

REQUEST FOR COUNTRY ALLOCATION OF UNDP COVID-19 2.0 RAPID FINANCING FACILITY

SUBSTANTIVE AREA OF RFF REQUEST

- Green economy

PROPOSAL DETAILS

Country:	Ukraine
Requestor:	UNDP Ukraine
Project title:	Supporting Green Recovery in Ukraine
Requested amount:	USD 1,200,000
Gender Marker:	GEN 2
Date of submission:	22 September 2020
Implementation Start Date:	November 1, 2020
Implementation Complete Date:	April 30, 2022

1. Situation analysis

Ukraine is ranking 5th in Europe and 15th globally by the speed of COVID-19 spread. With the second wave in sight, the country tries to “brace for impact” and balance its current adaptive quarantine strategy with a probable need to impose severe measures in the regions, whilst October 2020 local elections push local elites to keep small businesses running, and schools open. According to the UNDP Ukraine’s Vulnerability Index, most oblasts in Ukraine have insufficient defences in the face of COVID-19. Zakarpattia, Volyn, and Chernivtsi are amongst the weakest links in the chain. As a result, the number of unemployed people increased by 1.1 million during the COVID-19 quarantine. The COVID-19 crisis and its socio-economic effects are also exacerbating existing inequalities and discrimination against women and girls, especially against their most marginalised groups in Ukraine. In fact, more than 9 million people in Ukraine may fall back into poverty during the pandemic. The women are spearheading the fight against COVID-19 as healthcare workers (82% women), scientists, researchers, educators, and family caregivers. While all micro-, small and medium enterprises (MSMEs) and self-employed workers are badly hit by the crisis, men and women face different burdens. 75% of women participating in the labour force are self-employed, and only 30% among heads of legal entities are women with the most significant number of women registered among micro-business owners (29%), followed by owners of medium and small businesses (27% and 23% respectively), who are most exposed to the crisis. Moreover, quarantine-related changes include increasing levels of relationship violence against women. Overall, this contributes to substantially increased vulnerability of women due to falling income coupled with rising demand for unpaid household and care work.

More than 8 percent of SMEs are on the brink of bankruptcy and may have to close down. With continued control measures, more negative impacts on the economy will emerge, and recovery is likely to be sluggish. Projections for the Ukrainian GDP growth changed from +3% in January to -6% in July 2020¹ taking in consideration the temporary closure of domestic sectors, with the manufacturing, retail trade, and transportation sectors hit particularly hard, and strong contraction of domestic demand, exports and remittances. The Government of Ukraine expects a 5.5% decline in exports to 59.9 billion USD, and a 10% decrease in imports to 68.2 billion USD by the end of 2020. Also, in the first half of 2020 there was a sharp decline in gross fixed capital formation (-38%), which is crucial for supporting modernization of the economy and improved resilience of the critical infrastructure to the climate-related risks (e.g. wildfires, floods, etc.). As a result of the pandemic, the global

¹ [Official assessment of the National Bank of Ukraine in October 2020](#). Retrieved on the 28th of October 2020.

value and supply chains are heavily affected by the pandemic resulted in a sharp drop of business sales, household incomes and jobs. In agriculture, the most affected food supply chains are fruits and vegetables, milk and dairy which experienced problems in transportation, storage, at retail level and obtaining imported inputs. Moreover, Ukrainian producers could also face exclusion from the international trade flows in the nearest future due to additional restrictive mechanisms and initiatives in the EU (e.g. The EU Green Deal) aiming at adjusting to the Carbon content of products on the EU market. Also, the COVID pandemic provoked decline in electricity consumption (-6.2% by the end of 2020²), increased the pressure on the Ukrainian energy system and threatened its stability. In fact, the Government was forced to shut down some nuclear power plant facilities – rely more on the carbon-intensive coal-fired power plants to save jobs in the coal mining sector and related electricity production sites. But at the same time, Ukrainian Government declared an obligation to increase the share of renewable energy (RE) sources up to 25% by improving infrastructure of the energy sector, promoting innovative transformation and creating sustainable development conditions by 2035³.

