Ministry of Education and Science of Ukraine

Lifting Education Access and Resilience in times of Need in Ukraine

LEARN

OPERATIONAL MANUAL

January 28, **2026**

The Operational manual is the guiding implementation document for the LEARN Operation, and an important reference guide for all parties involved. The activities within the framework of LEARN will be carried out in accordance with the requirements of the LEARN legal agreements concluded between the World Bank and Ukraine, in conjunction with the procedures laid out in this manual. This manual will undergo periodic reviews and updates as necessary during LEARN implementation, with any changes subject to the no objection of the World Bank. All actors and participants of LEARN are obligated to adhere to the provisions of the manual. For detailed information on the Operational manual, its use in LEARN, please see Section 2.1.4

Definitions

#	Abbreviations and Terms	Description
1.	ACG	Anti – corruption guidelines
2.	ACU	Accounting Chamber of Ukraine
3.	AF	Additional Financing
4.	Agreements	Loan, Financing and Grant Agreements, collectively
5.	AIKOM	Integrated national information system responsible for ensuring proper digital interaction between national authorities, local self-government bodies, institutions and educational institutions, participants in the educational process and other legal entities and individuals in the education system in Ukraine
6.	CERC	Contingent Emergency Response Component
7.	DA	Designated Account
8.	DFIL	Disbursement and Financial Information Letter
9.	DLI	Disbursement Linked Indicators in Section IV.A.2 of Schedule 2 to the Agreements
10.	DLR	Disbursement Linked Results set in Section IV.A.2 of Schedule 2 to the Agreements
11.	DPA	State Final Examination
12.	DREAM System	The unified digital integrated information and analytical system for managing the process of reconstruction of real estate, construction, and infrastructure
13.	E&S	Environmental and social
14.	ECPE	Early childhood and preschool education
15.	ESF	Environmental and Social Framework
16.	ESMF	Environmental and Social Management Framework
17.	ESMP	Environmental and Social Management Plan
18.	ESS	Environmental and social standards
19.	ESSA	Environment and social systems assessment
20.	EU	European Union
21.	Financing Agreement	Agreement between Ukraine and the International Development Association for the Program
22.	GA	Grant Account
23.	GBV	Gender-based violence
24.	General Conditions	International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing", dated December 14, 2018 (last revised on July 15, 2023)

#	Abbreviations and Terms	Description
25.	GM/GRM	Grievance mechanism/Grievance redress mechanism
26.	GPN	General Procurement Notice
27.	Grant Agreement	Agreement between the Ukraine and the International Bank for Reconstruction and Development and the International Development Association acting as administrator of the Ukraine Relief, Recovery, Reconstruction, and Reform Multi-Donor Trust Fund
28.	Implementing Directorates	MoES directorates responsible for the Operation implementation
29.	IBRD	International Bank of Reconstruction and Development
30.	IDA	International Development Association
31.	IFR	Interim Financial Report
32.	IPF	Investment Project Financing
33.	ISTTI	In-Service Teacher Training Institute
34.	IVA	Independent Verification Agent
35.	KPI	Key Performance Indicator
36.	JSC	Joint Stock Company
37.	LEARN	Lifting education and access and resilience in times of Need in Ukraine Operation
38.	LMP	Labour management procedures
39.	Loan Agreement	Agreement between the Ukraine and the International Bank for Reconstruction and Development for the Program
40.	M&E	Monitoring and Evaluation
41.	MoES	Ministry of Education and Science of Ukraine
42.	MoF	Ministry of Finance of Ukraine
43.	MTR	Mid-term review
44.	NBU	National Bank of Ukraine
45.	NCS	Non – consulting services
46.	NIO	New Ukrainian School Implementing Office
47.	NUS	New Ukrainian School reform program of general secondary education approved by the Cabinet of Ministers Resolution No. 988, dated December 14, 2016, as amended.
48.	OHS	Occupational Health Service
49.	Operation	The Project and the Program (LEARN), collectively
50.	PDO	Program development objectives
51.	PforR	Program-for-Results

#	Abbreviations and Terms	Description
52.	PIU	Project/Program Implementing unit
53.	POM or Manual	Operational manual
54.	PAP	Program Action Plan
55.	PIP	Project Implementation Plan
56.	PPSD	Project Procurement Strategy for Development
57.	PIP70	Project Implementation Plan according the resolution of the cabinet of ministers No.70
58.	Program	The activities described in Part 1 of Schedule 1 to the Agreements
59.	Project	The activities described in Part 2 of Schedule 1 to the Agreements
60.	Procurement regulations	World Bank's New Procurement Framework, specifically the World Bank Procurement Regulations for Investment Project Financing– Procurement in Investment Project Financing of Goods, Works, Non-Consulting and Consulting Services, dated September 2023
61.	PSC	Program Steering Committee
62.	RFB	Request for Bids
63.	RFQ	Request for Quotations
64.	SA	Special Account
65.	SEA/SH	Sexual exploitation and abuse/sexual harassment
66.	SEI EA	The System of Electronic Interaction of Executive Authorities
67.	SOE	Statement of expenditures
68.	SPUR	Special Program for Ukraine and Moldova Recovery
69.	STEM	Science, technology, engineering, and mathematics
70.	TC	Tender Committee for the organization and conduct of the procedure for the procurement of goods, works, and services for the operations of the International Bank for Reconstruction and Development in the MoES
71.	The Bank	World Bank
72.	TMA	Tangible Material Assets
73.	ToR	Terms of Reference
74.	Treasury	State treasury service of Ukraine
75.	UAH	Ukrainian Hryvnia
76.	UIHERP	Ukraine Improving the Higher Education for Results Project
77.	UIRO	Ukrainian Institute of Education Development
78.	WBOMU	Joint World Bank Operations Management Unit in MoES
79.	WBOPSC	Joint World Bank Operations Portfolio Steering Committee in MoES

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1 Description of the Operation

1.1 Context

This operation is part of the Ukraine government's response to a number of challenges, including:

- Substantial civilian casualties, increased poverty, and displacement of millions of people due to Russia's full-scale invasion of Ukraine
- Deterioration of the economic situation in Ukraine
- Growing damage to country infrastructure, with funding needs for recovery and reconstruction estimated at US$486 billion as of December 31, 2023
- Need in groundwork for Ukraine to consolidate its path toward accession to the European Union (EU) through implementing the reforms and investments for recovery and reconstruction
- Climate change presenting significant risks to Ukrainians' health, livelihoods, and environment, threatening the country's human capital, recovery, and reconstruction efforts
- Critical disruption of education in Ukraine due to damage to educational institutions, population displacement, and trauma
- Compromised school safety by insufficient shelters in schools and a lack of student transportation
- Implementation of the New Ukrainian School (NUS) being negatively impacted by the loss of human resources, technical capacities, and reduced funding
- Significant drop in enrolment in ECPE due to full scale invasion, gap in childcare provision and urgent need to resource the implementation of "First Steps Forward: Strategic Framework for Early Childhood and Preschool Education (ECPE) in Ukraine
- Urgent needs and displacement negatively affecting the MoES, which needs additional qualified human resources to plan, implement, and monitor key reforms

As a response to the current context, the MoES' Strategic Action Plan for 2024-27 prioritizes students' safety and the improvement of teaching and learning according to the NUS reform, while providing the policy framework for investments and reforms to transform the education system. The priorities are: i) Early childhood and preschool education, ii) School education (grades 1 to 12) and the NUS, iii) Extracurricular education, iv) Vocational education and training, v) Higher education, vi) Science and innovation, vii) European integration in education and science, viii) Digitalization of education and science, and ix) Support for people with special educational needs.

Despite the current human capacity limitations, government systems to allocate support to municipalities have remained fully functional and have shown resilience.

This operation reinforces the government capacity to ensure substantial results in the education sector.

