Operations Manual

PPF4Ukraine

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1.0	10/03/2026	Operations Manual	All key experts	Jesper Karup	Christoph Baumann
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NIRAS | Implenia | egis | SURA Swiss-Ukrainian Reconstruction Agency | Municipal Development Institute

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List of Abbreviation

BESS	Battery Energy Storage System
CEE	Central and Eastern Europe.
CHF	Swiss Franc
CV	Curriculum Vitae
C&V	Communication and Visibility
DREAM	Digital Restoration Ecosystem for Accountable Management
EIA	Environmental Impact Assessment
EU	European Union
FS	Feasibility Study
IA	Implementing Agency
IFI	International Financial Institutions
MDB	Multilateral Development Banks
MDI	Municipal Development Institute
MEUR	Million Euros
MinDev	Ministry for Development of Communities and Territories of Ukraine
MoU	Memorandum of Understanding
NAF	Needs Assessment Form
O&M	Operation and Maintenance
OM	Operations Manual
OVNS	*Otsinka Vplyvu na Navkolyshnie Seredovyshche* (in Ukrainian EIA)
PFS	Pre-Feasibility Study
PIM	Public Investment Management
PIS	Project Implementation Support
PIU	Project Implementation Unit
PPF	Project Preparation Facility

SC	Steering Committee
SECO	Swiss State Secretariat for Economic Affairs
SURA	Swiss-Ukrainian Reconstruction Agency
TA	Technical Assistance
TEO	Technical & Economic Justification
TOR	Terms of Reference
VAT	Value Added Tax
WTO	World Trade Organisation

1. Introduction

1.1 Swiss-Ukrainian Municipal Project Preparation Facility (PPF4Ukraine)

The Swiss-Ukrainian Municipal Project Preparation Facility[1] ("PPF4Ukraine" or "Facility") is a programme designed to address Ukraine's needs in rebuilding and rehabilitation of municipal infrastructure that suffered from the consequences of Russian military aggression against Ukraine. This will be achieved by preparation of priority projects and supporting their implementation, focusing not only on reconstruction of municipal infrastructure, but also on "building back better" along a green and sustainable reconstruction that is in-line with European standards.

The Facility is one of the six measures of Switzerland's financial support to Ukraine's reconstruction in partnership with the private sector. The PPF4Ukraine modalities were agreed on by the Swiss State Secretariat for Economic Affairs (SECO) and the Ministry for Development of Communities and Territories of Ukraine (MinDev) and formalized through the signing of a Memorandum of Understanding (MoU) in April 2025. It will be implemented through the engagement of the private sector, linkages of project preparation with the intended financiers of the project, and alignment with the Ukraine's Public Investment Management (PIM) Reform.

Private sector engagement will be pursued through multiple complementary channels, including, the systematic collection of proposals from companies with expertise in Swiss approaches and the capacity to deliver products or services that support Ukraine's economic development and reconstruction; support for selected high-potential private sector initiatives through a quick-win measures approach; attraction of private sector investments or co-financing by applying quality infrastructure standards; and by strengthening Swiss–Ukrainian business networks as a basis for sustained, long-term, and more substantive engagement of Swiss private sector actors in Ukraine. Early linkage with the financier increases the likelihood that projects, which received preparation support, are later implemented. Implementation often fails because prepared projects are not financially viable or do not comply with the requirements, standards or strategies of the financier. Therefore, the Facility will establish close cooperation with potential financiers throughout the project preparation and implementation support process. In addition, the Facility will coordinate with other donors and Multilateral Development Banks (MDB) that support similar initiatives for Ukraine, albeit with a broader focus, to avoid possible duplications and redundancies.

Ukraine's government has elaborated a roadmap to reform the system of Public Investment Management (PIM). The Facility will align with and support the PIM system to the greatest extent possible while considering Switzerland's interests. The preparation of high-quality municipal infrastructure projects requires specialists from various fields, and expertise which is often lacking. Therefore, the Facility will support capacity-building and project preparation at the local level.

The overall objective is to contribute to the improvement or re-establishment of urban public services in Ukraine through the preparation of priority infrastructure projects in line with the standards of International Financial Institutions (IFIs) to ensure that these projects will be implemented.

The Facility contributes to the overall objective through the implementation of three components associated with the following main project outcomes:

[1] Also known under the title of Municipal Infrastructure Development Programme (MIDP) – Project Preparation Facility (PPF)

1. Enhanced quality and increased quantity of municipal infrastructure projects for the reconstruction of Ukraine.
2. Well-prepared projects implemented and co-financed through the Facility.
3. Business networks between Switzerland and Ukraine are strengthened.

The following is an overview of the Facility's budget for the initial 5-year phase of the programme:

Budget Line	CHF
Implementation Agency	3'200'000
Component 1 (expert pool/studies)	4'000'000
Component 1 (quick-win measures)	1'000'000
Component 2 (co-financing)	9'000'000
Component 3 (business networks)	400'000
Reserve (for comp 1 or 2 or 3 and/ or implementation agency and/or external evaluation)	3'400'000
Total Budget	**21'000'000**

The programme includes possibility of options for budget increase of the 1st phase and for launching the second phase of the Facility; either option could be exercised at SECO's discretion, subject to the fulfilment of relevant conditions.

1.2 Purpose and Structure of the Manual

The purpose of this Operations Manual (OM) is to define the framework of policies, processes, procedures and rules governing both the Facility and the projects to be prepared and supported under the PPF4Ukraine. The OM defines the main roles, rights and responsibilities of the Facility's key stakeholders (see Section 0) and all other relevant stakeholders and participants ("Parties").

The Parties recognise that the creation of and adherence to the OM is one of the key conditions for the successful implementation of the Facility. The Operations Manual, in form and substance satisfactory to and approved by the Steering Committee, shall guide the selection of projects to be prepared and be a prerequisite for the disbursement of Facility funds for project preparation and implementation support.

All Parties involved in the Facility's implementation are bound to follow the relevant provisions of this document.

The Operations Manual consists of the following main sections:

- Programme Organisation and Governance Structure
- Programme Implementation
- Project Screening, Selection and Approval
- Technical Assistance
- Quick-win Measures
- Procurement

- Monitoring and Reporting
- Programme Budgeting and Financing Procedures
- Communication and Visibility Procedures

In addition, the Manual includes eleven annexes and separate documents incorporated by reference.

The OM's structure and content may be updated from time to time, as discussed in Section 1.3 below.

1.3 Procedure for Updating the Manual

The OM is prepared and updated by the Implementing Agency (IA) of the Facility. It is a living document that will evolve in parallel to the progress of the PPF4Ukraine. Accordingly, the OM will be updated to reflect the Facility's evolving needs as they arise. Any adjustments or changes will be subject to strict updating and approval procedures, outlined below:

- In the event the OM must be amended and/or supplemented, the IA shall prepare and the IA's Team Leader shall submit comparative table of the original and revised texts to SECO.
- SECO either approves the proposed changes by issuing its " no-objection" or provides comments on the proposed changes to the OM within 10 working days.
- After SECO's "no-objection", the updated OM is subject to approval by the Steering Committee and becomes valid from the date of this approval. The SC's approval shall be indicated in the respective Minutes of the Committee's meeting which could be held via online conference, as the case might be.

The title page of the revised OM shall bear its consecutive number (1, 2, 3, etc.) of revision and the new version's date as agreed and documented in the Minutes of the respective Steering Committee meeting.

The IA shall ensure publication of any new version of the OM on the Facility's website and inform the programme stakeholders, as per the list in Section 2, by circulating the updated version of the OM via e-mail within 10 days after its approval by the SC.

The English version of the Operations Manual is the official version of the OM. In case of discrepancy between the Ukrainian and English versions, the latter shall prevail.

2. Programme Organisation and Governance Structure

Purpose of this chapter is to identify key programme stakeholders and their roles, define project cycle, data management and overall programme's structure and organisation.

2.1 Key Programme Stakeholders

Key programme stakeholders* are as follows:

Table 1. Key Programme Stakeholder

Name	Institutional Status	Related Functions
	Ukrainian Stakeholders	
Ministry for Development of Communities and Territories of Ukraine (MinDev)	Central Government	Key Ukrainian counterpart for the programme, developing and setting up state policies for municipal infrastructure and services. Key functions in the programme: - Strategic steering and oversight, and validation of the OM and its updates; - Participation in project selection processes and formal endorsement of Feasibility Studies; - Support in securing financing and coordination with IFIs.
Ministry of Economy, Environment and Agriculture of Ukraine	Central Government	Development and implementation of Public Investment Management Reform (PIM), as well as related economic policies
Ministry of Finance of Ukraine	Central Government	Key participant in PIM reform, preparation and execution of state budget, approval of local loans by the communities
DREAM Project	Project Office established by MinDev and Open Contracting Partnership	Central Digital Platform of PIM Reform
Participating municipalities' mayors-with bodies - councils	Local self-governing bodies	Initiation, preparation and implementation of infrastructure projects
	Swiss Stakeholders	
Swiss State Secretariat for Economic Affairs (SECO)	Swiss Federal Government	Programme initiator and the main financial donor; reviews and approves programme deliverables
Swiss Embassy to Ukraine	Swiss Diplomatic Institution	Coordinator of Swiss state's assistance to Ukraine, represents SECO in Ukraine
PPF4Ukraine Implementing Agency	International consortium of firms contracted by SECO according to the MoU between the Swiss and the Ukrainian Governments to	Programme planning, implementation and reporting to Steering Committee and to SECO

Name	Institutional Status	Related Functions
	support PPF4Ukraine implementation	

Note: The term 'stakeholders' refers to key Programme actors involved in governance, oversight and implementation functions.

A detailed overview of the key programme stakeholders and other programme participants, including their roles, functions and contacts, is provided in the Communication and Visibility Handbook (see Annex 9 to this Manual for further details).