To address the challenges of the COVID-19 pandemic – enhance facilities of the health system, provide financial resources to the economy, support financially the most vulnerable population, the Government of Ukraine established a COVID-19 Recovery Fund (Fund) on the 22th of April 2020. More than a half of the financial resources of the Fund will be spent on supporting national economy while restoring from the pandemic crisis by building and reconstructing the roads. Unfortunately, there are no signs of the green stimulus. Moreover, there is no green targets for related activities and no intention to improve resilience of related infrastructure to the consequences of climate change (e.g. extreme temperature regimes). To create the COVID Recovery Fund some revenues have been redirected from the local level budgets to the centralized financial facility. As a result, the most affected by the climate change local communities lost significant chunk of their own resource and should look for green loans by the International Financial Institutions (IFIs) or mobilize green financial resources on the financial market.

Building a green economy in Ukraine is a core of the Association Agreement with the EU (see Art. 360). The Annexes to this document (especially, XXX and XXI) entail a list of relevant Directives and Regulations to make transition towards a green economy easier. Implementation of these legal acts is voluntary but could be considered as a prerequisite for a full economic integration of Ukraine with the EU. In addition, Ukrainian Government expressed its intention to join the EU Green Deal in October 2020 – support the EU in its intention to achieve a climate neutrality of the entire continent by 2050. Also, Ukraine signed the Paris Agreement and committed to submit a more ambitious Nationally Determined Contribution (NDC) by the next Conference of the Parties (COP) in 2021. At the same time, for Ukraine a more ambitious NDC will require additional 420-560 billion USD of the financial resources by 2030⁴ (EBRD, 2018). Hence, the challenge of the green recovery is two-fold: transition to a green economy will require changes in the business philosophy and direct access to the private green financial resources.

2. Proposal overview and expected outputs

The Project deploys amidst existing uncertainties as a focused measure to spearhead a green, encompassing interventions across the critical areas identified by UNDP Offer 2.0 Beyond Recovery. It builds on the Crisis Coordination and Management in Ukraine initiative that has already infused fast-response expert support into the Office of the Prime Minister (OPM) and the Ministry of Foreign Affairs (MFA) in response for COVID-19, utilising these existing structures for a more rapid recovery.

Due to the COVID-19 pandemic, public and private sector stakeholders on the global level pay due attention to the non-financial risks by following the so-called “The Great Reset” approach – consider Environmental, Social

² [Consumption of the electricity in 2020](#). Retrieved on the 28th of October 2020.

³ [Energy Strategy of Ukraine till 2035](#). Retrieved on the 28th of October 2020.

⁴ [EBRD REPORT 3/ MODELING REPORT](#). Retrieved on the 28th of October 2020.

and Governance (ESG) factors while elaborating recovery packages⁵. Building a green economy will contribute significantly to the improvements in the above-mentioned dimensions. Based on the UN Development System assessment of the situation in Ukraine, the Project is clearly linked to the high-level policy dialogue meeting between the UNDP Administrator, Achim Steiner, and MFA chief, Dmytro Kuleba and follows up on the green economy aspect of the agreements reached throughout the discussion on priorities for possible UNDP Ukraine interventions during and after the COVID-19 crisis, specifically:

- assistance with sectoral and cross-cutting strategic analysis on the socio-economic impact of COVID-19 for Ukraine and development of policy-proposals within select Ministries;
- commitment to the Green Economy Agenda and conflation of environment, economy, and digital instruments;
- support to MSMEs as one of the core economic lynchpins of Ukraine’s economy with particular attention to issues of climate change and environment protection;
- gender equality and empowerment and digital transformation; and
- promotion of the foreign trade relations with the main partners.

To address the above-mentioned challenges and commitments, **the ongoing project will provide an important stimulus for transition to a greener economy and more sustainable financial system – support implementation of the new business models, creation of the new green jobs, improved social inclusion of the citizens and unlock private green and sustainable finance.** This objective will be achieved through delivery of the **following outputs:**

- (i) improved legal framework on the national level for a better green transformation of the economic and financial relations,
- (ii) reduced transaction costs on the green finance market; and
- (iii) better evaluation and management of the climate-related risks on the corporate level.

