

## REFORM SUPPORT TEAM OF THE MINECONOMY SUMMARY OF 2023



### TRACKING THE PROGRESS OF THE MINECONOMY'S STRATEGIC PROJECTS

We started to implement a project-based approach to Mineconomy's strategic projects:

- Measurable performance indicators (KPIs) based on SMART criteria have been approved
- Projects were integrated into the Ministry's Strategic Plan
- Continuous monitoring was carried out by the Department of Strategic Planning and Macroeconomic Forecasting:
  - 2 times/mo for Department Directors
  - 1 time/mo for the Deputy Ministers
  - 1 time/quarter for the Minister
- Risk management and proactive governance were used
  - The number of projects in the "green zone" increased almost threefold compared to Q3 and Q2 of 2023
  - The number of projects in the "red zone" decreased by ~2.7 times with a significant lag behind plans for the same period



### RECOVERY PLAN

We participated in developing an updated version of the Ukraine Recovery Plan, considering the proposals of the Sectoral Working Group Economic Recovery and Development. The status of the Recovery Plan implementation for 6 months has been monitored. The Deputy Ministers were assisted in preparing analytical materials, investment projects, and presentations for the URC-2023 conference in London.



### REFORM OF CORPORATE GOVERNANCE OF STATE-OWNED ENTERPRISES

The Mineconomy was assisted in the formation of supervisory boards of the GTS operator and EnergoAtom. We advised on amendments to the relevant industry-specific resolutions, including No. 777 on strengthening the process of selecting independent members of supervisory boards and senior management for the largest state-owned enterprises. The charters of 10 state-owned enterprises have been updated. Jointly with the Mineconomy, we participated in the preparation of the draft law No. 5593-д text, which was submitted to the industry-specific committee of the VRU.

The corporate governance reform applies to 3500 state-owned enterprises and 85% of the revenue they generate. Representatives of the EBRD, the IMF, the European Commission, and the G7 countries participated in the reform development process.



### EXPORT BOOSTER

A pilot phase of the project has been carried out. 40+ companies in the food and engineering industries were supported in entering international markets. Ukrainian companies were assisted in signing contracts for \$500 ths. Another \$5 mln is the amount of agreements most likely to be converted into contracts within 5-9 months. More about the project: [link](#) + [link](#)



### SUPPORT FOR UKRAINIAN MANUFACTURERS IN FOREIGN PUBLIC PROCUREMENT TENDERS (GPAINUA)

5 companies were supported to participate in public tenders in EU countries. A contract for over \$1 mln was signed.



### DIRECTION OF DONOR COORDINATION

We assisted in developing the capacity and efficiency of the Ministry of Economy of Ukraine's coordination with international donors. Consequently, the Mineconomy managed to attract \$24 mln of donor support for strategic projects.



### UPDATE OF THE LABOR CODE OF UKRAINE FOR SUBMISSION TO THE VERKHOVNA RADA OF UKRAINE

Jointly with the Department of Labor and Employment, we prepared a draft of the new Labor Code of Ukraine, which was submitted to the Mineconomy for final review.



### EMPLOYMENT SUPPORT WITH A FOCUS ON VETERANS AND VULNERABLE POPULATION GROUPS

The design of a grant program to support men and women veterans and their families was developed. This program resulted in 76 grants for UAH 23.8 mln for men and women veterans and 60 grants for UAH 30.2 mln for the second spouse. A concept for a strategy to overcome the gender wage gap and support women's employment was developed.



### DEVELOPMENT OF THE CONCEPT OF APPROACH TO THE SELECTION OF EDUCATIONAL AREAS OF STATE ORDER

We provided proposals for transforming the approach to the selection of educational areas of state-funded training, which the state annually finances for about UAH 47.5 bln. A medium-term labor market forecast for the formation of the state order for 2024 with consideration of current economic needs and challenges has been developed.