1.2 LEARN Operation

1.2.1 Overview

Lifting Education Access and Resilience in Times of Need (LEARN) Operation (**the Operation**) was developed to address the challenges and provide critical support to the education sector, in line with the Ministry of Education and Science's (MoES) Strategic Action Plan.

The operation will focus on supporting the Strategic Action Plan Priority 1: Early childhood and preschool education & Priority 2: *School education and the New Ukrainian School (NUS)*. The continuation of the NUS reform is a key priority of the MoES.

As a contribution to the goal of Strategic Action Plan Priority 1 that "*every child, including those with special educational needs (SEN), has access to quality early childhood education*", LEARN will support the expansion of access to quality preschool education established in three strategic goals:

i. Strategic Goal 1.1: Every child in Ukraine, including those with SEN, is guaranteed a place in the early childhood and preschool education system.

ii. Strategic Goal 1.2: The sector is provided with a sufficient number of highly qualified and motivated pedagogical staff.

iii. Strategic Goal 1.3: Children, including those with SEN, receive preschool education in accordance with European requirements for quality and content.

As a contribution to the goal of Strategic Action Plan Priority 2 that "*every school student has access to quality education aimed at developing key competencies and cross-cutting skills*," LEARN will support teaching and learning conditions established in three strategic goals:

i. Strategic Goal 2.1: School students learn in a safe, modern, and inclusive educational environment.

ii. Strategic Goal 2.2: School students receive quality education following the NUS principles.

iii. Strategic Goal 2.4: Pedagogical teams of education institutions work based on partnership principles and implement the NUS principles.

1.2.2 Program Development Objectives (PDOs)

The Program Development Objectives (PDOs) are to:

(i) improve teaching and learning conditions; and

(ii) strengthen management capacity of the education system.

For this program, "*teaching and learning conditions*" refer to three critical factors of education service delivery:

i. safety, including shelters as a pre-condition for schools and preschools to open for in-person learning and free and inclusive school bus transportation for students living further distances from schools

ii. learning materials, especially updated textbooks and age-appropriate learning materials in line with the NUS mode l; and

iii. teachers trained on NUS standards, principles, and the use of the updated learning materials and ECPE workers trained to deliver child-centered, play-based pedagogy and inclusive practices.

Challenges	**Activities**	**Outputs**	**Intermediate Outcomes**	**Outcomes**
- Preschools and schools are unable to open for in-person learning without safe and equipped shelters - Lack of free and accessible transportation to school	- Ensure funding and construction of shelters (DLR 1.1). - Provide funding to procure school buses (DLR 2.1) - Equip shelters near preschools in participating Hromadas (IPF 2.1)	- Schools equipped with shelters - School buses provided to municipalities - Shelters near preschool equipped.	- Students, teachers, and school staff benefiting from shelters (DLR 2.1) - Students benefiting from free bus transportation (DLR 4.1)	Millions of students supported with better education (PDO1) Number of teachers delivering the NUS and preschool curriculum (PDO2)
- Outdated education cont ents with limited teaching and learning materials - Teachers and managers need more capacities to support NUS pedagogies - Preschool teachers using outdated pedagogies	- Train grade 7 teachers and managers on NUS curriculum and standards (DLR 5.3) - Ensure funding for the preparation and printing of textbooks and teaching materials for grade 7 aligned with NUS standards (DLR 6.2) - Provide labs/ IT equipment to schools aligned to NUS standards - Piloting new teaching and management practices (IPF 2.1) - Train preschool teachers on the new curriculum & state standards (IPF 2.2)	- Teachers and managers trained on NUS curriculum and education standards (DLR 5.1) - Textbook and teaching materials in line with new NUS state standards published (DLR 6.1) - Provide labs/ IT equipment aligned to NUS standards to general schools	- Students benefiting from new NUS textbooks (DLR 6.2, DLR 6.3) - Teachers with improved proficiency to deliver the NUS and ECPE curriculum	

- Weak management capacities to implement and monitor reforms	- Develop NUS curriculum for grades 8 to 12 - Support MoES information and monitoring system - Support the Ukrainian Institute of Education Development (UIRO) - Support participating Hromadas (IPF 2.1) and MoES (2.2) on ECPE management (IPF 2.2) - Support content development for ECPE and inclusive education (IPF 2.2) - Targeted support for MoES capacities in key SAP areas (IPF 2.2)	- NUS curriculum for grades 8 to 12 developed and piloted (IPF) - Online platform (SOP) for conducting State Final Examination (DPA) - Education Management Information System (AIKOM) modernized - Content developed for ECPE and inclusive education - MoES, oblast and Hromadas implementing the ECPE reform	- Enhanced systems and capacities for producing and using data for decision making and NUS and ECPE reform implementation	- Improved use of data for education system manageme nt (PDO 3)

Meanwhile, "*management capacity of the education system*" refers to institutional capabilities to plan, allocate, and monitor resources based on robust data at the student and school levels.

Progress toward achievement of the PDOs will be measured through the following PDO-level indicators:

i. **Students and young children supported with better education.** Number of students in grades 7 to 9 benefiting from improved teaching and learning conditions in schools nationwide during the project duration, including through access to shelters, free school bus transportation, updated textbooks, and teachers trained during the project implementation period; number of children benefiting from improved conditions in kindergartens.

ii. **Teachers delivering the new NUS curriculum including environmental literacy and ECPE workers trained to deliver child-centered, play-based pedagogy and inclusive practices.** Number of teachers in grades 7 to 9 trained on NUS standards, principles, and the use of the updated learning materials and teaching in classrooms where students have received updated learning materials. Number of ECPE workers trained to deliver child-centered, play-based pedagogy and inclusive practices

iii. **Improved use of data for education system management.** MoES uses: i) enhanced administrative data to allocate resources through subventions and state budget; and ii) evidence produced by the pilot to scale up the NUS reform and the "First Steps Forward" strategy.

The full list of PDO indicators and intermediate results indicators will be measured according to the Results Framework presented in the **Annex I.A.**

1.3 Theory of change

1.3.1 Financing

1.3.1.1 Amounts and instruments

The operation total financing is US$451,0 million using a combination of the World Bank's financial instruments **Program-for-Results (PforR) and Investment Project Financing (IPF)**: The PforR disburses based on the achievement and verification of agreed-upon results/indicators (Disbursement-Linked Indicators/Results – DLIs or DLRs), while the IPF disburses funds based on expenditures' execution.

Hereinafter, the portion of *the Operation* financed through the PforR is referred to as *the Program* and the portion financed through the IPF is referred to as *the Project*.

	LEARN	
	PforR	**IPF**
Purpose	Supports Government programs or sub programs	Supports specific investment
Implementation mechanisms	Follows Local Systems Funds for Specific Expenditure Program	Follows Bank IPF rules and procedures Fund for specific expenditures
Disbursement mechanisms	Disburse upon achievement of results according to agreed indicators	Disburse against proof of specific expenditures that support the operation

The operation financing is, distributed and organized as per the table below.

Instrument	Amount	Type	Source
PforR	US$235 million	Loan	Bank resources through credit enhancement from the Advancing Needed Credit Enhancement for Ukraine (ADVANCE Ukraine) Trust Fund supported by the Government of Japan

	US$150 million	Credit	Special Program for Ukraine and Moldova Recovery (SPUR) of the International Development Association (IDA) Crisis Facility[1]
	US$4,9 million	Credit	Special Program for Ukraine and Moldova Recovery (SPUR) of the International Development Association (IDA) Crisis Facility
IPF	US$30 million	Grant	Ukraine Relief, Recovery, Reconstruction, and Reform Trust Fund (URTF)[2]
	US$30 million	Grant	Ukraine Relief, Recovery, Reconstruction, and Reform Trust Fund (URTF)
	US$1,1 million	Grant	Global Partnership for Education (GPE)
LEARN total	**US$451,0 million**		

In addition, the approved operation originally included a US$135 million financing gap which was reduced to US$130,1 million by credit available under Financing agreement 7905-UA and can be further reduced once additional financing becomes available and included in this Operational manual (POM).