The available experience within UNDP is important and will contribute to the implementation of the current project: strengthening sustainability of the financial system; improving impact assessment of the economic and financial activities; implementing innovative green and sustainable financial instruments. Also, UNDP provides assistance to the national, local authorities, corporate sector while:

- (i) implementing innovative IT-solutions;
- (ii) elaborating their strategic documents for a long-term green and sustainable development;
- (iii) evaluating impact of their activities on the Environmental, Social and Governance (ESG) results;
- (iv) facilitating achievement of the Sustainable Development Goals and
- (v) pursuing provisions of the Association Agreement with the EU, as well as the EU Green Deal, – enabling COVID-19 recovery and transition to a green economy in accordance with “The Great Reset” approach.

UNDP has already established very effective and fruitful relations with various IFIs (e.g. The World Bank, EIB, etc.) and the EU and will use this collaboration to support green recovery and transformation in Ukraine.

According to the results of the social and economic assessment of the impact from the COVID pandemic on the Ukrainian economy, one of the most important negative consequences is associated with disrupted value and supply chains. At the same time, Ukraine relies very heavily on its foreign trade relations and the EU is the biggest trade partner with the share of almost 40% in overall exports and imports flows. The main Ukrainian export goods for the EU market are coming from the agricultural sector and its stability will affect not only the balance of payments, but also could play an important role in ensuring a food security of the entire country.

Transition to a green economy and climate neutrality in accordance with requirements of the EU will be associated with the need to abandon old and inefficient carbon intensive economic activities (e.g. coal-fired power plants or coal mines) – develop and implement completely new business-models. Such new business

⁵ Schwab K., and Malleret T. (2020). *COVID-19: The Great Reset*, Geneva, The World Economic Forum.

model should be based on the low carbon content of the products and services, which requires implementation of the Monitoring, Reporting and Verification system (MRV) and better management of the climate-related risks. These steps will be associated with tremendous technical challenges and enormous private investments will be needed to make the necessary changes happen – facilitate transition to a green economy.

To facilitate mobilization of the private green finance, in June 2020 the Parliament of Ukraine adopted a Law on Green Bonds Market to provide a clear definition of the green bonds and a list of eligible green projects. At the same time, it creates only a framework for a green bond market in Ukraine without any concrete provisions on how this market will be functioning and how the infrastructure of the existing financial market should be adjusted. In fact, implementation of the innovative green financial instruments (e.g., emission allowances of green bonds) is associated with huge transaction costs. So, according to the existing findings, we can distinguish three categories of transaction costs: information and research costs (e.g. availability and price of a needed good); bargaining costs; policing and enforcement costs. Significant part of the transaction costs relates to the search and verification of information on the market, starting from the preparation of the bankable green projects and ending up with labelling of the green innovative instruments.

Such barriers on the way to the green and sustainable finance mobilization will require implementation of the new institutional infrastructure on the financial market to reduce transaction costs, avoid information asymmetry effects and prevent climate-driven escalation of the systemic risk. Existing practices on the international level suggest that such changes should encompass two components: legal framework improvements (e.g. EU Green Bonds Standard, EU Green Taxonomy, the Association Agreement with the EU, etc.) and creation of the appropriate infrastructure on the financial market (e.g. Green Stock Exchanges, ESG-ratings, etc.). All the above-mentioned elements are lacking on the Ukrainian financial market and the main efforts should be aimed at facilitating issuance of the green innovative instruments and ensuring resilience of the financial system to the non-financial risks – creating a Sustainable Financial System in Ukraine.

The project has the following three interlinked components:

Output 1: Improved legal and institutional framework on the national and local levels in Ukraine for unlocking private green and sustainable finance that responds to the needs of women and men from different groups;
Output 2: Public and private sector stakeholders have the capacity to elaborate effective gender-responsive policy on the green and sustainable finance mobilization, improved ability to prepare bankable green projects;
Output 3: Ukrainian producers are better managing climate-related risks along their value and supply chains through application of the IT-solutions.

Under the **Output 1** the project will provide support while assessing exposure of the Ukrainian economy and financial system to the non-financial risks, driven by Environmental, Social and Governance (ESG) developments. As a result, identification of the main barriers for the private green and sustainable finance mobilization will be conducted, which will facilitate elaboration of the recommendations on how to financially support Ukraine in linking to and benefiting from the EU Green Deal.

Specifically, the project will also consider required changes to policies and regulations in Ukraine to ensure that these are fully aligned with the requirements of the Green Deal and the EU Acquis Communautaire, as applicable.