2.2 Programme Steering Committee

The Steering Committee is comprised of respectively appointed representatives of SECO, Ministry of Communities and Territories Development of Ukraine and of the Swiss Embassy in Kyiv. The Steering Committee's key role is to set and, where necessary, adjust the strategic direction of the Facility in response to the evolving political and societal situation and the recovery and reconstruction needs of Ukraine, as well as the availability of Swiss technical approaches and proposals which are suitable for the Ukrainian context. In addition, the Steering Committee will review and approve the Facility's Operations Manual prepared by the Implementing Agency, as well as annual progress reports of the programme.

As part of the programme oversight function, the Steering Committee will be informed on the selection of projects for preparation and implementation support under the Facility, as well as on the progress of their elaboration & execution. Upon the review of this information, the Committee may issue recommendations to the Implementing Agency as to further streamlining and enhancing efficiency of programme implementation.

The members of the Programme Steering Committee appointed by their respective organisations are presented, along with their contact data, in the Communications and Visibility Handbook.

Steering Committee's Modus Operandi

The operations procedures of the Steering Committee are defined in Annex 1 to this Manual. The Facility's Implementing Agency, as a Secretariat of the Steering Committee, should ensure adherence to the Committee's procedures of operations at all times.

2.3 Implementing Agency

The IA is composed of an international consortium: NIRAS (lead), Implenia, and Egis Ukraina with the Swiss-Ukrainian Reconstruction Agency (SURA) and Ukrainian Municipal Development Institute (MDI) as subcontractors. The organisation of the team is shown in schematic form in the figure below. The structure marks a clear distinction between a facility-level leadership and management team (on top), and the level where projects are delivered (at the bottom), i.e., project preparation studies and quick-win measures under Component 1, and activities related to co-financing under Component 2.

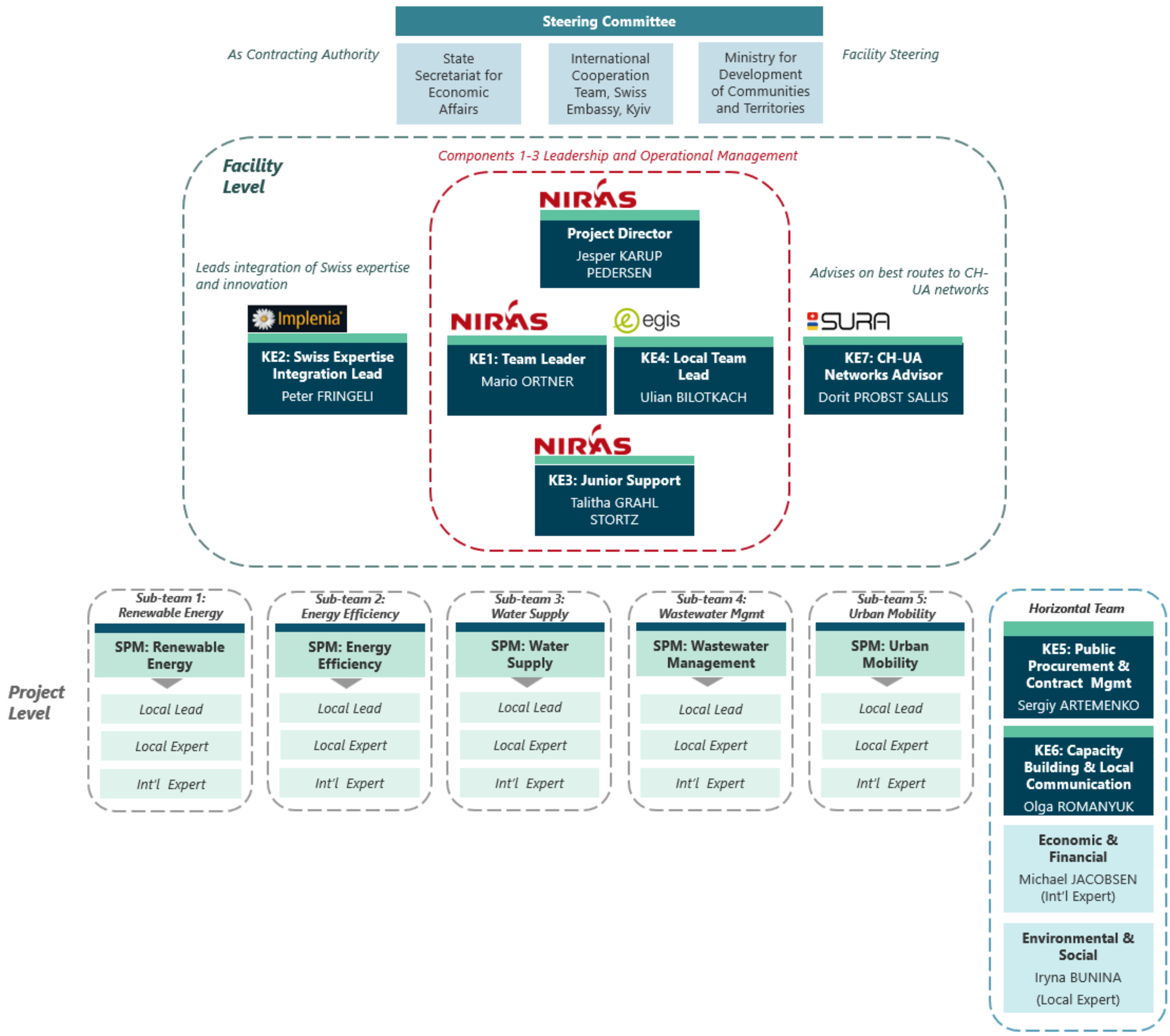

Figure 1. Schematic of the team organisation.

The consortium was contracted by SECO in November of 2025 to provide the Facility's implementation services, including but not limited to:

- Preparing programme procedures (including selection criteria for the projects to be prepared) and plans.
- Identifying and selecting projects to be supported by the Facility.
- Conducting relevant studies of the selected projects (such as pre-feasibility and feasibility studies).
- Presenting the prepared projects to the potential financiers (such as Multilateral Development Banks or other IFIs) and continue the subsequent preparation of and implementation support for the financiers-supported projects, as needed.
- Partnering with selected Swiss-Ukrainian business networks and support their operations and development as needed.
- Ensuring visibility of the programme to the targeted public in Switzerland and Ukraine.

The IA will work toward achieving the following key programme deliverables:

A. For Inception Phase:
- Operations Manual
- Draft communication and visibility strategy and first material
- PPF4Ukraine Launch Event
- Proposal for the Steering Committee's modus operandi
- First Steering Committee meeting
- Inception Report (replacing the first progress report)

B. For Component 1 (Projects preparation and quick-win measures):
- Update or refinement of selection criteria for PPF4Ukraine support
- Documentation on recommended projects for support by PPF4Ukraine as per procedures defined in the Operations Manual
- (Pre-)Agreements on preparation studies with potential funding sources for the project's subsequent implementation
- Project preparation studies aligned with the Facility's Operations Manual and requirements from potential funding sources for project implementation
- Capacity-building measures for the supported Ukrainian municipalities
- Implementation and completion of quick-win measures as per contracts and arrangements of supervision with the respective owners of quick-win measures

C. For Component 2 (Projects co-financing):
- Documentation on recommended projects for co-financing as per procedures defined in the Operations Manual
- Co-financing agreements with the main funding source
- Proof of funding commitment by the main funding source
- Implementation and completion of co-funded investment measures

D. For Component 3 (Swiss-Ukrainian business networks)
- Documentation on recommended partnerships with Swiss-Ukrainian business networks for financing as per procedures defined in the Operations Manual
- Financing agreements with the selected Swiss-Ukrainian business networks
- Minutes of meetings with selected business networks
- Outreach to Swiss business associations
- Implementation and completion of activities funded by SECO

In addition, the IA shall prepare and submit to the Steering Committee and to SECO the programme progress reports, as defined in Section 7.5 of this Manual.

SECO will provide contractual oversight and be responsible for approving the deliverables of the IA which do not require the approval of the Steering Committee. As per components 1 and 2, the IA will seek and evaluate proposals, and recommend them to SECO, which will decide upon the selection of projects based on the guidelines and criteria for the selection of projects agreed upon by the Steering committee. Within component 3, the IA will identify and support selected Swiss-Ukrainian networks in professionalizing their activities, subject to SECO non-objection.

2.4 Project Cycle

The project cycle is illustrated in the figure below:

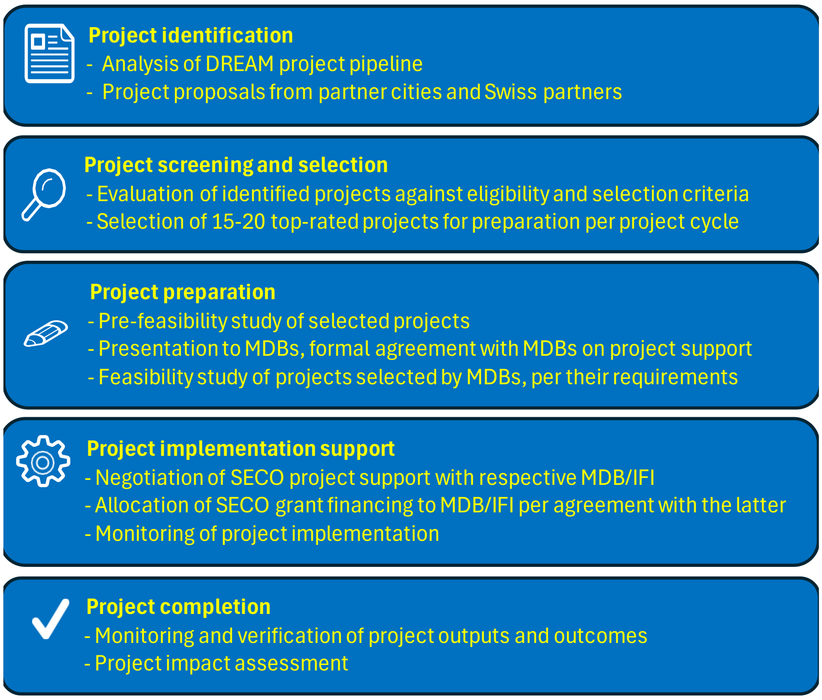

Figure 2. Project Cycle Illustration

2.5 Overall PPF4Ukraine Facility Organisation

The overall PPF4Ukraine Facility organisation is presented below. The detailed description of the roles and responsibilities of Facility stakeholders is presented in the Communication and Visibility Handbook (Annex 9).