1.3.2 Program-for-Results

1.3.2.1 PROGRAM EXPENDITURE FRAMEWORK

The PforR support the Program Expenditure Framework dedicated to the implementation of NUS, which includes the lines presented below.

Program Expenditure Framework								
Short name	**Budget Code**	**Previous years (US$ million)**		**Estimated Program Expenditures 2024 – 2027** (US$ million)**				
		2022	***2023***	**2024**	**2025**	**2026**	**2027**	**2024- 2027**
Educational subvention (teacher salaries)	2211190	*249.4**	*199.1**	210.2	217.6	217.2	217.3	**862.3**
Shelters subvention	2211310	-	*30.1*	61.4	-	-	-	**61.4**
School buses subvention	2211320	-	*26.5*	24.6	-	-	-	**24.6**
New Ukrainian School subvention	2211230	-	*0.0*	36.9	-	-	-	**36.9**

[1] The SPUR is one of the two dedicated programs under a special IDA Crisis Facility established by the World Bank in 2023 to scale up support to the world's poorest countries to address worsening development challenges due to overlapping global crises. In the spirit of global solidarity, the Crisis Facility also complements international efforts to support Ukraine and Moldova.

[2] The URTF was established by the World Bank in 2022 to provide a coordinated financing and support mechanism to assist the Government of Ukraine (GoU) in sustaining its administrative and service delivery capacity, conducting relief efforts, and planning and implementing Ukraine's recovery, resilient reconstruction, and reform agenda. More information is available here: https://www.worldbank.org/en/programs/urtf

Textbooks	2201260	-	*35.5*	40.3	-	-	-	**40.3**
UCEQA leadership salaries, operations	2201470	*5.4*	*5.7*	7.8	7.5	7.7	7.7	**30.7**
TOTAL		***254.8***	***296.9***	**381.2**	**225.1**	**224.9**	**225**	**1,056.2**
**Teacher salaries in 2022 and 2023 were financed by the World Bank's PEACE project.* ***The projections of capital expenditures for years 2025/6/7 are defined on a yearly basis, based on needs assessments.*								

1.3.2.2 Result Areas and Disbursement linked indicators / DLIs

The PforR (the Program) is organized in two results areas:

Results Area 1: Supporting pilots of key education reforms

Results Area 2: Strengthening institutional management capacity focuses on promoting a more data- driven, equitable and transparent management of education sector funding programs

To monitor the progress, each area includes i) Disbursements Linked Indicators (DLIs) that set clear targets and timelines for completion and ii) Disbursement Linked Results (DLRs) that provide a roadmap with milestones for incentivizing key reforms.

Results Area 1. Supporting pilots of key education reforms

The results area focuses on improving critical government subprograms trough the achievement of results (DLIs and DLRs) related to:

i) *providing access to safe conditions to students and teachers for in-person teaching and learning* through: (i) construction and rehabilitation of climate-resilient shelters in selected schools; and (ii) ensuring free, inclusive, and low-emissions bus transportation to selected schools.

Disbursement Linked Indicator	Disbursement Linked Result
DLI #1: Updated allocation criteria for the Shelters Subvention to the regions	**DLR #1.1**: 2024 Shelters Subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM System for project processing.
DLI #3: Updated allocation criteria for the School Bus Subvention to the regions	**DLR # 3.1**: 2024 School Bus Subvention is allocated based on data-driven needs, prioritizing high-need regions and streamlined redistribution mechanism.
DLI #2: Additional students and teachers with access to constructed or rehabilitated shelters	**DLR #2.1**: Number of students and teachers with access to shelters constructed or rehabilitated to meet minimum conditions.
DLI #4: Additional students with access to free bus transportation	**DLR #4.1**: Number of students with access to free bus transportation.

ii) *developing and implementing a training plan on the NUS curriculum and standards to teachers and managers*, including on climate and environmental awareness, green skills for the green transition, and responding to climate-related disasters.

Disbursement Linked Indicator	Disbursement Linked Results
DLI #5: Teachers trained to implement the NUS reform	**DLR #5.1**: Teachers training plan for grades 7, 8 and 9 adopted by a MoES decree **DLR #5.2**: Number of teachers who completed NUS-aligned training for grade 7 **DLR #5.3**: Number of teachers who completed NUS-aligned training for grade 8

iii) *providing updated textbooks and teaching materials nationwide aligned with the NUS* principles of competency-based and student-centered education, including climate and environmental awareness and green skills for the green transition.

Disbursement Linked Indicator	Disbursement Linked Results
DLI #6: Students with access to NUS teaching & learning materials	**DLR #6.1**: 2024 textbooks decree establishing that 100% of grade 7 students, including those with disabilities, will receive NUS-aligned textbooks, has been adopted by MoES **DLR #6.2**: Number of students of grade 7 who receive free NUS-aligned textbooks **DLR #6.3**: Number of students of grade 8 who receive free NUS-aligned textbooks

Results Area 2: Strengthening institutional Management Capacity

Results area 2 focuses on Strengthening institutional management capacity to distribute resources efficiently, through strengthening the Education Subvention process by modifying the allocation criteria for a gradual increase in the minimum number of students required in schools for allocation of funds.

Disbursement Linked Indicator	Disbursement Linked Results
DLI #7: Support for school network optimization	**DLR #7.1**: 2025 Education Subvention allocation formula is updated to increase minimum student requirement per school by at least 50% relative to 2024 **DLR #7.2**: 2026 Education Subvention allocation formula is updated to increase minimum student requirement per school by at least 30% relative to 2025

The link between disbursements available to the government for each result, and the actual cost of delivering these results are not necessarily equivalent.

The 12 disbursement-linked results (DLRs) are detailed in paragraph 2 of Schedule II, Section IV (A) of the Loan Agreement and Credit Agreement and **Annexes I.A and I.B** to this Manual.

The verification of each DLR will be carried out according to its nature and complexity. DLRs 2.1, 4.1, 5.2, 5.3, 6.2, and 6.3, which involve data collection and on-site verification, will be verified by an Independent Verification Agent (IVA) according to the verification protocols.

DLRs 1.1, 3.1, 5.1, 6.1, 7.1 and 7.2, the achievement of which are supported by official documents, will be verified by the provision of official information by MoES following the verification protocols and the information validation by the World Bank.

The verification protocols for each DLR are described in Annex I.D.

1.3.3 Investment Project Financing (IPF) Component

The IPF component will complement the PforR by supporting the piloting of the NUS reform in grades 8 to 12 and strengthening the MoES' capacity for education system management (US$30 million). Given the current capacity challenges to ensure the rollout of the NUS in the next grades, the IPF will support MoES in the preparation and implementation of the pilots in grades 8 to 12 in a small share (about 1%) of schools – approximately 150 schools serving approximately 6,900 students that have already piloted the previous grades under the NUS model. The pilots will produce revisions to teaching and learning materials and a final report with lessons learned that can be used to implement NUS in the full cohort of students nationwide. Support will include the development of educational content and teachers' and managers' professional development, including climate and environmental awareness and green skills for the green transition, as well as the procurement of laboratory and IT equipment aligned with the NUS in pilot schools.