Activity 1.1: Evaluating exposure of the Ukrainian economy and financial system to non-financial risks, including identifying key threats arising from the EU Green Deal and evaluating exposure to a range of Environmental, Social and Governance (ESG) risks related to the emergence of multilateral and international frameworks for managing and reporting on such risks.

Activity 1.2: Analysing the existing legal framework in Ukraine and elaborating recommendations on how to financially and politically through policy and regulatory change support the participation of Ukraine at the EU Green Deal – unlock private green and sustainable finance (e.g. improved liquidity of the innovative green

financial instruments) while reducing outstanding Environmental, Social and Governance (ESG) risks, including those that impact gender equality.

For **Output 2** and in line with the discussion between the UNDP Administrator and MFA leadership, UNDP Ukraine will be working closely with the public and private sector stakeholders to enable design of the effective, gender-responsive policies on the green and sustainable finance mobilisation. To facilitate mobilization of the private green and sustainable finance, a Green Taxonomy will be elaborated to provide a clear guidance for identifying “clean Projects” that could be financed.

Also, the public sector partners (State Agency of Energy Efficiency and Energy Saving of Ukraine) will be supported in transposing the emerging Green Bonds Standards to Ukrainian law – enabling issuance of the robust, gender-responsive, green and sustainable innovative financial instruments. An online IT-tool will be prepared by the colleagues from the Accelerator Lab in Ukraine to support preparation of such projects by pre-checking their bankability in line with the requirements provided by the IFIs.

Activity 2.1: Creating and supporting the functioning of a cross-sectoral working group on green economy and sustainable finance with participation of the representatives from related ministries and local authorities, corporate and financial sector, IFIs based on the principle of gender parity and inclusivity.

Activity 2.2: Preparing Green Taxonomy and Green Bonds Standard for a clear guidance for identifying “clean projects” and facilitating mobilization of the financial flows for the green and sustainable activities that respond to the needs of women and men from diverse groups.

Under **Output 3**, UNDP will support Ukrainian producers and exporters to better evaluate and manage climate-related risks in their value and supply chains. A specific guidance will be developed to facilitate application of the internal carbon pricing techniques while making investment-decisions at the corporate level. This action will allow to address introduction of the Carbon Border Adjustment Mechanisms (CBAM) and Carbon Farming Initiative (CFI) in the EU.

Additionally, through a public-private partnership, an IT-solution will be developed and tested with a large-scale private agricultural production sector player to better understand how it will interact with smaller vendors and producers down the supply chain. A specific emphasis will be given to the women-owned or women-led vendors.

Activity 3.1: Analysis and implementation of the available methodologies and techniques, especially those that are gender-responsive, for evaluation of the carbon footprint at the corporate level, applying internal carbon pricing for an improved investment decision-making process.

Activity 3.2: Implementation of the IT-solution for selected companies to facilitate assessment of the carbon footprint, improved climate risk management within the value and supply chains to support further application of the innovative green supply chain financing tools (e.g. corporate carbon credits).

An IT-solution will be able to measure the carbon footprint on three scopes (own emissions, electricity consumption, suppliers) and delivers transparency on the carbon emissions of a product across the value and supply chains. It could be also integrated with product databases and third-party solutions to analyse and understand the emissions breakdown. The Activity 3.2 will consist of the technical preparation phase and implementation of the IT-tool. The technical preparation phase could be conducted before the launch of the project (could be an advantage for a potential pilot) and should entail the following steps:

1. Agree on the scope of work for the assignment (e.g. methodology for MRV - Gold Standard and VCS/Verra, etc.).
2. Identification of consultants and invitation to tender (with specific emphasis on the experience in evaluation of the carbon footprint).

3. Review of consultant's proposals and selection of preferred bidder.
4. Signing of cost sharing agreement with potential pilots (e.g. up to 10% of the overall costs should be covered by the pilots-companies).
5. Launch of the assignment.

3. Management arrangements

Funding is managed by UNDP directly (DIM). Interventions are closely linked to and coordinated with the UN Socio-Economic Recovery and SDG Working Group (UNDP Ukraine-led) established for the purpose of coordination of UNDS efforts towards supporting the Government in assessing the multidimensional impact of the COVID-19 crisis (prepare), responding to the challenges (respond), recovering forward better and greener to safeguard the progress towards the achievement of the SDGs (recover).