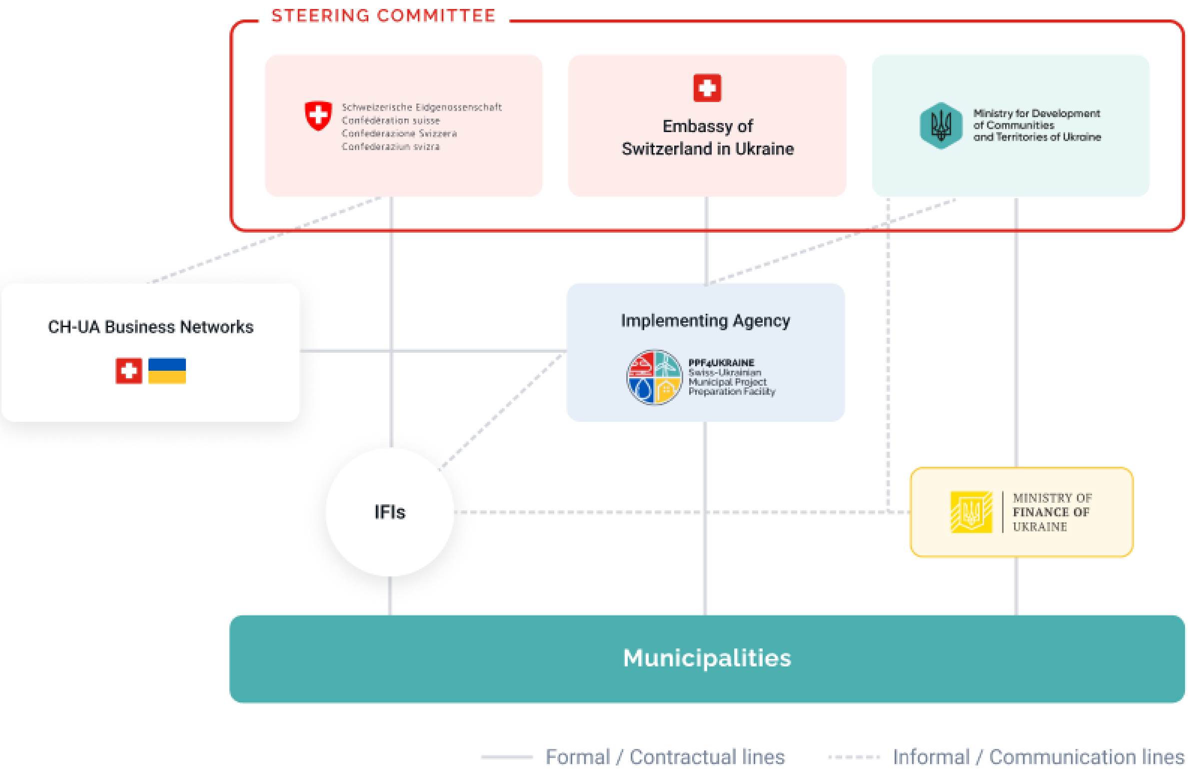

Figure 3. PPF4Ukraine organigram

3. Programme Implementation

3.1 Programme Implementation Planning

The first task of the IA in the Facility's Inception Phase is to prepare a general Workplan for the planned duration of the programme (2025-2030) and the detailed Workplan for its first year of implementation. The Workplan shall be included in the IA's Inception Report and submitted for SECO's review and approval as part of this Report.

The Facility's Workplan can be amended during the implementation period to reflect changing circumstances in the programme, if/as these occur, or due to changing preferences of programme stakeholders. However, any change in the Workplan should be approved by SECO on the no-objection basis for the changes to take effect.

The form of the Workplan is provided in Annex 2 to this Manual. It should be used by the IA for the Workplan preparation or amendment.

3.2 Project Identification

The Facility's Implementing Agency will undertake a four-pronged approach to identification of projects for preparation and implementation support, as follows:

a) Establishment of pipelines of potential municipal infrastructure projects in different sectors from the project proposals included in the DREAM platform by applying eligibility criteria defined in Section 4.1;

b) Review/selection of projects from the list of priority local projects issued by the Project Preparation Unit established at the Cabinet of Ministers of Ukraine as part of Public Investment Management system;

c) Requesting proposals from municipalities known to have well-developed capacity for project preparation and implementation due to their earlier participation in SECO (or IFIs)-financed programmes and/or from their Swiss partners, or based on other data; and

d) Discussion of project pipelines (as well as other project opportunities) with Multilateral Development Banks (MDB) regarding their interest in financing project implementation in cooperation with and support from the PFF4Ukraine programme.

As a result of application of this process, a list of potential projects will be identified for further screening and approval, as described below.

A simplified procedure will be applied to the projects, for which the particular MDBs requested Facility's assistance with preparation and/or implementation, should the MDBs confirm their intention of affording loan financing for such projects.

3.3 Project Screening and Approval

The identified potential projects for the Facility will be screened by the IA in accordance with the procedure described in Section 4, and subsequently reviewed and approved by SECO per the procedure presented in Section 4.3.

3.4 Project Preparation

The IA will carry out the preparation of projects approved by SECO under the Facility. There will be two types of projects to be prepared under the Facility, as follows:

A) Projects selected by SECO according to the criteria and procedures defined herein (A-type or pre-feasibility study (PFS) projects); and

B) Projects selected by MDBs and SECO for financing, where the respective MDBs have requested the Facility's assistance with project preparation and/or implementation (B-type or feasibility study (FS) projects).

Preparation of the **A-type projects** will generally consist in the development of pre-feasibility study to provide a rapid analysis of technical, economic, financial, environmental, and social aspects of the project to assess its viability. The pre-feasibility study should include but not be limited to technical and strategic assessment, initial financial and economic analysis, preliminary environmental & social assessment, legal and institutional analysis, risk assessment and project structure. The IA will then present the completed pre-feasibility studies to relevant MDBs to explore their potential interest in financing these projects.

Preparation of the **B-type project** will generally consists of the development of a bankable feasibility study, which should include but not be limited to demand analysis, options analysis, project description, conceptual designs, cost estimates, cost benefit analysis, financial and economic analysis, affordability analysis, tariff study (for district heating and water/wastewater projects), project implementation plan, and procurement plan. In addition, the relevant environmental and social studies and plans will need to be prepared as well, such as the environmental screening, gap assessment and roadmap to compliance; the environmental & social action plan; the stakeholders engagement plan; and other relevant studies and reports, as appropriate.

The feasibility study for the B-type project should be designed in a way that reflects the specific requirements of the financier of this project for such a study.

3.5 Feasibility Study Terms of Reference Template

The Terms of Reference (ToR) template for feasibility study provided in Annex 8 to this OM is based on prior experience of infrastructure project preparation in various countries and generally combines the requirements and standards applied by various IFIs for those studies. It also includes the Needs Assessment Form (NAF) for technical assistance, in case its completion will be required by the project financier/MDB. Thus, this template is recommended to be used as a general guiding material for the preparation of specific ToRs for the projects selected for preparation under the Facility.

A particular attention should be given to the compliance of projects under the preparation with internationally recognized infrastructure quality standards to ensure that all planning, design, construction, and operational processes meet the highest benchmarks for safety, service reliability, sustainability, and good governance. This includes adherence to technical engineering standards (ISO, EN/Eurocodes, and sector-specific norms), as well as environmental and social safeguards consistent with international frameworks (World Bank ESS, EBRD PR, IFC Performance Standards, and EU directives), and sustainable infrastructure principles promoted by global initiatives (G20 Principles for Quality Infrastructure Investment, OECD recommendations on infrastructure, UNEP Sustainable Infrastructure Principles, Blue Dot Network Certification, FAST-Infra Label, and ESG-based SIA standards).

Projects must also align with SECO's core priorities: transparent and accountable public-sector governance, sound public-finance management, climate resilience, low-carbon development, and long-term operational and financial sustainability of municipal service providers. Compliance with these standards ensures that SECO-financed infrastructure delivers durable public value, protects communities and the environment, and strengthens institutional capacity at the municipal level.

However, for each project, the relevant ToR for the feasibility study must reflect the specific requirements of the potential financier of that project for this type of document. Therefore, the draft ToR must be reviewed and no-objected by the project financier before SECO can approve the execution of the study.

3.6 Project Implementation and Monitoring

Project implementation begins once the feasibility study for the project has been completed and "no-objected" by both the lender (such as an MDB) and SECO, as well as accepted by the project beneficiary, and project financing agreements have been signed. The financing agreements may include a loan agreement between the MDB and the borrower; a guarantee agreement between the MDB and the state/municipal guarantor; a grant (trust fund) agreement between SECO and the MDB; and other agreements, as appropriate.

The purpose of SECO's grant co-financing of the project can be either to finance the Project Implementation Support (PIS), the supply of key items of equipment (including works, as appropriate), or both (up to a maximum of CHF 2 million per project, but flexibility may be allowed in exceptional cases). Depending on the modalities of the MDB-SECO agreement, the financing can be partially (or fully) limited to Swiss equipment suppliers or Swiss-made equipment, or both.