A separate and vital area of support under the LEARN project will be the development of the preschool education sector through the implementation of preschool reforms. These reforms aim to deregulate the rigid preschool sector and promote a play-based, child-centered pedagogy consistent with the global evidence base. Implementing the new Preschool Law – which was approved in 2024 - is a key action for Ukraine's EU accession under Chapter 26 of the 2024 EU Enlargement Report and is now being operationalized through *"First Steps Forward: Strategic Framework for Early Childhood and Preschool Education (ECPE) in Ukraine*," new decrees (regulatory acts)[3] and additional budget allocations. These reforms, which are the most transformative in over three decades—will be implemented in a two-phased approach. The first phase involves developing the capacity on the national and local levels to implement reforms on a small scale (approx. 35 hromadas) together with a rigorous process evaluation to inform scale-up. The second phase will involve implementing the "First Steps Forward Strategy" at a national level. In addition, with ECPE as a priority under SAP and a key policy action under the National Demographic Strategy. LEARN will contribute to achieving the strategic priority of ensuring that every

[3] Regulatory acts include regulations for each form of ECE delivery (Order №818/2025). New staffing regulation which establishes the bare minimum required pedagogical staff positions to guarantee quality ECE (Order №994/2025). Regulation on inclusive learning (amendment in 2025; Resolution №530/2019); New sanitary regulation (in progress) – removes excessive hygiene and infrastructure norms; Revised state building regulations (in progress); New State Standards (in progress) – promotes child-centered, play-based pedagogy.

child, including those with special educational needs (SEN), has access to quality preschool education and supporting the implementation of the first phase of “First Steps Forward Strategy.” Support will include professional development for educators based on EU standards and global best practice to implement child-centered, play-based pedagogy and inclusive practices. Furthermore, the project will provide improved educational and didactic equipment, furniture, and modern technologies for kindergartens, enabling children to receive an education that meets international quality and content requirements.

To avoid overlapping with the PforR, the schools, kindergartens, and teachers and educators participating in the NUS and 'First Steps Forward' pilot projects will be excluded from the results, and expenditures to be financed under the PforR. Significantly, the IPF will enhance the management capacity of the MoES related to the NUS and the ECPEreform, specifically to strengthen planning and monitoring, data and evidence generation, and financial planning, including for general secondary and ECPE education infrastructure.

Thus, the IPF will provide technical assistance through consulting services (individuals and firms) and locally sourced goods (equipment and supplies) to ensure the success of the NUS and the first phase of “First Steps Forward” implementation. The support will also include an impact evaluation of teachers’ practices and a process evaluation of the first phase of “First Steps Forward” to inform scale-up . Finally, the IPF will support Program management through a dedicated Project Implementation Unit (PIU) in the MoES, which is already managing the existing Ukraine Improving Higher Education for Results Project.

This part will be complemented by the Project Implementation Plan described in this POM.

The IPF is aimed at supporting the MoES in piloting the NUS reform in upper secondary grades (8–12) and implementing new standards in 35 hromadas included in phase 1 forECPE centers, as well as strengthening the MoES's capacity to manage the sector at all levels. In addition, the IPF will also enhance the management capacity of the MoES related to the NUS reform management and the implementation of the “First Steps forward” trategy to strengthen the use of data and evidence for sectoral planning and monitoring across the entire educational vertical.

Part 1. Supporting pilots of key education reforms. This subcomponent will provide technical support to i) the pilot of NUS reform for grades 8 to 9 in approximately 149 selected schools that have already piloted the previous grades 1 to 7 ; ii) implementing phase 1of the 'First Steps Forward' preschool education reform in 35 selected hromadas. The project will support the design, implementation, and analysis of the four project components for both secondary and preschool education: i) teaching and learning materials (including play-based methodologies for EC{Ens); ii) training of teachers and ECPE educators; iii) training of managers and iv) learning environments (including modern didactic equipment and furniture for preschools). These activities will be done in coordination with other development partners such as the Government of the Republic of Korea, contributing to the development of learning materials; UNESCO, supporting the preparation of teacher training program; and the government of Finland and the OECD, which are working to design the NUS reform for grades 10-12. Simultaneously, ECPE s will be aligned with initiatives from partners supporting early childhood development and inclusive practices (UNICEF, Finland Government, EU etc.). The MoES and the Bank team prepared a plan to ensure that these different supports are complementary and don’t overlap during the pilots at all educational levels.

The activities will include:

1.1 ***Support NUS Pilot in Grades 8 to 12***

Providing technical support to pilot the NUS reform in selected schools for grades 8 to 12, through:

(a) developing, printing, delivering, and testing teaching and learning materials for the NUS Pilot;
(b) (i) developing and carrying out teachers' Training programs to teachers, school principals, and their deputies; and (ii) providing technical assistance to design a fit-for-purpose instrument for measuring teacher classroom practices and to implement said instrument in a sample of classrooms in grades 8 and 9; and
(c) providing STEM, ICT, and other required equipment aligned with the NUS standards to schools in the NUS Pilot at the basic education level for grades 8 to 12.

1.2 ***Support the First Phase of Implementation of the "First Steps Forward" program***
Supporting approximately thirty-five (35) territorial communities (*hromadas*) selected for the first phase of implementation, in accordance with the Operational Manual to increase access to ECPE centers for children and their families and enhance safety, quality and inclusivity of ECPE services, including through:

(a) technical assistance and training to officials of local self-government bodies on ECPE strategic planning and implementation;
(b) training of ECPE educators from both public and private providers on educational activities in new types of ECPE models, new curricula, and national standards, and children with special educational needs in inclusive classrooms;
(c) upgrading ECPE physical learning environments through the provision of equipment, and furniture; and
(d) supporting Inclusive Resource Centers with technical assistance, training, and equipment to expand and improve services provided for children with special educational needs.

The results of the Part 1 are monitored with the indicators for schools and preschool education institutions piloting for NUS implementation and the 'First Steps Forward' reform as well as Teachers and educators from selected institutions with improved teaching practices aligned to NUS and the 'First Steps Forward' reform.

Part 2. Strengthening institutional Management Capacity. This part seeks to strengthen the MoES capacity to successfully manage, monitor, and evaluate the rollout of the NUS reform by i) enhancing MoEs technical teams that will lead the planning and monitoring of the reform; ii) strengthening the capacities of the Ukrainian Institute of Education Development (UIRO), in charge of the development of educational materials for the NUS reform, iii) supporting the creation of an platform for student assessments aligned to NUS reform; iv) modernization of the education management information system (AIKOM) to inform the decision making of the NUS reform, and iv) enhancing the education infrastructure planning for the reconstruction of the education infrastructure, using school designs aligned to the NUS reform and promoting the school network optimization. The activities will include:

i. *Strengthening the teams in charge of the NUS reform, including technical support to i)* the Directorate of School Education, through technical assistance to the NUS implementation office

(NIO) to plan, monitor and evaluate the reform at national and decentralized levels, which will serve as the central implementing entities of the NUS and substantially contributes to the success of the Operation. The units will be composed by the consultants hired according to the World bank procurement rules. The composition of the NIO is subject to Bank's approval and ii) MoES teams in charge of *NUS reform administration and communication*.

ii. *Strengthening the UIRO capacity* through a) an organizational capacity audit, b) the design of a capacity development plan, c) staff training, d) the creation of a digital platform for the storage, distribution, organization, and assessment of digital educational materials, and e) provision of material and equipment for educational and methodological labs of UIRO.

iii. *Creating Special Online Platform for State Final Examination (DPA)* through a) the development and piloting of SOP software, and b) modernizing of SOP software during its implementation and providing technical support.

iv. *Modernization of AIKOM* through a) development of new AIKOM functionality, b) support for AIKOM interoperability with the solutions/clients; and c) ensuring provision of services and equipment for information systems functioning, management, and security at AIKOM.

v. *Education infrastructure planning* through the development of innovative designs aligned to the NUS teaching and learning practices and the preparation of investment plans to support schools to meet the NUS standards. These could include, i.e., education infrastructure network characterization, development of architectural principles aligned to the NUS reform and preparation of an education infrastructure plan at system level. No site-specific activities would be supported under this activity.

The results of the Part 2 are monitored with the indicators for development of the education infrastructure planning, modernization of the AIKOM, development and piloting the special online platform for conducting the State Final Examination and completed audit of the organizational capacity of UIRO.

