

EN

ANNEX

Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe

Exceptional Assistance Measure regarding Ukraine

1. IDENTIFICATION

Action: Supporting early recovery in liberated areas in Ukraine

Action Reference: NDICI CR 2022/18

Cost: EUR 20 000 000 (European Union (EU) contribution).

Budget Line: 14 02 03 10

Duration: Maximum 18 months. The authorising officer responsible may decide to extend this period twice by a further period of up to six months, up to a total maximum duration of 30 months, under the conditions laid down in Article 23(6) of Regulation (EU) 2021/947.

Lead service: FPI

2. ACTION SUMMARY

As Ukrainian forces liberate parts of Ukraine from Russian military control, Ukrainian authorities and communities are faced with immense recovery needs that need to be urgently addressed in order to reestablish public services, relaunch social and economic activities and provide support to local populations. Ukraine's economy has been very seriously affected by the war. The combination of infrastructure damage, exodus of the population and interrupted transport links have resulted in a halving of economic activity compared to pre-war levels. At the same time government spending for social and military expenditure has sharply increased. To face these unprecedented challenges, Ukraine's government is dependent on external support.

In response to the massive destruction in multiple locations in Ukraine, this 18-month measure will provide immediate practical support to Ukrainian authorities to address environmental and public health threats in post-combat localities and territories liberated from Russian military control. This will entail, but will not be limited to, support to debris removal, removal of hazardous waste and materials from damaged industrial facilities and critical infrastructure, and re-establishment of water and electricity supply.

3. BACKGROUND AND RATIONALE

3.1 BACKGROUND

Since the start of the Russian war of aggression against Ukraine on 24 February, at least 1 276 civilians have been killed, at least 1 981 injured and more than 11.4 million persons displaced, and the damage caused to infrastructure is already well beyond \$100 billion according to the United Nations. The actual number of casualties is thought to be much higher, but cannot be fully assessed at the moment. The destruction has gravely impacted civilian infrastructure. As long as the war continues, it is to be expected that destruction will continue. During her visit to Ukraine, the European Commission President reiterated the EU's continued support to the Ukrainian people through the imposition of sanctions on Russia and the provision of direct support to Ukraine. In light of the reported atrocities committed by the Russian Armed Forces in Ukraine, the European Union adopted its fifth sanction package on 8 April, prohibiting amongst other measures the import of coal and other solid fossil fuels starting from August 2022.

3.2 RATIONALE FOR CRISIS RESPONSE ACTIONS UNDER THE RAPID RESPONSE PILLAR OF THE NEIGHBOURHOOD, DEVELOPMENT AND INTERNATIONAL COOPERATION INSTRUMENT

The debris and unexploded ordnance disposal, environmental threats and destroyed utility infrastructure that remain as a result of Russia's war of aggression against Ukraine pose critical threats to first responders as well as returning internally displaced persons, constituting an exceptional and unforeseen situation in the sense of Article 4(4) of the NDICI Regulation. An adequate response cannot be provided under any other European Union Instrument due to the urgency with which the funds are required and due to available resources already being firmly committed.

Annex IV, paragraph 1, second paragraph, points (f), (g) and (j) of Regulation (EU) 2021/947 specifically provides for the use of the NDICI rapid response pillar to (f) support for reinforcement of State capacity - in the face of significant pressures to rapidly build, maintain or restore its core functions, and basic social and political cohesion; (g) support for measures necessary to start the rehabilitation and reconstruction of key infrastructure, housing, public buildings and economic assets, and essential productive capacity, as well as other measures for the re-starting of economic activity, the generation of employment and the establishment of the minimum conditions necessary for sustainable social development, and (j) support for measures to address, within the framework of Union cooperation policies and their objectives, the socio-economic impact on the civilian population of anti-personnel landmines, unexploded ordnance disposal or explosive remnants of war. Activities financed under the Instrument may cover, inter alia, risk education, mine detection and clearance and, in conjunction therewith, stockpile destruction.

3.3 RISKS AND ASSUMPTIONS

Risk	Risk level H/M/L	Mitigation measures
The ongoing combat operations and attacks throughout Ukraine might impact the ability of implementing partners and Ukrainian authorities to implement the planned activities.	H	The implementing partners to be selected will be required to have a clear protocol for operating in conflict affected areas with sufficient safeguarding and protective measures in place as well as a track record of being able to imminently start work in the affected areas.
Lack of coordination among donors resulting in duplication of efforts or inefficient allocation of resources.	M	Continued coordination among EU actors will be pursued and the action will specifically include provisions for improved donor coordination with the EU, EU Member States and other partners.
In recently liberated areas, attacks might resume, which could endanger the results of work already completed by the implementing partner.	H	The implementing partner to be selected will be required to quickly adapt its activities to a rapidly changing situation on the ground, including where already cleared areas might require further re-clearing.

4. OBJECTIVES

4.1 OVERALL OBJECTIVE

The overall objective of the action is to support Ukrainian authorities in the provision of safe access to liberated territories for first responders and returning internally displaced persons.