The responsibility for project implementation will rest with its beneficiary while the MDB will normally support the beneficiary by procuring and engaging the services of the PIS consultant. The PIS consultant will assist the beneficiary with procurement of the works, goods and services for the project, from the preparation of procurement documents up to contract finalisation, as well as with contract administration and works supervision.

The role of IA will be to monitor project implementation by reviewing beneficiary's and PIS consultant's project progress reports and by observing physical progress of the works on project sites. The IA's project monitoring functions shall be specified in relevant project's financing agreements and beneficiary's contracts with suppliers and contractors, for the Agency to be able to perform this duty.

Further details on monitoring of project implementation are provided in Section 0.

4. Project Screening, Selection and Approval

The municipal infrastructure projects[2] identified in accordance with the procedure described in Section 3.2 above will be screened by the Facility's IA against the criteria set out in Sections 4.1 and 4.2. Only projects that meet these criteria will be submitted to SECO for approval, and upon approval will proceed to further preparation and implementation support (co-financing) by the Facility.

The evaluation criteria presented in the next sections are subject to approval by the Programme's Steering Committee (see also Section 2.2 above) and can be applied only after such approval is formally granted per the relevant Minutes of the Steering Committee Meeting.

4.1 Eligibility Screening

The IA will screen the identified A-type (Pre-Feasibility Study - PFS) projects by using the eligibility criteria and methods of evaluation presented in Table 2 below:

Table 2. Eligibility Criteria

No.	Eligibility Criteria	Method of Evaluation	Conclusion
1.	**Strategy alignment**		
	The project is aligned with municipality's strategy (mid-term priority investment plan) and supports municipality's priority needs in infrastructure development and/or rehabilitation *Optional:* The project is included in the local Single Project Pipeline	Verification of project data on the DREAM platform. Review of project data from municipality	Yes/No
2.	**Sector eligibility**		
	The project belongs to one of the following sectors*: water supply/wastewater, urban transport, energy efficiency (e.g., district heating, street lighting, thermal rehabilitation of buildings, etc.), energy generation e.g. waste to energy and distribution (with limitations– see textbox below).	Verification of project data on the DREAM platform. Review of project data from municipality	Yes/No
3.	**Project Readiness**		
	Availability of initial project proposal, approved pre-feasibility or feasibility study for the project (including per the national standards) *Optional:* Availability of design documentation cleared through State Expert assessment for the project	Verification of project data on the DREAM platform. Review of project data from municipality	Yes/No
4.	**Project cost**		
	The project cost equals or exceeds MEUR 5.0 in the sectors of outdoor lighting and local energy (generation, distribution, energy efficiency, renewable sources) The project cost equals or exceeds MEUR 10.0 in the sectors of district heating, water supply/wastewater, solid waste management and urban transport	Verification of project data on the DREAM platform. Review of project data from municipality	Yes/No

[2] The following projects will be considered: (i) urban project from municipalities; (ii) urban / agglomeration projects that cover several municipalities and/or are sponsored by different stakeholders than municipalities (for instance, regions).

As a result of eligibility screening, the projects will be divided into lists of eligible, potentially eligible and ineligible projects. With regard to the potentially eligible and ineligible projects, for which additional information may be required to complete the eligibility assessment, the respective municipality will be asked to submit supplementary information. The deadline for submission of such complementary information should be specified in the request. Projects found eligible through this complementary assessment will be added to the list of eligible projects.

*Within these sectors, the following restrictions apply to these subsectors:

- Energy generation: (i) greenfield PV / BESS projects are excluded; (ii) fossil-fuel generation projects are excluded – however gas generation projects can be approved on a case-by-case basis provided that they have high impact and comply with the NEAT criteria (see below – short qualitative analysis along the NEAT criteria needed to obtain non-objection from SECO).
- Transport: rolling stock (e-buses, trolleybuses, etc.) projects and tunneling projects are eligible for advisory services (TA – component 1), but not for investment grants (component 2) (case-by-case waiver can be given by SECO).

Very promising project in other urban sectors can be selected on a case-by-case basis *(this allows for exceptionally promising projects in waste incineration, greenfield social infrastructure, etc.;).*

NEAT criteria:

Gas power plants and mid- & down-stream gas *(i.e. preparation, distribution, transport, further processing; including pipelines, LNG terminals, refineries, including upgrading of existing fossil fuel infrastructures)* ***are generally not supported****, except in exceptional circumstances. Exceptions will be reviewed against the following cumulative "NEAT" criteria, taking into consideration the specific circumstances of countries, in particular low-income countries and fragile states:*

Ø ***Need****: Energy demand cannot be covered at affordable costs by renewable energy and / or by energy efficiency measures. The project offers an important development benefit, such as access to reliable and affordable electricity supply (security of supply) for poorer population groups, regions, countries; jobs are created (not only during construction, but also during operation); the project reduces air pollution, etc.*

Ø ***Efficiency****: the project complies with the concept of "best available technologies" (BAT). The financial and economic profitability must be taken into account (e.g. by means of carbon shadow pricing), over the entire life of the project and taking into account foreseeable technological developments.*

Ø ***Additionality****: The project could not be implemented without the MDB. The project improves the environmental / social / financial performance (financial and non-financial additionality), and reduces political risks such as nationalization or breach of contract. Less advanced or fragile project countries are more dependent on MDB financing or on a higher degree of concession. Financial additionality alone is not sufficient.*

Ø ***Transition****: The project complies with the effective implementation of a national climate strategy towards renewable energies and the corresponding national climate target (NDC) and is in line with the goals of the Paris Agreement, i.e. it contributes to the energy mix targets in the country towards 2030 and 2050. The support leads to a higher ambition of the climate target (so-called conditional part of the NDC). Lock-in effects must be credibly prevented and the net zero target of the Paris Agreement must be implemented by 2050.*

All projects found eligible as a result of this screening will be further evaluated by the IA against the evaluation criteria defined in the below section.

4.2 Project Quality and Relevance Screening

This stage of screening will focus on project quality and relevance that will be assessed using the main criteria and corresponding sub-criteria defined below. The projects evaluation criteria may be updated as the Programme evolves, to reflect the changes in situation on the ground and in the needs in infrastructure rebuilding and renovation over time. Such updates of evaluation criteria will need to be approved by the Facility's Steering Committee before coming into force.

Table 3. Project Evaluation Criteria – A-type or PFS projects

Nr	Main Criteria	Evaluation criteria	Points	Max
1	Project readiness	Project Concept note/Project Proposal	3	**10**[3]
		Pre-feasibility study (Investment TEO) per national standards	6	
		Feasibility study per national standards, Technical & Economic Justification (TEO)	10	
		Detailed designs	4	**5**
		Expertise	1	
		Environmental & Social Impact Assessment of international standard	5	**5**
		Ukrainian EIA[4]/OVNS	3	
		Pre-assessment of environmental impact (Ukrainian standards)	1	
2	Technical feasibility and justification of project	Plant/facility/equipment capacity matches needs and demand of users	0 – 4	**20**[5]
		Technical solutions/designs are appropriate in the local context	0 – 3	
		Project has strong potential for application of Swiss expertise and/or Swiss private sector engagement	0 – 8	
		Project's impact (size of targeted population over value of investment – the highest value among all evaluated gets the highest score))	0 – 5	
3	Environmental impact and resource efficiency	Project documentation includes calculated/quantified positive impact on environment and increased resource efficiency	0 - 5	**5**
4	Compliance with approved planning framework	Project is reflected in municipal strategic development programme	5	**15**[5]
		Project is included in the local Single Project Pipeline	10	
5	Priority level	Project is designed to rebuild/repair the damaged infrastructure	15	**20**
		Project is designed to rebuild/repair/modernize the outdated infrastructure	5	

[3] Only one alternative can be selected.
[4] Projects that are legally exempt from EIA requirements under Ukrainian legislation shall not be penalized and may receive equivalent scoring based on documented confirmation of exemption.
[5] More than one alternative can be selected.

Nr	Main Criteria	Evaluation criteria	Points	Max
6	Readiness to co-operate (for projects extracted from DREAM platform or per direct request)	Project owner formally confirmed readiness to interact with SECO and IFIs	5	**20**[5]
		Initial project proposal provided for a project that is not in the DREAM platform yet.	5	
		Municipality already participates in SECO-financed or Swiss programmes (capacity, governance reform, city-to-city co-operation, etc.), creating institutional synergies	10	
Total				**100**

Table 4. Project Evaluation Criteria – B-type or FS projects

Nr	Main Criteria	Evaluation criteria	Points	Max
1	Availability of financing for the project	Negotiations about project financing between MDB and Beneficiary are ongoing	5	**50**
		Cooperation agreement for the project is signed by MDB and Beneficiary	15	
		MoU/cooperation agreement on project preparation and co-financing is signed by MDB and SECO	30	
2	Degree of project's "Swissness"	Potential for the use of equipment & materials of Swiss origin/production	25	**50**
		Potential for application of Swiss technical experience and expertise	25	
Total				**100**

Following the evaluation of eligible projects, the Implementation Agency will score each project per the procedure set out in Annex 10 to this Manual and rank them based on their total scores. The outcome of projects evaluation shall be presented by the IA in a brief evaluation report per the template provided in Annex 12 to this Manual. Projects with the highest relevance and quality scores will then be submitted to SECO for review and approval for further preparation and implementation support by the Facility.

The project evaluation and selection process is illustrated on Figure 4 below.