In addition, **institutional capacity of both MoES' and the at the hromada-levels will be strengthened to implement the first steps forward strategy**. This activity will support:

(i) *Developing of MoES' and locals' ECPE management capacity* trough TA, basic equipment and operational expenditures for MoES to manage the reschool Reform Support Office, specialists in UIED and training national and oblast staff to manage ECPE reform;

(ii) *Training ECPE and IRC staff nationwide* to strengthen inclusive, high-quality preschool services in all the municipalities

(iii) *Strengthening MoES' ECPE information systems*, integrating a preschool module into the MoES' education management system (AIKOM) and to the communication platform MRIIA.

(iv) LEARN will provide technical support to MoES' in key areas of the SAP, including the implementation of the recently approved TVET reform, support to crosscutting areas of IE (to include support to the modernization of the Inclusive Resource Center (IRC) system); and strategic planning and the European Union Integration process.

Part 3. Project management and monitoring. The objective is to support the effective management and implementation of the proposed program through a Project Implementation Unit (PIU). The project will support mainly the salaries for such consultants, including a Head of PIU and fiduciary, environmental and social risk management specialists, as established in the Operational manual. It would also finance training activities, targeted technical assistance, data collection and analysis, project monitoring and evaluation (M&E), and operating costs.

The IPF includes a Contingent Emergency Response Component (CERC). The CERC enables the government to reallocate project funds in response to an eligible crisis or emergency and would facilitate the rapid recategorization of financing. To trigger this component, the government would need to declare an emergency or provide a statement of facts justifying the request to activate the use of the emergency funding. If the World Bank agrees with the determination of an eligible emergency and associated response needs, uncommitted funds from the IPF component will be reallocated to cover eligible expenditures. Disbursements would be made against a positive list of critical goods or for the procurement of goods and consulting services required to support the immediate technical assistance for response and recovery needs of the government.

2 Institutional and implementation arrangements

2.1 Overview of Arrangements

2.1.1 Implementation arrangements: Institutions

The Program will use a two-tiered structure led by the Ministry of Finance (MoF) and the Ministry of Education and Science (MoES). The MoF will manage overall Program coordination as the coordinating agency[4], collaborating closely with the MoES, which will act as the executing agency for policy implementation in the education sector.[5]

To enhance coordination as well as the quality, timeliness, and relevance of Program activities, a Program Steering Committee (PSC) comprising representatives from the **MoF** and **MoES** will be established according to the present Operational manual (POM) and will be chaired by **MoES**.

The Project will be implemented by **MoES**. More details on institutional setup are provided in the following below.

2.1.2 Additional implementation arrangements: Program Action Plan (PAP)

The government, through the MoES, is required to

(i) carry out the actions set forth in the PAP in accordance with the schedule set out in the said PAP and in a manner satisfactory to the Bank;

[4] Resolution of the Cabinet of Ministers "*On the Procedure for Preparation, Implementation, Monitoring, and Completion of Economic and Social Development Projects Supported by International Financial Organizations*" No. 70 dated January 27, 2016, with amendments,

[5] In Ukrainian (Resol. No.70): "**виконавець заходів** системного проекту, кошти позики за яким надходять за результатами досягнення відповідних індикаторів"

(ii) except as the Bank shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any obligation and/or responsibilities set forth in the PAP, or any provision thereof; and

(iii) maintain policies and procedures adequate to enable it to monitor and evaluate, in a manner and substance satisfactory to the Bank, its obligations/commitments under the PAP.

The responsibility and timeline of activities execution are provided in **Annex I.F** to this POM.

2.1.3 Additional implementation arrangements: Verification agent

The Government, through the MoES, shall ensure that:

(i) by not later than one (1) month after the Effective Date and thereafter maintain, at all times during the implementation of the Program, a verification agent (or agencies) having experience and qualifications in the relevant technical fields is hired under terms of reference acceptable to the Bank ("Independent Verification Agent" or IVA), to verify the data and other evidence supporting the achievement of the Disbursement-Linked Results and to recommend corresponding payments to be made, as applicable; and

(ii) ensure that the Verification Agent: (i) carries out the verification process(es) in accordance with the Verification Protocol; and (ii) submits to the MoES and the Bank the corresponding verification reports in a timely manner and in form and substance satisfactory to the Bank.

2.1.4 Operational manual

The present Operational manual (hereinafter referred as POM or Manual) is the guiding implementation document for the LEARN Operation, and an important reference point for all parties involved. This covers guidelines and procedures for the implementation thereof as per **Agreements and the Program Appraisal Document (PAD)**[6], including:

No	Legal agreement requirement	Reference
1	The definition of the contours of Program activities, including results framework, overall budget and detailed Program Expenditures;	Chapter 1 Annex I.A
2	The composition and terms of reference, satisfactory to the Bank, of the Steering Committee, as well as the Program's intra- and inter-institutional arrangements, including delineation of roles and responsibilities, allocation of functions and decision-making powers at national and sub-national levels	Chapter 2.2
3	The detailed environmental and social risk mitigation measures and documents for the Program	Chapter 3.6

[6] LEARN Program Appraisal Document (PADHP00074) can be found at:
https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099081324155028313/bosib18dfe6de40fe1b74c1de342be3e6e5

		Chapter 3.7 Chapter 4.5
4	The financial management protocols and standards applicable to the Program	Chapter 3.3 Chapter 3.4 Chapter 3.5 Chapter 4.3
5	Detailed guidelines for the administration of the Program proceeds, as well as the flow of funds	Chapter 3.3 Chapter 4.3
6	Procurement arrangements for the Program, the clear allocation of procurement responsibilities thereunder, including record-keeping systems and corruption prevention and reporting mechanisms	Chapter 3.5 Chapter 4.4
7	The protocols for reporting to the Bank, and sharing the findings of, any case of fraud and corruption denounced and/or investigated under the Program, in accordance with the Anti-Corruption Guidelines	Chapter 3.5
8	The Verification Protocols agreed with the Bank for evaluating the achievement of the DLIs and their respective DLRs, including the annual schedule therefor	Annex I.D
9	The criteria to assess sustainable procurement	Annex I.D Annex I.E
10	The implementation arrangements and allocation of responsibilities for the execution of/compliance with the Program Action Plan	Chapter 2.1
11	The grievance mechanism for the Program, as well as their associated protocols and procedures (including timelines) for addressing and reporting on grievance complaints	Chapter 3.6
12	Monitoring and evaluation requirements, including verification systems for the Program	Chapter 3.1 Chapter 4.2
13	Internal and external audit requirements, including regular submissions of audit reports to the Bank	Chapter 3.4 Chapter 4.3
14	Quality assurance standards, protocols and review mechanisms; and	Chapter 2.2 Chapter 3.1 Chapter 3.2
15	Any other technical and organisational arrangements and procedures as shall be required for the Operation	across POM

The POM is, therefore, the framework within which activities will be designed and executed to deliver results against the DLIs and DLRs and implementation of the activities supported under the IPF.

The activities within the framework of the Operation will be carried out in accordance with the requirements of the Agreements, in conjunction with the procedures laid out in this POM.

If any provisions of the Manual require clarification or urgent amending of the provision during the implementation of the Project, the MoES and/or the Project Implementation Unit (PIU) will take measures to define and coordinate it with the Bank through separate correspondence, which shall be considered an official document on par with the Manual without the mandatory need for the Manual procedural approval by MoES order.

This Manual will undergo periodic reviews and updates as necessary during the Operation's implementation, subject to approval by the Bank.

In case of discrepancies between the Manual and the Loan Agreement, the Credit Agreement and/or the Grant Agreement, the provisions of the above Agreements, including their amendments, and the Bank's guidelines, including Procurement regulations, will prevail.

All participants of the Operation are obligated to adhere to the provisions of the Manual.

MoES shall refrain from materially and/or substantially amending, revising, waiving, voiding, abrogating, or suspending any provision of the Operational Manual, whether in whole or in part, without the prior written concurrence of the Bank.