4.2 SPECIFIC OBJECTIVES

- 4.2.1 Clearance of debris and unexploded ordnance disposal to allow for safe access for humanitarian aid, first responders, investigators and residents;
- 4.2.2 Identify and respond to critical environmental threats to protect civilians;
- 4.2.3 Restore the access to basic utilities needed for the immediate humanitarian response, returns of internally displaced persons and early recovery efforts.

5. ACTION COMPONENTS AND EXPECTED RESULTS

The main expected results/outcomes include:

Expected Result (1): The remaining debris and unexploded ordnance disposal are assessed and mapped and target areas are then cleared safely in close coordination with Ukrainian authorities.

Activities (indicative):

- 5.1.1 The responsible national authorities are equipped as necessary for clearing activities, including e.g. with personal protective equipment and debris removal machinery;
- 5.1.2 Additional expertise and equipment is deployed where needed and in particular to identify risks from contamination of rubble by environmental or health hazards.

Expected Result (2): Critical environmental threats resulting from the remnants of armed conflict are assessed and remediated appropriately in close coordination with Ukrainian authorities.

Activities (indicative):

- 5.2.1 The responsible national authorities and their response teams are equipped as necessary to safely respond to critical environmental threats, including e.g. with personal protective equipment and testing equipment to identify various types of environmental threats;
- 5.2.2 Where needed, additional expertise is provided to carry out work related to immediate environmental risk reduction;
- 5.2.3 The responsible national authorities are supported in the identification and classification of critical environmental threats.

Expected Result (3): The restoration of safe access to public utilities is supported.

Activities (indicative):

- 5.3.1 Emergency facilities such as hospitals are provided with necessary equipment to resume or keep up their activities;
- 5.3.2 The relevant authorities and service providers are supported in the repair and restoration of basic utilities, e.g. water and electricity, and, where relevant and possible, other utilities such as for example those related to connectivity and access to information.”

6. IMPLEMENTATION

6.1 IMPLEMENTATION MODALITIES

The Commission will ensure that the appropriate EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹.

6.1.1 Indirect management with an international organisation

This action may be implemented in indirect management with an entity which will be selected by the Commission’s services using the following criteria: the ability to start the implementation of activities under this action in Ukraine immediately, necessary equipment and personnel to access recently liberated areas, experience in clearance activities and an

¹ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website, it is the OJ version that prevails.

established working relationship with the Ukrainian authorities. The implementation by this entity entails the clearance of debris and unexploded ordnance disposal, the assessment of critical environmental threats and the provision of reliable utilities, thereby contributing to the results and objectives set out in sections 4 and 5.

The Commission authorises that the costs incurred may be recognised as eligible as of 1 April because of the situation of urgency for crisis response and the situation of immediate danger to the stability of Ukraine, where an immediate engagement of the Union may contribute to mitigating the consequences of the conflict for civilians.

6.1.2 Changes from indirect to direct management mode due to exceptional circumstances

In the unlikely event that exceptional circumstances beyond the Commission’s control should make it necessary to change the implementation modality for the achievement of the objectives and results described in chapters 4 and 5 from indirect to direct management, it would be implemented with a grant (direct award). The type of applicants targeted would be non-profit organisations and private companies.

6.2 INDICATIVE BUDGET

The total European Union contribution under this Financing Decision **will not exceed EUR 20 000 000**. A breakdown among components is provided hereunder, and is indicative.

Indicative budget breakdown

Components	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
Supporting Recovery in Liberated Areas in Ukraine (Contribution Agreement)		
6.1.1. – Indirect management with an international organisation	20 000 000	n/a
Total	20 000 000	

6.3 ORGANISATIONAL SET-UP AND RESPONSIBILITIES

The action shall be implemented under indirect management. It will be devolved and sub-delegated to the **European Union Delegation in Ukraine**, with the support of the Commission for the conclusion of the contracts implementing the action.

6.4 PERFORMANCE AND RESULTS MONITORING AND REPORTING

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final report. Each report shall provide an accurate account of implementation of the action,

difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and outcomes) as measured by corresponding indicators, using as reference the Logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

6.5 EVALUATION

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components.

The Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

6.6 AUDIT

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing decision.

6.7 COMMUNICATION AND VISIBILITY

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Acknowledging that activities financed under this action will be politically sensitive and/or may constitute a security risk for the implementing partner/beneficiaries, the communication and visibility plan for this measure should develop a differentiated approach to satisfy the requirements from the legal obligations to which EU external funding is bound to without putting at risk the actions supported by this measure.

7. COMPLEMENTARITY, COORDINATION AND FOLLOW-UP

Complementarity and coordination will be sought with previous and ongoing crisis response projects, as well as the EU's ongoing development cooperation and humanitarian efforts in Ukraine. Given the high level of international interest in supporting Ukraine in the response to the ongoing crisis situation, particular emphasis will also be given to ensure good coordination with support initiatives by EU Member States and other donors.