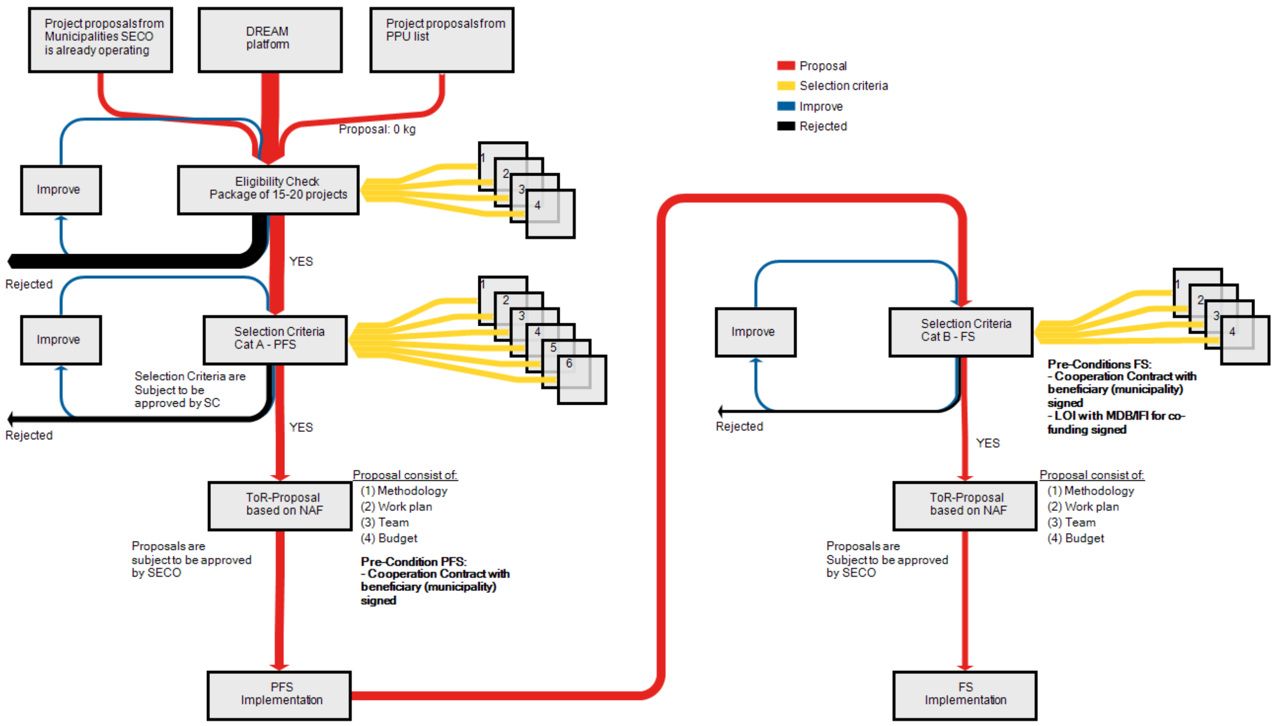

Figure 4. PPF4Ukraine project evaluation & selection process

4.3 Project Approval Procedure

The potential A-type or PFS projects as pre-selected by the IA will be reviewed and approved by SECO for initial preparation (such as preparation of pre-feasibility studies and/or filling out the Needs Assessment Form) on the "no-objection" basis. For each pre-selected project, the IA shall provide to SECO the following information:

- Summary data on project's eligibility evaluation and its outcome;
- Results of project quality and relevance screening, scores and ranks assigned; and
- Estimate of project preparation costs and timeline, such as preparation of pre-feasibility study or similar.

SECO will review the proposed A-type (PFS) projects, select the most appropriate from the SECO's viewpoint and provide its "no-objection" to their preparation and/or comments within a fortnight[6]. For the approved projects, the IA will prepare, discuss and sign cooperation agreements with respective municipalities, and will promptly begin project preparation (e.g. the development of pre-feasibility studies and/or completion of the Needs Assessment Form). A template of cooperation agreement for the project pre-feasibility study between the Implementing Agency and the municipality is provided in Annex 11 to this Manual.

Approval of the B-type or FS projects will be decided by SECO on the basis of the IA's evaluation per criteria in Table 4 above and relevant MDB's requests, as well as per the subsequent negotiations and signed cooperation

[6] SECO may also consult with MinDev with regard to particular A-type (PFS) projects

agreements between SECO and the MDB. In addition, the MinDev's endorsement of the FS projects will be sought and obtained, prior to the commencement of the relevant feasibility studies.

4.4 Technical Assistance

The following types of technical assistance are envisioned under the Facility:

- Support to project beneficiary with project preparation, in particular by carrying out project pre/feasibility study, due diligence and/or similar studies, as needed.

- Support to project beneficiary with procurement and implementation of equipment supply and installation services for the approved quick-win measure, including preparation of procurement documents, evaluation of proposals, contract finalisation, administration and supervision.

- Capacity building of participating municipalities in infrastructure project preparation and implementation, directly related to the proposed or supported pre/feasibility study.

4.5 Funding and Delivery of Technical Assistance

Responsibility for the delivery of the above-listed types of technical assistance, as well as its financing on a fiduciary basis lies with the Facility's IA. The project preparation studies will be financed from the Facility's allocated budget for this purpose (4 million CHF).

The procedures for delivery and financing of technical assistance services within the PPF4Ukraine programme are as follows:

- Upon SECO's approval of the A-type (PFS) projects and signing of cooperation agreements between the Implementing Agency and respective municipalities (see Sections 3.4 and 4.3 above for details), the IA will promptly draft a proposal, consisting of the ToR (methodology) for the development of pre-feasibility study (or other relevant study, such as required for the completion of the NAF or similar), the expert team (from the non-key expert pool identified in the Implementing Agency's contract and additional experts, if required for its implementation), CVs, workplan and budget, and seek no-objection to the proposal from SECO. Once completed and approved by SECO, the pre-feasibility study reports will be shared with relevant MDBs and IFIs for their review and decision on possible financing of particular (B-type) projects.

- Upon the selection of B-type projects (FS) for financial support by MDBs/IFIs, a formal MoU/cooperation agreement between MDB/IFI and SECO will be elaborated for each project. After it is signed, the IA will develop a proposal, consisting of the ToR (methodology) for the development of feasibility study, the expert team (from the non-key expert pool identified in the Implementing Agency's contract and additional experts, if required for its implementation), CVs, workplan and budget, and seek no-objection to the proposal from both SECO and MDB/IFIs. The project preparation studies (for both A-type and B-type projects) will be financed from the Facility's allocated budget for this purpose (4 million CHF).

- For SECO-approved quick-win measures, the IA will provide technical assistance to beneficiaries in the form of support to procurement of relevant goods and related services, as well as supervision of measures' implementation. Funding of these services will come out of the Agency's own budget. However, should a study tour to Switzerland be proposed and accepted as a quick-win measure for a particular municipality, its financing should come out of the quick-win measures' budget (1 million CHF).

- Upon identification of municipalities that will participate in the Facility, the IA will carry out the capacity building/training needs assessment with regard to infrastructure project preparation & implementation in these municipalities and will develop relevant capacity building programmes for each of them. The relevant capacity building activities in the project municipalities (such as training workshops, seminar, etc.) will be performed by relevant IA's experts within the budget available for the Agency's operations, except for study tours (if any), which should be financed from the quick-win measures' budget, as mentioned above.

4.6 Procurement of Technical Assistance

As the IA was procured on the basis of its demonstrated capacity to prepare infrastructure projects through the engagement of a pool of non-key experts with relevant experience and qualifications, no additional procurement of technical assistance services for project preparation under the Facility will normally be required. Neither will it be required for involving additional experts outside the non-key experts' pool (should this be needed for performing particular studies), who can be engaged by the Agency directly[7] per sub-clause 7.2(b) of the Terms of Reference for IA's services, subject to the fulfilment of qualification requirements defined therein. All experts proposed for performing the studies shall be no-objected by SECO (and by respective MDB/IFI for preparation of feasibility studies – see Section 4.5 above) prior to their engagement in particular studies.

The exception would be in cases where the preparation of a particular project requires the engagement of services from an external consulting firm having specific expertise not available within the IA's pool of experts. The procurement of such firm's services would have to be performed in accordance with the Swiss procurement rules, which in most cases would mean that following the Invitation Procedure or Direct Award Procedure would be allowed, due to the low value of the contract (below CHF 230,000).

The same rules apply to procurement of technical assistance services associated with quick-win measures and capacity building of participating municipalities in project preparation and implementation.

[7] The Agency shall first and foremost seek to engage Swiss experts.

5. Quick-win Measures

5.1 Purpose of Quick-win Measures

Quick-win measures (quick-wins) are small operational measures or demonstration projects that can be implemented rapidly, serve as a demonstration of a new concept, generate momentum and pave the way for larger investments or reforms. This approach paves the way for more ambitious, long-term project studies by enabling the Facility to seize ad hoc opportunities that address Ukraine's urgent needs, are of high interest to Switzerland, and can be implemented in the short term.

Under the PPF4Ukraine programme, a fund of CHF 1,000,000 has been established to finance the selected quick-win measures capped with CHF 150,000 per measure. This fund will be open for joint proposals of Ukrainian partners participating in the Facility and the Facility's Implementing Agency. Quick-win measures may be related to supply of goods or services (e.g. small equipment needed by a public utility) or small-scale piloting of promising approaches, for example, in relation with innovative Swiss solutions[8]. To this end, it could also facilitate study visits or fact-finding missions of interested parties.

The main purpose of the quick-wins within the Facility is to demonstrate innovative approaches and Swiss technical solutions in support of the projects selected for preparation and implementation support under this programme. Therefore, quick-wins will be selected in the municipalities participating in the Facility at the feasibility study stage of the programme. To that end, the respective municipalities will be consulted by the Facility's Implementing Agency to identify relevant quick-win measures, based on their needs and the IA's innovative suggestions, that comply with the eligibility criteria described below.