2.1.5 Administration and communication

Document management and correspondence with stakeholders shall be carried out in accordance with the current national legislation, internal procedural rules, and compliance with the Manual's requirements.

The official language of communication and information exchange within the framework of Project implementation shall be as follows:

- Ukrainian language at the national level;
- English language as the official language of communication with the World Bank.

All official correspondence should be sent by the Project Coordinator or the Head of the World bank operations management unit (Head of PIU) or on their behalf.

For the purposes of the Operation implementation, an electronic message transmitting the World Bank's consent (no objections) is considered as an official document. The official correspondence with the MoF including provision of the notices of the result achievement should be provided by the official letters.

The procedure for storing and archiving communications is as follows:

- Copies of all documents must be stored on paper and filed in folders/files. Before filing the documents, they must be stapled together to avoid losing individual sheets.
- The Program/Project number must be indicated in the title of the respective file.
- Documents must be stored by categories/activities/operations they relate to. Documents related to the same activity should be filed in one folder.

- If documents stored in one folder pertain to different operations, they must be separated. This ensures the timely verification of all documents related to one operation and allows for adding new documents if necessary.
- If one document relates to different operations, copies of the document should be made and filed in the appropriate folders alongside other documents associated with the respective operation.
- If it is impossible to file a document in the appropriate folder due to its size, a notice with references to the storage location of the original document should be stapled in the proper place in the folder.
- The retention period for each document is determined by the current legislation and internal procedures of MoES, but it should not be less than the duration of the Operation implementation period.
- Working documents cannot be taken out of their storage place without the permission of the Project Coordinator or Head of PIU.
- It is prohibited to provide any Operation documents to individuals who are not related to the Operation except as provided by law.
- If MoES departments need these documents, they will be provided with the permission of the Coordinator or the Head of PIU. Individuals granted access to the documents are fully responsible for the improper dissemination of information and document preservation.
- All draft copies or damaged documents must be destroyed using a paper shredder.
- The personnel associated with the Operation is responsible for preserving documents and electronic files related to their activities for at least six months after the Operation completion.

Electronic communication:

- If official correspondence is sent from an email address other than the Coordinator or the Head of PIU, the emails should be copied (CC) to the email address of the Coordinator or/and Head of PIU.
- Responses to incoming messages should be sent to the original sender with a copy to all persons who were included in the copy of the original outgoing email.
- Each email message must have a subject line in the following format:

  Case 1. General message

  LEARN [IPF or PforR or Operation]: [Area of issue] : [Issue]

  Case 2. PforR

  LEARN PforR : Area [1 or 2] : [DLR #] : [Issue]

Case 3. IPF

LEARN IPF: [Actions Ref No.] : [Area of issue] : [Issue]

LEARN IPF: [Actions Ref No.] : [Contract ref] : [Area of issue] : [Issue]

Case 4. Operational Manual

LEARN : [Issue] : Operational Manual

All references shall be taken from IPF Project Implementation Plan (PIP), Procurement Plan and/or Agreements.

Interaction with the electronic document management system of the MoES:

According to the requirements of the Cabinet of Ministers of Ukraine Resolution dated January 17, 2018, No. 55 "Certain issues of documenting management activities" and Section 3 "Decisions on specific matters" point 1 of the protocol No. 2 of the meeting of the Cabinet of Ministers dated September 4, 2019, MoES conducts document exchange exclusively in electronic form through the system of electronic interaction of executive authorities (SEI EA). Simultaneously, MoES has implemented an electronic document management system based on the software product (computer program) "PAC SED MON" (SED), which is integrated with SEI EA.

Access to SED is granted to MoES employees and, if necessary, in exceptional cases, to employees of the support/consulting teams of MoES. For the Operation's purposes only, MoES may grant the selected members of PIU access to the processing of the Operation-related documents in SED.

2.2 Institutional arrangements

The main institutions involved in the Operation:

- World Bank
- Ministry of Finance of Ukraine
- Ministry of Education and Science of Ukraine
- Regional authorities and local communities
- Independent Verification Agency
- Accounting Chamber

As described in the sections below, following the roles

Entity	Description
Program Steering Committee (PSC)	Interinstitutional coordination of the Program. Composed by MoF and MoES
Ministry of Finance (MoF)	Overall supervision and coordination of the Program including disbursement management
Ministry of Education and Science (MoES)	Overall management of the implementation, monitoring and evaluation of the Operation, achieving results against DLIs

Entity	Description
The Coordinator	Deputy Minister responsible for management and implementation of the Operation
MoEs World Bank Operations Portfolio Steering Committee (WBOPSC)	Oversight of World Bank operations in MoES, coordinated by MoES senior management
Implementing Directorates	MoES Directorate(s) responsible for the Operation's implementation
World Bank Operations Management Unit / Program / Project Implementation Unit (WBOPSC/PIU)	Coordinates and supervises the Operation implementation with special attention to compliance with World Bank policies and guidelines. The unit consists of the Fiduciary, Technical advisory, Administration and Environmental and Social, Monitoring and Evaluation teams managed by head of the unit.
Tender Committee for the organization and conduct of the procedure for the procurement of goods, works, and services for the operations of the International Bank for Reconstruction and Development in the MoES (TC)	Organize and conduct procurement of goods, services and works for the Project.
Local authorities and communities	Final beneficiaries of the subventions and the suppliers of the Program results
World Bank	The financing institution acting in accordance with the Agreements, overseeing and supporting the Operation implementation.

These roles of the institutions and entities are described below in details.

2.2.1 Program Steering Committee

INTRODUCTION

The Program Steering Committee (PSC) is established as a high-level, interinstitutional coordination entity aimed at providing strategic direction, policy guidance, and oversight for the implementation of the Program.

OBJECTIVES

The primary objectives of the PSC are as follows:

- To set overall policy and strategic guidelines for the implementation of the Program.
- To oversee and review the progress of the Program against approved plans, ensuring that the objectives are met in a timely and effective manner.

- To identify and address any challenges or risks that may arise during the implementation of the Program.
- To propose necessary amendments and changes to the Agreement to ensure its continued relevance and effectiveness.

COMPOSITION

The PSC will include representatives from key institutions involved in the Program's implementation- MoES and MoF. The PSC will be chaired by the LEARN Coordinator (see below) on behalf of the MoES. Composition of the PSC and terms of reference (ToR) will be approved by MoES order.

ROLES AND RESPONSIBILITIES

Strategic Guidance: The PSC will define the overall strategic direction and set the policy guidelines necessary for the successful implementation of the Program.

Oversight: The PSC will regularly review the progress of the Program against its objectives, approve annual plans, and ensure that the implementation is aligned with the agreed strategic direction.

Risk Management: The PSC will identify potential risks to the Program's success and work to mitigate these risks through appropriate measures.

Amendments and Changes: The PSC will evaluate the need for any changes or amendments to the Program and propose necessary adjustments to ensure the Program remains on track and aligned with its goals.

OPERATIONAL PROCEDURES

Establishment: by MoES order.

Quorum: A quorum of two-thirds (2/3) of the PSC members is required for decisions to be valid.

Decision-Making: Decisions will be made by a simple majority vote of the meeting' attendees. In cases where the votes are equal, the Chair's vote will prevail (in case of their absence – Deputy Chair's vote if assigned).

Meeting Frequency: The PSC will meet as required, but not less than once per year.

Meeting Format: Meetings can be conducted either online or offline, depending on the needs and availability of the PSC members.

Administration: PIU will act as a secretariat for the PSC preparing the agenda and submitting the necessary documents before 3 working days of the planned meeting. However, additional issues can be raised during the meeting.

Record keeping: Decisions made based on the results of the meeting are documented in minutes, indicating the date of the decision, reflecting the results of the roll-call voting of the PSC members ("for" or "against"), present at the PSC meeting, on each item of the meeting agenda. The minutes are signed by the head of the PSC. Minutes for each meeting will be created and distributed to PSC members upon their request. Decisions made during meetings will be documented, and their implementation will be monitored as necessary.