Administratively, the Project is implemented under the umbrella of UNDP Energy & Environment Portfolio under the overall supervision by the Energy and Environment Programme Specialist, Team Leader; quality assurance of the Project will be provided by Programme Analyst, Governance. Managerial duties for the day-to-day running of the Project will be delegated to a Project Manager. The Project will have access to 40% of the time of a senior international specialist in green and sustainable policy making to ensure that international best practice is applied.

At the same time, thematically and in terms of expertise, the Project cuts across all UNDP Ukraine thematic portfolios, and hence serves as a strategic framework of multi-sectoral interventions. Thus, the Project Manager mostly allocates their expert time to Output 1. Outputs 2 and 3, while reporting vertically, have a robust lateral relationship with other portfolios. The Project will also be assisted in the navigation of a complicated implementation terrain by the Chief Technical Advisor for Socio-Economic Recovery and Resilience. The Project receives overall guidance and strategic direction from the Project Board, which shall meet at a minimum every 6 months. PAUs envisaged by the Project are established with the relevant government agencies, including the State Agency for Energy Efficiency and Energy Saving as structural subdivisions with a clear COVID-19 response and recovery policy mandate.

4. Partnerships

The Project builds on the well-established relationship with the Cabinet of the Ministers of Ukraine but expands it to on-board other state actors (Output 1), financial market actors (Output 2) and non-financial private actors (Output 3). It will also closely collaborate with other Development Partners working in this field in Ukraine

The partnership strategy is based on the UN Development System assessment, which took stock of Ukraine's immediate response to the pandemic and spotted areas where the impact of the disruptions is felt most. Key partners include: national and local authorities (e.g. State Agency on Energy Efficiency of Ukraine, Ministry of Environmental Protection and Natural Resources of Ukraine, etc.); financial institutions (e.g. EBRD, EIB); non-financial private sector; development partners.

UNDP, as the SDG integrator, will ensure that the objectives provide a clear path towards engaging actors that may emerge as game-changers for their attainment – even if not initially included in the partnership matrix.

Through this Project UNDP will:

- 1) support the Government on evaluating exposure of the Ukrainian economy and financial system to the non-financial risks (e.g. Environmental, Social and Governance);
- 2) provide necessary support to the State Agency for Energy Efficiency and Energy Savings to align the Ukraine's efforts with the European Green Deal (EGD) as a new growth strategy for boosting the efficient use of natural resources by moving to circular economy, restoring the biodiversity and cutting pollution;
- 3) collaborate with the State Agency on Energy Efficiency of Ukraine and the relevant line ministries while preparing the Green Taxonomy and Green Bonds Standard;

- 4) unlock opportunities for partnerships with the EU, MDBs and other development partners with ongoing essential support envelopes to the country; and
- 5) assist in measuring carbon footprint of the business activities and products with potential to issue corporate carbon credits along the value and supply chains.

Implementation of the project will provide an opportunity to expand and deepen collaboration with other UN institutions presented in Ukraine (e.g. UNIDO, UNEP, etc.), supports a joint implementation of the green and sustainable projects with EBRD (e.g. financing green cities in Ukraine), IFC (e.g. implementing green innovative financial instruments), etc. Additionally, closer collaboration with the Delegation of the EU to Ukraine will be important to implement European experience in green transition in Ukraine and supports participation of the Ukrainian Government at the EU Green Deal.

5. Complementarity with other funds available for COVID-19

Funding source	Amount	Purpose of / period covered by the funding
Rapid Response Facility	317,000	Crisis Coordination Management in Ukraine. Capacity building of the crisis management structure of the Government to improve inter-ministerial multi-sectoral emergency response coordination and long-term COVID-19 response planning. April 2020 - October 2020.
The EU	22,500	Homeowners of Ukraine for Sustainable Energy Solutions (HOUSES) – an action within the EE4U Programme. An awareness campaign for homeowners’ associations on the prevention of COVID-19. April 2020-December 2020.
EU4Climate	1,160,000	Support to the Ukrainian Government while developing and implementing climate policies, contributing to low emission and climate resilient development. January 2020-December 2020.
SIDA	500,000	Empowered Partnership for Sustainable Development – pilot phase. Improve the skills of the communities for addressing the socio-economic impact of COVID-19 through the implementation of challenge-driven partnerships. July 2020-December 2021
Climate Promise	100,000	Support to the Ukrainian Government to submit a more ambitious Nationally Determined Contribution under the Paris Agreement. January 2020-December 2020.
DMFA, SIDA	123,777	Good governance and citizens engagement for justice, security, environmental protection and social cohesion in eastern Ukraine. March 2020 – January 2022.
Green Caucus	350,000	Support the member of the Ukrainian Parliament and the relevant Parliament Committees (specifically, on Environmental Policy as well as on Energy) with quality analytical support on the legislation making. 1 July 2018 – 31 December 2020
GWC	99,100	Supporting economic recovery through business opportunities in the field of waste management and circular economy (plastic waste). May 2020 – Apr 2021.
<i>Total contribution from ongoing UNDP projects and pipelines for 2020-2022 – 2,672,377 USD</i>		

