

## JOINT DECLARATION OF INTENT

### ON CAPACITY DEVELOPMENT SUPPORT FOR INSTITUTIONAL DEVELOPMENT COORDINATED THROUGH THE GERMAN DEVELOPMENT BANK KfW BETWEEN

### THE MINISTRY OF FINANCE OF UKRAINE AND THE FEDERAL MINISTRY OF FINANCE OF THE FEDERAL REPUBLIC OF GERMANY

In the good spirit of the German-Ukrainian bilateral relations and in the firm belief that the exchange of know-how and experiences can support Ukraine's reconstruction, the Ministry of Finance of Ukraine and the Federal Ministry of Finance of the Federal Republic of Germany have signed a Joint Declaration of Intent on strengthening cooperation in Kyiv on 14 August 2023.

Following up on this Joint Declaration, the Federal Ministry of Finance of the Federal Republic of Germany has tasked the German Development Bank KfW with the appraisal of setting up a capacity development project which is planned to consist of the following two components:

- (i) Support to the Ministry of Finance of Ukraine by means of financing consultancy projects. These are sub-divided into two initiatives:
  - (a) Strengthening the national Ukrainian development finance and promotion landscape, especially with regards to the supervision and coordination of the national development and promotional institutions. This initiative includes strategic advice on the proposals of the Ministry of Finance of Ukraine to the Ukrainian Government regarding the delegation of respective tasks by the Ukrainian Government to the aforementioned national institutions.
  - (b) Further developing the institutional capacities of the Ministry of Finance of Ukraine with a particular emphasis on internal procedures and systems for strategic analysis and information management.
- (ii) Consultancy support to the Business Development Fund, a long-standing trusted partner of German-Ukrainian cooperation, in its institutional reform process. Such support will reinforce and add to already existing initiatives championed by the Ministry of Finance of Ukraine and supported by the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany. The partners collectively strive to pave the way to developing the Business Development Fund into a full-fledged independent National Development Institution with an emphasis on Ukrainian small and medium-sized enterprises (SMEs).

The capacity development project will be financed by the Federal Ministry of Finance of the Federal Republic of Germany, in keeping with regular budgetary procedures. Following the anticipated signing of the underlying agreements, the project's implementation is intended to be overseen by KfW, who will be tasked to ensure the project's adherence to KfW's Procurement Guidelines for tendering the required consultancy services as well as any other relevant project implementation provisions, such as the avoidance of conflicts of interests, the transfer of project-related information, and proactive communication of relevant project developments.

The partners concur to strive for a swift commencement and effective implementation of the project, reflecting the initiatives and principles outlined above. Upon completion of the preparatory phase the underlying agreements are targeted to be signed in due course by the end of this year.

This Joint Declaration of Intent will be applied starting on the day of signature. Each side may end the cooperation at any time. It should inform the other side in writing of its intention to end cooperation at least three months prior.

This Joint Declaration of Intent may be amended at any time by mutual consent; amendments should be done in writing.

This Joint Declaration of Intent is not intended to constitute a treaty, nor to create rights or obligations for any side under international law.

Signed in Berlin on 11 June 2024 in duplicate in the English language.

For the Ministry of Finance of Ukraine

For the Federal Ministry of Finance of  
the Federal Republic of Germany

H.E. Mr. Sergii Marchenko  
Minister of Finance

H.E. Mr. Christian Lindner  
Federal Minister of Finance