competitive Neutrality [OECD/LEGAL/0462]		Antimonopoly Committee		
Recommendation on Principles for Internet Policy Making [OECD/LEGAL/0387]		Ministry of Digital Transformation National Commission for the State Regulation of Electronic Communications, Radiofrequency Spectrum and the Provision of Postal Services (NCEC)		

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Declaration on Green Growth [OECD/LEGAL/0374]		Ministry of Ecology and Natural Resources
Recommendation on SME and Entrepreneurship Policy [OECD/LEGAL/0473]		Ministry of Economy
Declaration on Integrating Climate Change Adaptation into Development Co-operation [OECD/LEGAL/0343]		Ministry of Ecology and Natural Resources
Medium-Term Priorities (2025-2026)		
OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions [OECD/LEGAL/0293] and related legal instruments	Ukraine to seek accession to the Convention after review	National Anti-Corruption Bureau of Ukraine (NABU) National Agency for Corruption Prevention
Recommendation on Public Integrity [OECD/LEGAL/0435]	Ukraine has expressed interest in adherence following a pre-adherence review	National Agency for Corruption Prevention
Recommendation on Fighting Bid Rigging in Public Procurement [OECD/LEGAL/0396]		Ministry of Economy, Antimonopoly Committee, State Audit Service
Recommendation on International Mobile Roaming Services [OECD/LEGAL/0388]		National Commission for the State Regulation of Electronic Communications, Radiofrequency Spectrum and the Provision of Postal Services (NCEC) Ministry of Digital Transformation
Recommendation on Electronic Authentication [OECD/LEGAL/0353]		Ministry of Digital Transformation
Recommendation on Principles of Corporate Governance [OECD/LEGAL/0413]		National Securities and Stock Market Commission Ministry of Economy State Property Fund
Recommendation on Guidelines on Anti-Corruption and Integrity in State-Owned Enterprises [OECD/LEGAL/0451]		Ministry of Economy, National Agency for Corruption Prevention
Recommendation on Guidelines for Recipient County Investment Policies relating to National Security [OECD/LEGAL/0372]		Ministry of Economy State Property Fund
Recommendation on Sustainable Lending Practices and Officially Supported Export Credits [<u>OECD/LEGAL/0442]</u>		Ministry of Economy
Recommendation on Competition Assessment [OECD/LEGAL/0455]		Antimonopoly Committee
Recommendation Concerning Effective Action against Hard Core Cartels [OECD/LEGAL/0452]		Antimonopoly Committee
Recommendation concerning International Co-operation on Competition Investigations and Proceedings [OECD/LEGAL/0408]		Antimonopoly Committee
Recommendation on Merger Review [OECD/LEGAL/0333]		Antimonopoly Committee
Recommendation concerning Structural Separation in Regulated Industries [OECD/LEGAL/0310]		Antimonopoly Committee, National Energy and Utilities Regulatory Commission National Commission for the State Regulation of Electronic Communications, Radiofrequency Spectrum and the Provision of Postal Services (NCEC)

Recommendation on High-Level Principles on Financial Consumer Protection		National Bank of Ukraine (NBU)
[OECD/LEGAL/0394]		Ministry of Finance
		National Securities and Stock Market Commission (NSSMC)
Recommendation on Consumer Protection in the field of Consumer Credit		National Bank of Ukraine (NBU)
[OECD/LEGAL/0453]		Ministry of Finance
Recommendation on Public Procurement [OECD/LEGAL/0411]		Ministry of Economy
		State Audit Service
Recommendation for Development Co-operation Actors on Managing the Risk of Corruption [OECD/LEGAL/0431]		National Agency for Corruption Prevention
Recommendation on Health Data Governance		Ministry of Health, Ministry of Digital Transformation
[OECD/LEGAL/0433]		
Recommendation on the Social and Solidarity Economy and Social Innovation [OECD/LEGAL/0472]		Ministry of Social Policy
Recommendation on Good Practices for Public Environmental Expenditure Management		Ministry of Ecology and Natural Resources
[OECD/LEGAL/0345]		Ministry of Finance
Recommendation of the Council on Environmental Information and Reporting [OECD/LEGAL/0471]		Ministry of Ecology and Natural Resources and Ministry of Finance
Recommendation of the Council on Integrated Pollution Prevention and Control [OECD/LEGAL/0256]		Ministry of Ecology and Natural Resources and Ministry of Economy
Recommendation of the Council on Environmentally Sound Management of Waste [OECD/LEGAL/0329]		Ministry of Ecology and Natural Resources and Ministry of Economy
Recommendation of the Council on Water [OECD/LEGAL/0434]		Ministry of Ecology and Natural Resources
Recommendation of the Council on Countering the Illegal Trade of Pesticides [OECD/LEGAL/0446]		Ministry of Ecology and Natural Resources and Ministry of Agrarian Policy and Food
Decision-Recommendation on the Systematic Investigation of Existing Chemicals [OECD/LEGAL/0232]		Ministry of Ecology and Natural Resources, Ministry of Economy
Digital Security Recommendations: Recommendation on Digital Security of Critical Activities [OECD/LEGAL/0456]; Recommendation on Digital Security Risk Management [OECD/LEGAL/0479]; Recommendation of the Council on National Digital Security Strategies [OECD/LEGAL/0480]	Ukraine to seek adherence to the Recommendations	Ministry of Digital Transformation
Recommendation on Broadband Connectivity [OECD/LEGAL/0322]	Ukraine to seek	Ministry of Digital Transformation
	adherence to the	National Commission for the State Regulation of Electronic Communications,
	Recommendation	Radiofrequency Spectrum and the Provision of Postal Services (NCEC)