DOCUMENTATION: Minutes of each meeting will be recorded and circulated among members upon their request. Decisions made during the meetings will be documented and followed up on as necessary.

AMENDMENTS TO THE TORS: Any amendments to the PSC ToRs document can be proposed by any member of the PSC.

DISSOLUTION

The PSC may be dissolved upon the completion of the Program or by a formal decision of the MoES, if it is determined that the PSC has fulfilled its functions.

2.2.2 Ministry of Finance of Ukraine

Ministry of Finance together with Ministry of Education and Science of Ukraine has overall responsibility for the implementation of the Operation. MoF shall be responsible for the following tasks:

Program**:**

- Overall supervision and coordination
- Maintain financial management and process the disbursement

Project**:**

- Monitoring activities as provided by the national legislation, incl. Resolution No.70

2.2.3 Ministry of Education and Science of Ukraine

Ministry of Education and Science and Ministry of Finance have overall responsibility for the implementation of the Operation.

MoES will be responsible for the overall management of the implementation, monitoring and evaluation of the Operation, achieving results against DLIs.

In particular, the MoES is responsible for:

Program

- management and implementation of the Program and achievement of and reporting on the results;
- DLI/DLR verification, including engaging the IVA and validation by the Bank;
- monitoring and evaluation of the Program results framework;
- fulfilling the Program Action Plan;
- chairing and ensuring the operation of the PSC; and
- adopting and updating the Operational manual subject to the Bank's no objection.

Project

- management and implementation of the Project;
- procurement and financial management;
- payment processing and control over the targeted use of grant funds;

- monitoring and evaluation of the Program results framework; and
- fulfilling requirements of and ensuring compliance with the Environmental and Social Framework (ESF) standards.

MoES will assign, establish or extend the functions to the established entities and/or structural units to ensure an efficient and transparent framework for implementing the Operation by issuing respective Orders.

The main Operation entities are described below:

2.2.3.1 Coordinator

Coordinator - an official of the MoES at the level not lower than the Deputy Minister, representing the MoES in the Operation, ensuring the organization, supervision, and control over the implementation of the Operation, signs documents related to the implementation of the Operation, bears personal responsibility for its implementation, and ensures compliance with the terms of the Operation documents. The Coordinator is supported by the Project Implementation Unit (PIU), which operates directly under his supervision.

The duties of the Coordinator or part of them related to the management of the Operation and signing documents concerning the Operation may be delegated to an official of the MoES at the level not lower than the Deputy Minister, according to the MoES order.

In the absence of the Coordinator, the execution of their duties is carried out by the person, to whom the respective MoES order assigns the distribution of the MoES management duties.

Functions and responsibilities of the Coordinator include:

- overall management of the Operation;
- supervision of the Operation activities implementation, achievement of the objectives and results as per the Operation documents;
- ensuring the verification of completed DLI/DLRs;
- signing all documents related to the Operation implementation, including intel alia contracts, official letters, agreements, certificates, plans and reports;
- targeted use of the Grant proceeds;
- managing the PIU and personally responsible for organizing the implementation of the tasks assigned to it;
- officially liaising with all institutions involved and related to the Operation;
- chairing and ensuring the operation of the PSC;
- ensuring stable operation of the entities as required by the POM to run the Operation;
- supervision of the monitoring and evaluation of the operation, including in terms of progress on project indicators;
- supervision of compliance to Environmental and Social standards, preventing and responding to GBV, and Climate change World Bank policies;

- coordination and ensuring timely planning and periodic reporting on the Operation;
- ensuring compliance of the Operation to the POM and initiating its update as needed;
- supervision of the Project procurement activities, including preparation and update of the procurement plan, competitive bidding, concluding the contracts and control over their implementation;
- approving consultants' reports, accepting completed/delivered goods, works, and services in the Project; and
- signing financial documents required related to Project implementation.

During the execution of their duties, the Coordinator has the right to involve employees from all departments of the MoES or external institutions in the implementation of the Operation.

2.2.3.2 Implementing Directorates

There are **Directorate(s)**[7] **within the MoES which are** responsible for the Operation implementation *(hereinafter – Implementing Directorates)*:

- **Directorate of School Education** responsible for coordinating, delivery of **the Operation and achieving the Results (leading implementing directorate)**.
- **Directorate of Preschool and Inclusive Education** – responsible for the coordination and implementation of the Project regarding preschool education;
- **Directorate of Digital Transformation** responsible for delivery of the results in the Project in regards of the Part 3, Sub part or components connected with IT.
- **Directorate of Strategic Planning and Recovery** – responsible for matters related to subventions under the Operation.
- **International Cooperation Directorate** supports coordination with other donors *inter alia* in order not to duplicate the financing of the activities.

The implementation of the Operation is also supported by other MoES structural and/or subordinated entities (*hereinafter – Supporting Directorates*) including but not limited to**:**

- **Legal Support Department** supports providing legal support and ensuring compliance with relevant laws and regulations within an organization.
- **Department of Accounting and Reporting Management** supports the Operation for handling accounting and financial reporting tasks.

as well as subordinated State enterprises and entities as well as other units

[7] Any and every structural unit and/or entities incl. directorate, departments, state enterprises and entities specified in the POM means the structural unit and/or entities and its successors.

The heads of the **Implementing directorates** and with the consultative support of the PIU and technical support entities ensure:

<u>Program</u>

- Day-to-day implementation of the Program;
- Coordination with respective structural units, regional authorities, communities;
- Achieving results including DLIs/DLRs;
- Verification of DLRs inter alia through the independent verification agent;
- Monitoring and reporting on project implementation progress as per requirements/ results framework;
- Planning and reporting activities;
- Overseeing compliance with E&S, GBV and climate change requirements;
- Ensure operation of the grievance mechanism;
- Preparation of resolutions, orders, requests, and any other documentary ;
- Preparation of the relevant program, subprograms, and subventions to fulfil the project requirements.

<u>Project</u>

- Day-to-day implementation of the Project;
- Monitoring and reporting on project implementation progress as per results framework;
- Planning and reporting activities;
- Overseeing the compliance with ESF;
- Preparation of technical specifications and terms of reference for the procurement of goods, works, and services;
- Organisation of the procurement process;
- Preparation of the procurement plans and their updates;
- Participation in negotiations regarding draft contracts;
- Acceptance of services provided, works performed, and goods delivered under the Project and approval of the corresponding acts of acceptance of goods, works, and services;
- Selection of schools in the Project, the development and adoption of the selection criteria and/or any other requirements required;
- Storage and archiving of Project documentation in accordance with the legislation;
- Execution of other relative tasks.

2.2.3.3 World Bank Operations Portfolio Steering Committee

Introduction

The World Bank Operations Portfolio Steering Committee (WBOPSC) is a strategic management decision-making and coordination entity established by the MoES to ensure the strategic management of preparation and implementation of all joint Projects and Programs with the World Bank Group at the level of MoES.

The WBOPSC is responsible for the coordinated strategic decision, preparation and overseeing the execution of the Projects and Programs.

Composition

WBOPSC includes Deputy ministers and Heads of the MoES Structural Units responsible for the operations implementation and their support. The WBOPSC will be chaired by the Coordinator.

Each member of the WBOPSC will be responsible for the specific World Bank operation assigned to them by MoES order.

Roles and Responsibilities for LEARN

Strategic Guidance: WBOPSC will define the overall strategic direction necessary for the successful implementation of the Program and Project in MoES.

Oversight: The committee will regularly review the progress of the Program and Project against its objectives, approve plans, and ensure that the implementation is aligned with the agreed strategic direction.

Risk Management: WBOPSC will identify potential risks to the Program's success and work to mitigate these risks through appropriate measures.

Amendments and Changes: WBOPSC will evaluate the need for any changes or amendments to the Programs and Projects and propose necessary adjustments to ensure the Programs and Project remain on track and aligned with its goals.