5.2 Eligibility Requirements

To be eligible for Programme's financing, the quick-win measures jointly identified by the IA and the participating Ukrainian municipalities shall comply with the following requirements:

- The measure should be in line with the municipality's strategy and respective plans for infrastructure development (Eligible sectors are water supply/wastewater, urban transport, energy efficiency (district heating, street lighting, thermal rehabilitation of buildings, etc.), energy generation and distribution (with limitations – see textbox in Section 4.1 for details).
- The measure should address the municipality's high-priority needs in infrastructure repair, renovation, or restoration, particularly where damage has resulted from Russia's military aggression against Ukraine.
- The measure should be designed in a way that ensures its fast implementation (i.e., it should involve either supply & installation of equipment, or quick technology improvements and/or capacity building activity).
- The measure should envision participation of both Ukrainian municipality and Swiss partner (Implementing Agency of the Programme will manage the activities and assist with procurement of equipment and networking with potential Swiss partners).
- The measure's budget should fall within CHF 150,000 (without VAT and customs duties).

The identified quick-wins shall align with projects selected for preparation & implementation support in relevant municipalities; they may include such measures as replacement of pumps in water supply/distribution and

[8] See further information at: Team Switzerland Infrastructure

wastewater systems with more efficient ones and/or installation of solar plants with and without BESS systems for uninterrupted power supply to the water & wastewater pumps; replacement of destroyed electrical transformers; installation of heat pumps or biofuel powered boilers for heating of public buildings (hospitals, schools, etc.); installation of individual heat substations in heating systems of public buildings; installation of solar lamps in street lighting systems; study visits or fact finding missions, etc.

The jointly proposed quick-win measures by the IA and the relevant municipalities shall be submitted for SECO's review and no-objection in a format described in Section 5.4 below.

5.3 Implementation Procedures

For the SECO-approved quick-win measures involving supply and installation of equipment, the IA will sign a financing agreement with the respective Ukrainian beneficiary, defining financing procedures and responsibilities of the parties in implementation of the measure. The IA will manage the procurement of equipment to be supplied & installed and related services to be provided by the supplier based on requirements of Swiss procurement law. Applicable thresholds for simplified procurement procedures (including award by invitation or direct award) shall be duly considered in relation to the estimated contract values. All contract awards will be subject to SECO's no-objection prior to execution.

The Ukrainian beneficiary will be named a purchaser under the goods supply and related services contract (to be prepared by the IA) and will sign the contract as such. The other party to the contract will be a Swiss contractor, a subsidiary of a Swiss company in Ukraine, or any other company able to provide innovative solutions according to Swiss approaches selected as a result of the above-mentioned procurement process. The IA will also assist the beneficiary with seeking no-objection to the contract award from SECO. The supplier of equipment under the contract will be required to provide the equipment supply, installation & commissioning services (including by subcontracting relevant local firm), copies of the equipment's operation and maintenance manuals in Ukrainian language, and to train beneficiary personnel for its operation & maintenance.

An important responsibility of the beneficiary will be to obtain a tax and customs duties waiver for the equipment supplied under the supply and installation contracts from the competent state authorities in accordance with established procedure, as Swiss grant funds cannot be used to cover Ukrainian taxes and duties. If required, the IA will assist the beneficiary with obtaining relevant official letters from SECO for this purpose.

For the selected quick-win measures involving study visits and/or fact-finding missions, the Implementing Agency will act as the Client under the contract with the Swiss service provider selected through the above-described procedure. This contract will require SECO's no-objection prior to its execution.

All contracts concluded in relation to a particular quick-win measure will be fully financed by the Implementing Agency from the established fund for this purpose, per the financing procedures defined in respective IA's financing agreements with relevant beneficiaries.

The selected quick-win measures will be considered implemented once the defined supplies, installations and services in respective contracts are accepted by relevant beneficiaries and the IA.

5.4 Format of Submission of Proposed Quick-win Measures for SECO's Review

The Implementing Agency and the participating municipality should submit their joint proposal for the quick-win measure for SECO's review with the following information:

- Description of the proposed quick-win measures, including:

    - Technical details and calculations, as appropriate.
    - Assessment of measure's demonstration effect of a technology relevant for a study under consideration/implementation
    - Assessment of measure's impact on quality of municipal services and environment.
    - Estimate of measure's urgency, if appropriate.
- Estimate of the proposed investment's costs and operational expenses, if appropriate.
- If relevant, an explanation of how the operation and maintenance costs of the installed equipment will be covered after implementation of the proposed quick-win measure.
- Information about participation of potential Swiss (or Ukrainian) partners in implementation of the proposed quick-win measure and the specifics of their participation (in case the applicant does not have specific information about potential partners, the Implementing Agency will facilitate networking between Swiss and Ukrainian partners, once the proposed quick-win measure is selected for financing).

The proposal shall be submitted via email in PDF format, including the cover letter as a scanned copy (the overall size of submission shall not exceed 20 MB).

6. Procurement

6.1 Procurement Procedures for Projects

Procurement of goods, works and services for the projects to be prepared under the Facility will have to be done after the start of project implementation, as described previously in Section 3.6, i.e., after project preparation has been completed. Given that project implementation will be carried out by the project beneficiary in line with the financing agreement with supporting MDB, the applicable procurement procedures will be defined in that agreement and, as a rule, will be the procedures adopted by the financier for its operations in line with the applicable international standards and best practices.

The beneficiary will be supported in preparation and execution of project procurements by the Project Implementation Support (PIS) consultant, whose services will be procured by the financing MDB according to the Bank's procedures. Since the PIS consultant will be required to assist the beneficiary with practical application of the MDB's procurement procedures, all project procurement activities will be conducted in full compliance with the procedures established by the financing bank for its operations.

Should the municipality be able to co-finance the SECO-supported project out of its own investment funds (without resorting to debt financing), the applicable procurement procedures for such a project will be defined by the financing agreement between the municipality and SECO and, as a rule, will be the procurement rules and procedures of SECO. In principle, procurement and contracting for the SECO-financed components shall be carried out by the IA, and no transfer of SECO funds to the municipality shall be made. National procurement rules could be applied to separately municipality-financed components or, where agreed in the financing agreement, to some (or even all) project components, as appropriate.

In case of the project financed via the private-public partnership (PPP) mechanism, the policies and rules for procurement of works, goods and services for such a project will be defined in financing agreements for the project between the private investor, the financing bank, SECO and beneficiary. The procurement rules so defined should be in line with internationally recognised standards and principles, such as the principles of the WTO's Procurement Agreement.

6.2 Procurement Procedures for Quick-win Measures

The procurement of goods and services for the quick-win measures will be carried out by the Facility's IA. Therefore, the applicable procedures will be those of the Swiss Federal Government, i.e., based on the Federal Act of 21 June 2019 on Public Procurement (PPA, SR 172.056.1) and the Ordinance of 12 February 2020 on Public Procurement (PPO; SR 172.056.11).

The IA shall maintain a rolling Procurement Plan for quick-win measures (updated at least annually and whenever materially required). The plan shall include the following data: description of each measure/package; estimated total value (excl. VAT); classification (goods/services/works); applicable procedure (direct/invitation/tender); expected timeline for implementation. The Plan (and any material updates) shall be submitted to SECO for information / no-objection as required under the Facility governance.

Since the value of quick-win measures is limited to CHF 150,000 per measure, the procurement of equipment and related installation services for a particular measure can be carried out in accordance with either (i) the open procedure, or (ii) the invitation procedures, which is applicable for the procurement of goods and services from CHF 150,000 to CHF 230,000 in value, or (iii) the direct award procedure, which can be applied below the contract estimated value of CHF 150,000.

Under the invitation procedure the IA will consult with relevant Swiss business associations to get suggestions as to which tenderers are to be invited directly to submit offers. Wherever possible, three tenders should be obtained.

In carrying out the procurement for quick-win measures, the IA shall apply the following procedure:

- Identify and select tenderers to be invited to submit tenders directly.
- Prepare the Terms of Reference (ToR) / tender documents, including clearly defined eligibility and award criteria, their respective weightings, and the evaluation methodology, including the evaluation method, and submit these documents together with the list of the suggested tenderers to SECO for review and no-objection. All award criteria, their weightings and the evaluation framework shall be disclosed in the invitation documents and shall not be changed after the invitation has been issued. Send an invitation to at least 3 eligible tenderers.
- Obtain bids (recommended time period for submission: at least 14-21 days).
- Evaluate the tenders in accordance with the pre-disclosed criteria and produce a brief evaluation report, that is submitted to SECOs for review & no-objection.
- Following SECO's no-objection to the evaluation report, award the mandate by formally notifying the successful tenderer in writing.
- Conclude and sign the contract with the successful tenderer.

The IA shall adhere to the following guidelines in carrying out this procurement:

- There must be genuine competition between tenderers (i.e., all tenderers must have received the same information concerning the submission of tenders).
- The bids submitted must be evaluated on the basis of pre-disclosed, objective, clearly defined, comprehensible, assessable, transparent and non-discriminatory award criteria, combining qualitative, technical and economic/price aspects, and documented in a transparent manner. The award criteria shall be designed to identify the economically most advantageous tender. Depending on the nature of the procurement, such criteria may include, inter alia, technical merit, functionality, delivery period, warranty and after-sale service, cost-effectiveness, life-cycle costs, sustainability and price. Price shall always be one of the award criteria and the weighting of the financial offer shall not be less than 20%.
- The contract shall be awarded to the tenderer deemed to have submitted the most advantageous tender based on the evaluation conducted in accordance with the established award criteria.

6.3 Procurement of local consulting services

This section applies only to procurement of special required services like topographical surveys, geotechnical survey, biodiversity surveys, etc. outside the IA, where e.g. local licenses are required, which cannot be covered by the pool of experts of the IA.

In such case the procurement of services shall follow the general guidelines presented in Section 4.6 of this Manual on the procurement of technical assistance services for the Facility.