Long-Term Priorities (2027 and beyond)	
Decision Adopting the Code of Liberalisation of Capital Movements [OECD/LEGAL/0002]	National Bank of Ukraine (NBU) Ministry of Finance National Securities and Stock Market Commission
Decision Adopting the Code of Liberalisation of Current Invisible Operations [OECD/LEGAL/0001]	National Bank of Ukraine (NBU) Ministry of Finance
Recommendation on Consumer Product Safety [OECD/LEGAL/0459]	Ministry of Economy State Service for Food Safety and Consumer Protection
Recommendation on Consumer Protection in E-Commerce [OECD/LEGAL/0422]	Ministry of Economy State Service for Food Safety and Consumer Protection
Recommendation concerning Guidelines for Protecting Consumers from Fraudulent and Deceptive Commercial Practices across Borders [OECD/LEGAL/0317]	Ministry of Economy State Service for Food Safety and Consumer Protection
Recommendation on Good Statistical Practice [OECD/LEGAL/0417]	State Statistics Service
Declaration for the Future of the Internet Economy (The Seoul Declaration) [OECD/LEGAL/0366]	Ministry of Digital Transformation
Recommendation on Consumer Policy Decision Making [OECD/LEGAL/0403]	Ministry of Economy State Service for Food Safety and Consumer Protection
Recommendation on Consumer Dispute resolution and Redress [OECD/LEGAL/0356]	Ministry of Economy State Service for Food Safety and Consumer Protection
Recommendation on Improving the Quality of Government Regulation [OECD/LEGAL/0278]	State Regulatory Service
Recommendation on the Licensing of Genetic Inventions [OECD/LEGAL/0342]	Ministry of Education and Science
Recommendation concerning Guidelines for Quality Provision in Cross-Border Higher Education [OECD/LEGAL/0340]	Ministry of Education and Science National Agency for Higher Education Quality Assurance
Recommendation on Financial Literacy [OECD/LEGAL/0461]	National Bank of Ukraine Ministry of Education and Science National Securities and Stock Market Commission
Recommendation on Open Government [OECD/LEGAL/0438]	Secretariat of Cabinet of Ministers
Recommendation for Enhanced Access and More Effective Use of Public Sector Information [OECD/LEGAL/0362]	Ministry of Culture and Information Policy Secretariat of Cabinet of Ministers
Recommendation on Public Service Leadership and Capability [OECD/LEGAL/0445]	Secretariat of Cabinet of Ministers National Agency of Ukraine on Civil Service
Recommendation on Gender Equality in Public Life [OECD/LEGAL/0418]	Vice Prime Minister for European and Euro-Atlantic integration Secretariat of the Cabinet of Ministers Ministry of Social Policy

Recommendation concerning the Model Tax Convention on Income and on Capital	Ministry of Finance
[OECD/LEGAL/0292]	
Recommendation on the Granting and Design of Tax Sparing in Tax Conventions [OECD/LEGAL/0291]	Ministry of Finance
Recommendation concerning Tax Treaty Override [OECD/LEGAL/0253]	Ministry of Finance
Recommendation concerning the Avoidance of Double Taxation with respect to Taxes on Estates and Inheritances and on Gifts [OECD/LEGAL/0195]	Ministry of Finance
Recommendation on Attribution of Profits to Permanent Establishments, as amended [OECD/LEGAL/0368]	Ministry of Finance
Recommendation on the Determination of Transfer Pricing between Associated Enterprises, as amended [OECD/LEGAL/0279]	Ministry of Finance
Recommendation on Tax Avoidance and Evasion [OECD/LEGAL/0158]	Ministry of Finance
Recommendation on the Application of Value Added Tax/Goods and Services Tax to the International Trade in Services and Intangibles [<u>OECD/LEGAL/0430</u>]	Ministry of Finance
Recommendation on the Standard for Automatic Exchange of Financial Account Information in Tax Matters [OECD/LEGAL/0407]	Ministry of Finance
Recommendation on the Use of the OECD Model Memorandum of Understanding on Automatic Exchange of Information for Tax Purposes [OECD/LEGAL/0309]	Ministry of Finance
Recommendation on the Use of Tax Identification Numbers in an International Context [OECD/LEGAL/0287]	Ministry of Finance
Recommendation concerning an OECD Model Agreement for the Undertaking of Simultaneous Tax Examinations [OECD/LEGAL/0269]	Ministry of Finance
Recommendation on Implementing the Proposals contained in the 1998 Report on Harmful Tax Competition [OECD/LEGAL/0305]	Ministry of Finance
Recommendation on Counteracting Harmful Tax Competition [OECD/LEGAL/0297]	Ministry of Finance
Recommendation on the Ten Global Principles for Fighting Tax Crime [OECD/LEGAL/0469]	Ministry of Finance
Recommendation to Facilitate Co-operation between Tax and Other Law Enforcement Authorities to Combat Serious Crimes [OECD/LEGAL/0384]	Ministry of Finance

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OECD MINISTERIAL council meeting 2023

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