6. Risk mitigation

The operational environment, especially in the light of the likely intensified pandemic combined with external (geopolitical) and internal (political volatility) developments is challenging to navigate. Core risks and their response strategies may be summarised as follows.

- **Further external aggression / intensified armed conflict in the east of Ukraine.** The Project will coordinate closely with the Recovery and Peacebuilding Programme to ensure this is not a concern.
- **Possible Government rotation.** UNDP has placed experts within the partner Government institutions to minimise the effect of a possible leadership reshuffle on capacity at ministry level. UNDP, as an a-political institution, would immediately re-engage with the new leadership to explain progress reached so far and present a “transition book” so that the new leadership can get itself up to speed quickly.
- **Serious deterioration in macroeconomic stability** due to difficulties with IMF or EU support programs; as a consequence – possible budget sequesters, re-prioritisation of funds. UNDP experts tasked with foreseeing possible alternative scenarios for funding the policy-proposals they make (backup funding options) and assist with resource search if possible.
- **Low buy-in of government counterparts into the policy-options proposed.** Selected experts encouraged to work with the dedicated partners to find proper “selling points” – not only to hand in policy proposals.
- **Collapse of the healthcare infrastructure due to failed reform, a surge of COVID-19.** UNDP mobilises its convening role and leadership as the SDG integrator and works hand in hand with other UN sister agencies (OCHA, WHO, UNICEF) to rapidly re-orient interventions and respond to the humanitarian crisis. Request for funds re-allocation is highly possible in this scenario.

7. BUDGET / WORKPLAN

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME						RESP. P-TY	PLANNED BUDGET*		
		2020	2021				2022		Source of Funds	Budget Description	Amount (USD)
		Q4	Q1	Q2	Q3	Q4	Q1-Q2				
<p>Output 1. Improved legal and institutional framework on the national and local levels in Ukraine for unlocking green and sustainable finance that responds to the needs of women and men from different groups.</p> <p>Gender marker: GEN-2</p> <p>At least 15% of the budget for the Output is supporting gender equality & the empowerment of women through policy work and capacity development</p>	<p>Activity 1.1 : Evaluating exposure of the Ukrainian economy and financial system to non-financial risks, including identifying key threats arising from the EU Green Deal and evaluating exposure to a range of Environmental, Social and Governance (ESG) risks related to the emergence of multilateral and international frameworks for managing and reporting on such risks.</p>	X	X					UNDP Ukraine	RFF	71300 Local Consultants 72800 Comp. Equipment/Software 75700 Trainings and Conferences 71600 Travel 72100 Contractual Services Companies	60 000
	<p>Activity 1.2: Analysing the existing legal framework in Ukraine and elaborating recommendations on how to financially and politically through policy and regulatory change support the participation of Ukraine at the EU Green Deal – unlock private green and sustainable finance (e.g. improved liquidity of the innovative green financial instruments) while reducing outstanding Environmental, Social and Governance (ESG) risks, including those that impact gender equality.</p>		X	X				UNDP Ukraine	RFF	71300 Local Consultants 72800 Comp. Equipment/Software 75700 Trainings and Conferences 71600 Travel 72100 Contractual Services Companies	60 000
<p>Output 2. Public and private sector stakeholders have the capacity to elaborate effective gender-responsive policy on the green and sustainable finance mobilization, improved ability to prepare bankable green projects.</p> <p>Gender marker: GEN-2</p>	<p>Activity 2.1. Creating and supporting the functioning of a cross-sectoral working group on green economy and sustainable finance with participation of the representatives from related ministries and local authorities, corporate and financial sector, IFIs based on the principle of gender parity and inclusivity.</p>	X	X	X	X	X	X	UNDP Ukraine	RFF	71200 International Consultants 71400 Contractual services – Individ 74200 Printing, Design, Translations 75700 Trainings and Conferences 72100 Contractual Services Companies 72800 Comp. Equipment/Software 74200 Audio Visual & Printing Production	60 000