In view of the nature and scope of potentially required services from external consulting firms, if any, these can be procured via the direct award procedure, since their value is expected to be below CHF 150,000. For this procurement, the IA shall use the following procedure:

- Invite at least two candidates to submit their technical and financial proposals.
- Evaluate the submitted proposals and select the winning proponent.

- Following SECO's no-objection, award the mandate to the winning bidder.
- Conclude the contract.

6.4 Engagement of experts for sub-projects

The engagement of experts for sub-projects follows a phased approach, whereby experts are selected from the IA's pre-qualified expert pool. The Operation Management (see Figure 1) submits to SECO the sub-project technical proposal consisting of:

- the methodology,
- the work plan,
- the budget and
- the CVs of the proposed Non-Key Experts performing the sub-project, i.e., selected from the pool of non-key experts based on their relevant experience and qualifications for the specific project:
    - International Senior Expert
    - International Mid-career Expert
    - National Senior Expert
    - National Mid-career Expert
    - National Junior Expert

The Non-Key Experts shall fulfil the following requirements, in line with the quality standards of IFIs, in order to ensure that the outputs of the pre-feasibility and feasibility studies are prepared in accordance with internationally recognised and IFI-compliant standards.

International Senior Expert (ISE)
<u>Role:</u>
Senior technical specialist responsible for core technical tasks within a sub-project (e.g. FS, ESIA, design, economic analysis).
<u>Profile requirements:</u>

- University degree in a relevant technical field
- Minimum 10 years of relevant professional experience
- Proven experience in:
    - similar tasks and sector (energy, environment, transport, social, digital)
    - IFI-funded projects
    - Swiss approaches/technical solutions
- At least 5 years of international experience (outside country of origin) in financial and technical planning of municipal infrastructure projects
- Strong analytical and reporting skills
- Excellent command of English (Min. Level B2)

<u>Typical responsibilities:</u>

- Lead key technical work packages
- Prepare and review core deliverables (e.g. feasibility analysis, technical concepts)
- Ensure compliance with IFI / EU standards
- Support Operation Management in technical coordination

International Mid-career Expert (IME)
<u>Role:</u>

Mid-career technical specialist responsible for technical tasks within a sub-project (e.g. FS, ESIA, design, economic analysis).

Profile requirements:

- University degree in a relevant technical field
- Minimum 5 years of relevant professional experience in financial and technical planning of municipal infrastructure projects
- Proven experience in:
  - similar tasks and sector (energy, environment, transport, social, digital)
  - IFI-funded projects
  - Swiss approaches/technical solutions
- At least 3 years of international experience (outside country of origin)
- Strong analytical and reporting skills
- Excellent command of English (Min. Level B2)

National Senior Expert (NSE)

Role:

Senior expert with strong regional / local experience, supporting implementation and ensuring alignment with local conditions and standards.

Profile requirements:

- University degree in a relevant field
- Minimum 10 years of relevant professional experience
- Proven experience in:
  - similar tasks in the relevant sector
  - 8 years of professional experience in projects in UA / IPA (highly desirable)
  - experience with IFIs
- Knowledge of local regulations, standards and procedures
- Fluency in Ukrainian
- Good command of English (Level B1)

Typical responsibilities:

- Adapt technical solutions to local regulatory and institutional context
- Support data collection and stakeholder coordination
- Ensure compatibility with national standards and permitting requirements
- Bridge between international experts and local stakeholders

National Mid-career Expert (NME)

Role:

Supporting senior expert supporting implementation and ensuring alignment with local conditions and standards.

Profile requirements:

- University degree in a relevant field
- Minimum 5 years of experience in financial and technical planning of municipal infrastructure projects
- Proven experience in:
  - similar tasks in the relevant sector
  - 5 years of professional experience in projects in UA / IPA (highly desirable)
  - experience with IFIs
- Knowledge of local regulations, standards and procedures
- Fluency in Ukrainian

- Good command of English (Level B1)

National Junior Expert (NJE)

Role:

Supporting senior and mid-career expert responsible for analytical, organisational and data-related tasks under supervision of senior experts.

Profile requirements:

- University degree in a relevant field
- Minimum 5 years of relevant professional experience

Experience in:

- data collection and analysis
- technical or economic studies
- Knowledge of local language is an advantage
- Good command of English

Typical responsibilities:

- Data collection, processing and analysis
- Preparation of reports, tables, and calculations
- Support stakeholder communication and logistics
- Assist in drafting technical documentation

Upon approval of the Technical Proposal by SECO, the Consultant proceeds with the mobilisation of the expert team, including contractual arrangements and issuance of task assignments. The experts are formally introduced during the sub-project kick-off meeting and are fully deployed during the inception phase for the execution of the assignment.

7. Monitoring and Reporting

7.1 Project Implementation Monitoring

As mentioned in Section 3.6 of this Manual, the IA of the Facility will be required to monitor project implementation on behalf of SECO. The IA's project monitoring functions shall be specified in relevant projects' financing agreements and beneficiaries' contracts with suppliers and contractors, for the Agency to be able to perform this duty.

This function of the IA will be performed through the following activities:

- Desk review and analysis of beneficiary's and PIS consultant's project progress reports.
- Visits to the project sites to observe physical progress of the works on the ground.
- Identification of any project implementation issues, such as project delays or cost overruns, and reporting them to SECO along with recommendations on alleviation together with recommended mitigation or corrective measures.
- Monitoring of the activities financed with SECO's financial contribution to project implementation and reporting on their progress (including quantitative reporting on SECO Standard Indicators), as well as any issues identified[9], to SECO.

IA shall maintain a procurement file (ToR, invitations, clarifications, bids, evaluation, SECO no-objection, award notice, signed contract).

7.2 Quick-wins Implementation Monitoring

As a fiduciary financier of quick-win measures, the IA shall monitor their implementation beginning from the procurement of supply of equipment and related services to the completion of the supply and installation services and their acceptance by the beneficiary. The IA's rights to obtain relevant documentation and to access the project sites for monitoring purposes shall be clearly spelled out in relevant contracts between the supplier and the beneficiary.

Similarly to the monitoring of project implementation, the monitoring of quick-win measures shall be performed via the following activities:

- Desk review and analysis of measure-related documentation (contracts, bills of shipment, invoices, etc.).
- Visits to the project sites to observe equipment delivery and installation.
- Identification of any implementation issues and advising the beneficiary and the supplier on corrective measures.
- Reporting to SECO on the progress of quick-win measures (including quantitative reporting on SECO Standard Indicators) and any identified issues.

[9] *In cases where a beneficiary municipality repeatedly fails to cooperate, does not demonstrate reasonable implementation progress, or does not fulfil obligations under the cooperation agreement, the Implementing Agency may recommend to SECO corrective actions, including suspension, replacement, or cancellation of Facility support.*

7.3 Monitoring of Grants to Swiss-Ukrainian Business Networks

Following the selection by the Facility's Implementing Agency of Swiss-Ukrainian business networks to partner with and their approval by SECO, the IA will issue grants to these networks to support their operations and development, including such activities as follows:

- Communication and outreach to business communities in Switzerland and Ukraine.
- Organisation and implementation of networking events for Swiss and Ukrainian business communities.

The IA will monitor the implementation of these activities by performing the following tasks:

- Desk review and analysis of grantees' progress reports.
- Attending the organised networking/communication events to observe their progress.
- Identification of any networking-related issues and reporting them to SECO along with recommendations on alleviation together with recommended mitigation or corrective measures.

7.4 Monitoring of Project Preparation Studies

In addition to monitoring of activities of actors engaged in implementation of quick-wins and prepared projects, the Facility's Implementing Agency shall monitor implementation of project preparations studies (such as pre/feasibility studies) by the Agency's personnel. This task shall focus on, but shall not be limited to, the following aspects of these studies:

- Performance of tasks defined in terms of references for the studies.
- Completion of studies within the approved timelines.
- Implementation of studies within the approved budgets.

Monitoring of project preparation studies shall be performed by Agency's team of key experts and the findings from this monitoring task shall be presented in the programme progress reports along with issues identified and the relevant remedial measures proposed/undertaken.

7.5 Reporting on Programme Progress

The IA shall report on programme progress, including on monitoring activities described in Sections 7.1 and 7.2 above, by submitting the following reports to SECO and Steering Committee:

Table 4. Reporting schedule

Description	Recipient	Submission Due Date
Inception Report **(same as the first progress report)**	SECO, Steering Committee	At the end of Inception Period
Half Yearly Progress Report: - **Technical report** - **Financial report**	SECO	End of July of calendar year
Annual Progress Report: - **Technical Report**	SECO, Steering Committee	End of January of calendar year

Description	Recipient	Submission Due Date
- **Financial Report** **(same as the second half-yearly report)**		
End of Project Report: - **Technical Report** - **Financial Report**	SECO	End of October 2030

Note: The due dates indicated above are for the draft versions of the respective reports. The final versions of the reports shall be submitted in a fortnight after receipt of the comments (or indication of the absence thereof) from the reviewing entities.

Templates for the above-listed programme progress reports are provided in Annex 3 to this Manual.

The requirements for the specific reports are as follows:

- The Inception Report shall present a description of revised/adapted methodology and revised schedule of activities, if necessary, as well as an update of the Logframe. It shall also present first results of activities.
- The Half-Yearly Report shall be in the form of a template provided in Annex 3 to this Manual, and shall be comprised of two separate lines of reporting - technical progress report and financial report. It should also include the updated Workplan and Logframe (if appropriate).
- The End of Project Report shall follow the template provided in Annex 3 and present both the technical and the financial results of programme implementation. It shall present cumulative results of the programme, as well as the final Workplan and Logframe.