### RESTRUCTURING THE BUSINESS PROCESSES OF THE STATE EXPORT CONTROL SERVICE

We assisted in restructuring the State Export Control Service of Ukraine with changes in leadership approaches and business processes. As a result, the review period for import applications was reduced to 5-7 days, instead of 15.

Following the project, the loyalty index of external stakeholders to the State Export Control Service (NPS) increased from -15% in June to +45% in October. More about the project: [link](#)



### EXPANSION IN THE RANGE OF PARTICIPANTS IN PUBLIC PROCUREMENT

Proposals have been made to amend the Law on Public Procurement to allow physical entities/individual entrepreneurs and legal entities, regardless of their residence, to unite for participation in tenders without establishing a legal entity, just by signing a joint activity contract.



### IMPLEMENTATION OF THE LIFE CYCLE COST CONSIDERATION METHOD IN PUBLIC PROCUREMENT (LCC)

Four pilot procurements using the Life Cycle Cost Assessment Method have been carried out for Ukrposhta, Ukrenergo, Ukrzaliznytsia, and the Patrol Police for a total contract amount of UAH 877 thousand. We developed two intensive courses and created a training course on the method, which was attended by about 400 participants: [link](#). More about the method: [link](#)



### PUBLIC PROCUREMENT FOR ENERGY SERVICES

A draft resolution that reduced the duration of the energy service procurement procedure to 2-3 months, instead of 6-10 months, has been prepared. The resolution was approved and adopted by the CMU. Under the new procedure, 30+ tenders were already announced, and 1 agreement for UAH 35+ mln was concluded. More about the resolution: [link](#)



### DEVELOPMENT OF THE CONCEPT OF APPROACH TO THE SELECTION OF EDUCATIONAL AREAS FOR PUBLIC PROCUREMENT

In cooperation with the Mineconomy, we prepared and registered in the VRU amendments to draft law No. 6013 for the second reading, aimed at mandatory reorganization of SOEs and recommended reorganization of MEs into LLCs or JSCs.



### DEVELOPMENT OF CRITERIA FOR DETERMINING ENTERPRISES CRITICAL TO THE FUNCTIONING OF THE ECONOMY

We assisted the Mineconomy in developing criteria for determining enterprises critical to the functioning of the economy. Methodological recommendations on reserving persons subject to military service for business have been developed. The material is available by the [link](#).



### ANALYTICAL SUPPORT ON SANCTIONS AND EXPORT SUBSTITUTION

An analytical review of sanctions restrictions on Russian pig iron and ferrous metal ores for the Mineconomy has been prepared.



### LAUNCH OF TRACKING OF THE INDUSTRIAL PARK REGISTRATION PROCEDURE

We developed and implemented an online tracker to monitor the registration process for industrial parks, which includes 13 to 16 stages of consideration by the authorities within 45 days. Now, applicants can independently track the status of their documents using a convenient online tool that eliminates the need for phone calls to obtain information.



### HR-WORKSHOP FOR PUBLIC SERVICE PROFESSIONALS

We implemented a training project on human resources management for 35 public service professionals. The best practice course, which included 5 modules on current HR best practices, was held in cooperation with the NAUCS and EU4PAR. 93% of the participants rated the quality and usefulness of the program at 10/10.



### GRANT INFORMATION AND DIALOG PLATFORMS

23 events aimed at supporting business and informing about government and non-government programs for about 1000 enterprises were held. Participant satisfaction ranged from 50 to 95.3%. See the record of events: [link](#)

The Reform Support Team of the Mineconomy (Reform Support Team, RST) is a team of Ukrainian professionals (not civil servants) that provides targeted technical support to the Ministry of Economy in the development and implementation of priority reforms. The source of funding for the project is the Multi-Donor Account for Stabilization and Sustainable Development of Ukraine (MDA) of the European Bank for Reconstruction and Development (EBRD) with the following grantors: Austria, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, Norway, Poland, Sweden, Switzerland, the United Kingdom, the United States, and the European Union (the largest donor).