<p>At least 20% of the budget for the Output is directly supporting gender equality & the empowerment of women</p>	<p>Activity 2.2. Preparing Green Taxonomy and Green Bonds Standard for a clear guidance for identifying “clean projects” and facilitating mobilization of the financial flows for the green and sustainable activities that respond to the needs of women and men from diverse groups.</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>			<p>UNDP Ukraine Private co-investment</p>	<p>RFF Private agriculture holding</p>	<p>71200 International Consultants 71300 Local Consultants 72100 Contractual Services Companies 72800 Comp. Equipment/Software</p>	<p>140 000</p>
<p>Output 3. Ukrainian producers are better managing climate-related risks along their value and supply chains through application of the IT-solutions. Implementation of the IT-toll has two components: technical preparation phase (e.g. MRV) and implementation of the pilot project (evaluation of the carbon footprint). Gender marker: GEN-2</p> <p>At least 50% of the budget for the Output is directly supporting gender equality & the empowerment of women, including women-owned and women-led MSMEs</p>	<p>Activity 3. 1: Analysis and implementation of the available methodologies and techniques, especially those that are gender-responsive, for evaluation of the carbon footprint at the corporate level, applying internal carbon pricing for an improved investment decision-making process.</p>	<p>X</p>	<p>X</p>	<p>X</p>				<p>UNDP Ukraine</p>	<p>RFF</p>	<p>71300 Local Consultants 71400 Contractual services – Individ 74200 Printing, Design, Translations 75700 Trainings and Conferences 72100 Contractual Services Companies 72800 Comp. Equipment/Software 74200 Audio Visual & Printing Production</p>	<p>120 000</p>
	<p>Activity 3.2 Implementation of the IT-solution for selected companies to facilitate assessment of the carbon footprint, improved climate risk management within the value and supply chains to support further application of the innovative green supply chain financing tools (e.g. corporate carbon credits). An IT-solution will be able to measure the carbon footprint on three scopes (internal emissions, electricity consumption, suppliers) and delivers transparency on the carbon emissions of a product across the value and supply chains. It could be also integrated with product databases and third-party solutions to analyse and understand the emissions breakdown.</p>										
	<p>Sub-activity 3.2.1: Selection of the companies for implementation of the IT-solution, feasibility study and implementation of the Monitoring, Reporting and Verification (MRV) mechanism for the selected companies to measure their carbon footprint on different scopes.</p>	<p>X</p>	<p>X</p>					<p>UNDP Ukraine</p>	<p>RFF</p>	<p>71300 Local Consultants 72800 Comp. Equipment/Software 75700 Trainings and Conferences 71600 Travel 72100 Contractual Services Companies</p>	<p>110 000</p>
<p>Sub-activity 3.2.2: Purchase or elaboration of the IT-solution in accordance with results of the feasibility study, technical specification and MRV system implemented on the pilot project value and supply chains.</p>		<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>		<p>UNDP Ukraine</p>	<p>RFF</p>	<p>71300 Local Consultants 71400 Contractual services – Individ 74200 Printing, Design, Translations 75700 Trainings and Conferences 72100 Contractual Services Companies 72800 Comp. Equipment/Software 74200 Audio Visual & Printing Production</p>	<p>350 000</p>	

	Sub-activity 3.2.3. Technical assistance after implementation of the IT-solution, adjustment of this solution to the specific features of the production and supply processes for the pilot project.						X	X	UNDP Ukraine	RFF	71300 Local Consultants 71400 Contractual services – Individ 74200 Printing, Design, Translations 75700 Trainings and Conferences 72100 Contractual Services Companies 72800 Comp. Equipment/Software 74200 Audio Visual & Printing Production	150 000
Total (project)											1 050 000	
Project Management											150 000	
TOTAL RFF											1 200 000	
TOTAL co financing											2 672 377	