In addition, the IA will prepare additional documents as required for the fulfilment of its duties, e.g., relevant presentations, minutes of meetings, etc. Furthermore, the IA will regularly inform SECO in meetings or by e-mail about important developments in the programme.

8. Programme Budgeting and Financing Procedures

8.1 Financial Planning

Financial planning under the Facility involves the preparation of budgets for the following activities:

- Technical assistance services provided by the Facility's Implementing Agency
- Quick-win measures financed on a fiduciary basis and managed by the IA
- Co-financing of project implementation by SECO.

In addition to the above-mentioned budgets, the Implementing Agency shall also prepare and regularly update the cash flow forecasts for the programme per the form provided in Annex 4 to this Manual. The initial and updated cash flow forecasts shall be presented in respective progress reports.

8.1.1 Budgeting of Technical Assistance Services

The IA shall prepare annual budgets for technical assistance services that are proposed to be financed on a fiduciary basis from the fund set aside for these purposes in the form proposed in the Table 7 below.

Table 5. Annual budget for technical assistance

#	Description	Years					Total
		2026	2027	2028	2029	2030	
1	Project 1 (Feasibility study, etc,)	XXX					
2	Project 2 (Feasibility study, etc,)		YYY				
…	………………….						
N	Project N (Feasibility study, etc.)					ZZZ	
…	External consultant's services for quick-win measures *(if/as needed)*		AAA				
…	External consultant's services for capacity building *(if/as needed)*			BBB			
						Grand Total*	

Note: Max. grand total is CHF 4 million

The budget shall be prepared as an Excel spreadsheet with interconnected sheets containing detailed cost estimates of each budget item for easy update, as and when needed.

8.1.2 Budgeting of Quick-wins Measures

Similar to the above, the IA shall prepare annual budgets for quick-win measures that are proposed to be financed on a fiduciary basis from the set aside fund for this purpose in the following form:

Table 6. Annual budget for quick-win measures.

#	Description	Years					Total
		2026	2027	2028	2029	2030	
1	Quick-win measure 1: *(description)*	XXX					
2	Quick-win measure 2: *(description)*		YYY				
...	....						
N	Quick-win measure N: *(description)*					ZZZ	
						Grand Total*	

*Note: *Max. grand total is CHF 1 million*

The budget shall be prepared as an Excel spreadsheet with interconnected sheets containing detailed cost estimates of each budget item for easy update, as and when needed.

8.1.3 Financial Planning of Project Co-financing

Once the agreements with respective MDBs have been reached with regard to the SECO's co-financing of the projects selected for preparation under the Facility, the Implementing Agency shall prepare a preliminary co-financing plan in the following form:

#	Description	Years					Total
		2026	2027	2028	2029	2030	
1	Project 1: *(description)*	XXX					
2	Project 2: *(description)*		YYY				
...	....						
N	Project N: *(description)*					ZZZ	
						Grand Total*	

*Note: *Max. grand total is CHF 9 million; max. CHF 2 million per project, but flexibility may be allowed in exceptional cases.*

The IA shall update this plan per instructions from SECO, once provided.

8.2 Financial Agreements

8.2.1 Financing Agreements of Beneficiaries

The Facility's beneficiaries, such as municipalities and/or communal enterprises/utilities, are expected to sign the following financing agreements:

- Loan agreement for a Facility-supported project with a MDB that committed to financing implementation of the project, or a loan funds transfer agreement with central government in case of a sovereign loan.

- Sub-guarantee agreement with a central or local government's guarantor of the MDB's loan (as the case might be).

- Financing agreement with the Facility's Implementing Agency concerning the financing of a quick-win measure selected for the beneficiary.

The above-listed financial agreements are executed once they are ready. Normally, the IA's financing agreement with the beneficiary is expected to be signed first, while the loan-related agreements will follow later (once the project preparation – in a form of feasibility study – is completed).

8.2.2 Project Co-financing Agreements with IFIs

To support implementation of selected municipal infrastructure projects, SECO will provide grant co-financing to the main financiers of these projects, such as MDBs or other IFIs, the size of which could normally be up to CHF two million per project, but flexibility may be allowed in exceptional cases. SECO's contribution will be directly transferred to relevant project financiers, based on respective co-financing agreements (such as contribution agreement or similar) to be signed between SECO and the project financiers.

Initially, a cooperation agreement between SECO, project financier and project beneficiary will be signed, defining the parties' commitments to and roles in the project, following which the SECO-financier project co-financing agreement can be signed. The format and content of the latter agreement will be proposed by the financier for discussion and finalisation in negotiations of the parties.

8.2.3 Financing Agreements with Swiss-Ukrainian Business Networks

Upon the selection by the Facility's Implementing Agency of Swiss-Ukrainian business networks to partner with and their approval by SECO, the IA will prepare and sign (subject to SECO's no-objection) financing agreements with these networks aimed at providing the Facility's financial support to their operations and development. The eligible expenses to be covered under these agreements are as follows:

- Communication and outreach to business communities in Switzerland and Ukraine (creation/update of websites and internet pages in relevant social networks, printing and circulation of brochures/leaflets, preparation and execution of targeted information campaigns or similar).
- Organisation and implementation of networking events for Swiss and Ukrainian business communities (venue/equipment rental, travel expenses, posters and handout materials, speakers' fees, etc.).
- Purchase of office equipment, if/as needed.
- Share of administrative costs.

The IA will disburse the agreed grant financing to the selected business networks from the allocated fund for this purpose, on behalf of SECO. The total amount of all IA's financing agreements with the Swiss-Ukrainian business networks under the Facility shall not exceed CHF 400,000 (unless SECO decides to increase this amount).

The template provided in Annex 7 to this Manual can be used for the preparation of IA's financing agreements with the Swiss-Ukrainian business networks.

8.3 Invoicing and Payment Procedures

8.3.1 Preparation, Processing and Control of Payment Orders

There are four types of payments under this Facility, as follows:

1) Payments to the IA for its services to the Facility;
2) Payments related to the delivery of technical assistance services (project preparation services);
3) Payments related to the implementation of the quick-win measures; and
4) Payments related to the implementation of the selected projects.

Respectively, the preparation, processing and control of payment orders are performed as follows:

a) For payments to the IA – in accordance with the contract between SECO and the NIRAS-led consortium. NIRAS is responsible for verifying that the preparation and processing of payment orders is done in accordance with the requirements of the relevant contracts.

b) Payments related to the delivery of technical assistance – in accordance with the employment agreements and/or contracts of the consortium partners with the experts assigned to the task. The assigned experts are responsible for preparation of their payment orders in accordance with relevant agreements/contracts, while the respective consortium partners are responsible for proper processing and control of these payment orders, supervised and coordinated by NIRAS.

c) Payments related to implementation of the quick-win measures – in accordance with the financing agreements between the IA and beneficiary and the contract between the beneficiary and the supplier.

d) Payments related to the co-financing of implementation of the selected projects (maximum 2 million CHF per project, but flexibility may be allowed in exceptional cases) – in accordance with financing agreements between the MDBs/IFIs and SECO.

8.3.2 Expense Reporting

In addition to accounting of programme-related expenses by the firms constituting the IA's consortium, the Agency shall prepare the unified reports on programme expenditures as a whole, which shall be included in the Facility's progress reports. These reports should present the following expenditures under the programme, on an accrual basis:

- Expenditures on technical assistance for the preparation of selected projects broken down by individual projects;
- Expenditures on equipment supply and installation under the selected quick-win measures, broken down by individual quick-wins;
- Expenditures on technical assistance for capacity building of participating municipalities, broken down by individual municipalities; and
- Expenditures on operations of the Facility's Implementing Agency.

These reports shall be prepared in the form of the Excel spreadsheet presented in Annex 5 to this Manual.

8.4 Audit of Programme Accounts

Annual financial audits of fiduciary accounts managed by the Facility's IA are required in accordance with the ToR for the Agency's services.

To this end, the IA shall engage services of a respectable auditing company, acceptable to SECO, in accordance with procurement procedures described in Section 6.3 of this Manual. The draft contract and terms of references for services of the auditing company shall be no-objected by SECO before the start of the audit. Upon the completion of the audit, the IA shall share a copy of the audit report with SECO promptly.

The audit of programme accounts shall be financed from the reserve fund set aside for the Facility by SECO.

9. Communications and Visibility Procedures

The Facility's Implementing Agency shall use appropriate communication channels to regularly inform the targeted public in Switzerland and Ukraine on the progress and results achieved by the facility, in consultation with SECO and in line with the Communication and Visibility Handbook (see Section 10.1 below for reference). The information in Switzerland shall be directed mainly to an audience of specialists (e.g. potential stakeholders from the private sector), while in Ukraine the information shall be mainly addressed to the public sector (particularly at local levels) and the private sector.

The communication and visibility strategy, as well as relevant procedures and activities are described in the Communication and Visibility Handbook (Annex 9).

ANNEXES

ANNEX 1: STEERING COMMITTEE OPERATIONS PROCEDURES

ANNEX 2: PROGRAMME WORK PLAN

ANNEX 3: FORMS OF PROGRAMME PROGRESS REPORTS

ANNEX 4: FORM OF PROGRAMME CASH FLOW FORECAST

ANNEX 5: FORM OF PROGRAMME EXPENSE REPORT

ANNEX 6: PROCUREMENT PROCEDURES FOR THE PROGRAMME

ANNEX 7: GRANT AGREEMENT FOR PROJECT FUNDS

ANNEX 8: TEMPLATE OF TOR FOR PROJECT FEASIBILITY STUDY

ANNEX 9: COMMUNICATION AND VISIBILITY HANDBOOK

ANNEX 10: PROCEDURE FOR EVALUATION AND SCORING OF PROJECTS

ANNEX 11: COOPERATION AGREEMENT FOR PFS AND FS

ANNEX 12: PROJECT EVALUATION SUMMARY