8. RESULTS FRAMEWORK

EXPECTED OUTPUTS	OUTPUT INDICATORS ⁶	BASELINE		MILESTONES AND TARGETS					
		Value	Year	2020	2021				2022
				Q4	Q1	Q2	Q3	Q4	Q1-Q2
Output 1. Improved legal and institutional framework on the national and local levels in Ukraine for unlocking green and sustainable finance that responds to the needs of women and men from different groups.	1.1 Assessment of the Ukrainian's economy and financial system exposure to the non-financial risks conducted, identification of the main threats arising from the EU Green Deal made.	Non-numeric value / qualitative measure	2020	1 Report	-	-	-	-	-
	1.2. Recommendations on how to financially and politically support participation of Ukraine at the EU Green Deal prepared.	0	2020	-	1 package	-	-	-	-
	1.3. Number of men and women from diverse groups targeted by conferences, webinars and training activities in the area of green recovery and green financing.	0	2020	-	-	At least 50 (25 women and 25 men)	-	-	-
Output 2. Public and private sector stakeholders have the capacity to elaborate effective gender-responsive policy on the green and sustainable finance mobilization, improved ability to prepare bankable green projects.	2.1 A working group on green and sustainable finance established.	0	2020	1 WG	-	-	-	-	-
	2.2 Green Bond Standard to join European Green Deal (EGD) and facilitate mobilisation of the private green and sustainable finance developed.	0	2020	-	-	-	1 Green Bond Standard	-	-
	2.3 Green Taxonomy to join European Green Deal (EGD) and facilitate mobilisation of the private green and sustainable finance developed.	0	2020	-	-	-	1 Green Taxonomy	-	-
Output 3. Ukrainian producers are better managing climate-related risks along their value and supply chains through application of the IT-solutions. Implementation of the IT-toll has two components: technical preparation phase (e.g. MRV) and implementation of the pilot project (evaluation of the carbon footprint).	3.1. Assessment of the existing IT-solutions on measuring carbon footprint conducted.	0	2020	-	-	1 Report	-	-	-
	3.2. A guidance on how to apply the internal carbon pricing prepared.	0	2020	-	-	1 Report	-	-	-
	3.3 Number of men and women from diverse groups targeted by conferences, webinars and training activities in the area of climate risk management and measuring the carbon footprint.	0	2020	-	-	-	-	-	At least 50 (25 women and 25 men)
	3.4. Number of the businesses that are covered by the IT-solution for assessing a carbon footprint.	0	2020	-	-	-	-	-	1 IT-solution to cover at least 10

⁶ It is recommended that projects use output indicators from the Strategic Plan IRRF COVID-19 indicators, as relevant. Due to the nature of the COVID-19 response work, quarterly milestones and targets are recommended. Monitoring will be conducted using the COVID-19 Monitoring Dashboard. Reporting will be streamlined into the COVID-19 reporting exercise (mini-ROAR and COVID-19 indicators.) No separate reporting will be required for rapid financing facility.

Fw: RFF proposal

Oleksandr Sushchenko <oleksandr.sushchenko@undp.org>

15.03.2021, Пн, 9:39

Кому: Ievgen Spivakovskiy <ievgen.spivakovskiy@undp.org>

Копия: Andreas Biermann <andreas.biermann@undp.org>; Natalia Kozenko <natalia.kozenko@undp.org>; Alla Tynkevych <alla.tynkevych@undp.org>

 Вложений: 1 (88 КБ)

Ukraine RFF proposal- 30 Oct.docx;

Dear Ievgen,

there was no signing procedure for the RFF project.

Based on the communication below, please upload this version of the prodoc.

Best,
Oleksandr

From: Stanislav Kim <stanislav.kim@undp.org>

Sent: 24 November 2020 16:42

To: Andreas Biermann <andreas.biermann@undp.org>; Oleksandr Sushchenko <oleksandr.sushchenko@undp.org>; Lesia Shyshko <lesia.shyshko@undp.org>

Cc: Yuliya Shcherbinina <yuliya.shcherbinina@undp.org>

Subject: RFF proposal

Dear colleagues,

With this message, let me share with you the final version of your RFF proposal approved by the IG.

Best,
Stas



*Empowered lives.
Resilient nations.*

Stanislav Kim,
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