Operational Procedures

Establishment: WBOSPC establishment and its composition of LEARN Operation will be regulated by the MoES order.

Quorum: A quorum of two-thirds (2/3) of WBOPSC members assigned to LEARN operation is required for decisions to be valid.

Decision-Making: Decisions will be made by a simple majority vote of the meeting' attendees. In cases where the votes are equal, the Chair's vote will prevail (in case of their absence – Deputy Chair's vote if assigned).

Meeting Frequency: The WPOPSC will meet as required, but not less than once per year.

Meeting Format: Meetings can be conducted either online or offline, depending on the needs and availability of the WPOPSC members.

Administration: PIU will act as a secretariat for the WPOPSC preparing the agenda and submitting the necessary documents before 3 working days of the planned meeting. However, additional issues can be raised during the meeting.

Record keeping: Decisions made based on the results of the meeting are documented in a minutes, indicating the date of the decision, reflecting the results of the roll-call voting of the PSC members ("for" or "against"), present at the WBOPSC meeting, on each item of the meeting agenda. The minutes are signed by the head of the WBOPSC.

Documentation: Minutes of each meeting will be recorded and circulated among members upon their request. Decisions made during the meetings will be documented and followed up on as necessary.

DISSOLUTION

The WBOPSC may be dissolved upon the completion of the Program or by a formal decision of the MoES, if it is determined that the WBOPSC has fulfilled its mandate.

2.2.3.4 WORLD BANK OPERATIONS MANAGEMENT UNIT (PROGRAM / PROJECT IMPLEMENTATION UNIT)

INTRODUCTION

World Bank operations management unit (WBOMU) also referred as the **Program** and/or **Project Implementation Unit** (PIU)[8] is the core unit providing support to the MoES in preparation and managing of all joint operations of the MoES and World Bank Group.

The LEARN Operation PIU is based on resources of the **WBOMU/PIU**, which also acts as Project Implementation Unit of UIHERP and will be expanded to cover the new scope and tasks of the Operation.

Scope of the PIU operation includes but is not limited to

Program

- contribute to the management and implementation of the Program by provision of technical support, advisory and guidance to the WBOPSC, and Implementing Directorates;
- oversee compliance with the Bank's policies and guidelines;
- support implementation of the Program Action Plan (PAP);
- support consolidation and review of the data to monitor the results framework indicators;
- support the verification process by drafting the reports based on the information provided and liaising with IVA;
- prepare plans, reports and draft of other documents, as required;
- act as a secretariat for WBOPSC and PSC.

[8] For the sake of this Operational manual and Operation the term **Project Implementation Unit** will further encompass both terms Program Implementation Unit and Project Implementation Unit (PIU).

<u>Project</u>

- contribute to the management and implementation of the Project by provision of technical support, advisory and guidance to the WBOPSC, Tender committee, Implementing and support directorates;
- ensure compliance with the Bank's policies and guidelines, including ESF, GBV and Climate change;
- monitor and evaluate the results framework indicators;
- prepare plans, reports and draft of other documents, as required;
- drafting the Terms of References (ToRs) and Specifications for services, goods and works;
- support procurement and financial management.

COMPOSITION

MoES is responsible for the functioning of the WBOMU / PIU by engaging a sufficient number of qualified consultants in the unit to ensure effective Programs and Projects management.

WBOMU / PIU Consultants have the advisory roles and provide technical support to the MoES regarding the implementation of the Operation, including services to support the coordination, administration and project management, procurement, financial and legal management, communication, monitoring and evaluation, technical management, environmental and social compliance as well as preparation of new operations with the Bank.

PIU contributes to the preparation of the draft documents and has a right to communicate on the Operation matters within the assigned power with the stakeholders.

PIU will be engaged to support the Operation implementation throughout the entire implementation period under the guidance and supervision of the Coordinator.

The WBOMU / PIU operations includes the following groups of the operations support:

- **Administration team** provides support on legal matters of implementation, talent management in the technical support groups, coordination and administrative support, including support of the WBOPSC and PSC.
- **Fiduciary team** covers procurement and financial management topics.
- **Analytics, Monitoring and Evaluation team** covers the contextual aspects of the operations as well as monitoring and evaluation tasks.
- **ESF team** ensure compliance of actions with environment and social safeguards principles of the Bank including GBV and Climate change aspects and PAP implementation
- **Implementation technical advisers team** includes consultants supporting MoES Implementing directorates in managing the Projects processes, which include *inter alia*
    - Improving learning environment

- Trainings
- Teacher and Learning materials
- Development of the IT systems
- Communication and outreach
- Other roles

WBOMU / PIU teams are led by the **Head of WBOMU / PIU**.

ROLES

The basic description of the consultants' roles for the Operation are provided below.

HEAD OF PIU

WBOMU: Head of World Bank Operation Management Unit

UIHERP: Project Manager – Lead of the Group of Consultants [9]

The Head of PIU, as the lead of the group of consultants, provides overall leadership to the WBOMU/PIU under the strategic guidance of the Coordinator. The consultant supports coordination, management and supervision of the Operation implementation with the focus on applicable Bank's policies and rules. The head of PIU contributes to the planning, reporting, monitoring and communication *inter alia* leading the technical communication with the Bank.

FIDUCIARY TEAM

Financial Management Specialists

The Financial Management Specialists assist and advise MoES on financial management matters within the scope of the Project, in accordance with the requirements of the World Bank and national legislation. They are support preparing financial reports and organise the audits. Financial managers support the accounting of the project as well as preparation and processing of the payments, if required.

Procurement Specialists

The Procurement Specialists provide assistance and consultancy to the MoES regarding the procurement of goods, works, and services within the scope of the Project, in accordance with the requirements of the World Bank. They also conduct monitoring of contract implementation, coordinate procurement activities, prepare procurement plans and documentation, and analyze all Project-related activities to ensure compliance with the World Bank's procurement requirements. The Procurement Specialist is

[9] *The WBOMU/PIU structure is derived from the existing UIHERP PIU framework. While the titles for consultant roles may differ across various projects and programs, each role is consistently assigned to specific individuals as per STEP prior to the commencement of this operation. This chapter of the POM outlines a mapping of roles between the WBOMU, Operation PIU, and UIHERP PIU, highlighting any discrepancies, if any, in titles without accounting for additional personnel assigned to these roles.*

responsible for planning, controlling, and reporting on procurement activities within the Project, maintaining databases, and archiving all procurement documentation related to the Project.

ADMINISTRATION TEAM

Legal Specialists

The Legal Specialist ensures the compliance of Project activities with national legislation and provides legal consultancy services to MoES and PIU consultants regarding legal matters related to Project implementation, aiming to protect and resolve any potential claims that may arise during the operation implementation. The consultant support MoES in preparation of the draft normative acts, oversee the quality and content of the documents incl. minutes of meetings, draft orders, contracts, acceptance certificates generated by PIU.

Coordination and administration support specialists

WBOMU: Coordination and administrative support consultant

UIHERP : Project assistant

The Consultant is responsible for providing day-to-day support to PIU, including document translation and analytical work to achieve the operation objectives. The consultant also provides administrative support and assist in preparation of the WBOPSC and other meetings.

Administration specialist

WBOMU: Administration specialist

UIHERP : -

Administration specialist is a role focused on managing and developing the workforce within the technical support teams created within the World Bank operations. This individual is responsible for recruiting, onboarding, and training employees, ensuring they have the necessary skills and resources to perform their roles effectively. They oversee employee performance and career development of all groups of the consultants created in the Project, while also fostering a positive and productive work environment. Additionally, the Administration specialist collaborates with leadership to align human resources strategies with the organization's operational goals, ensuring that the technical support teams operate efficiently and effectively.

ENVIRONMENTAL AND SOCIAL SAFEGUARD TEAM

Social and stakeholder engagement specialists

This specialist is responsible for compliance with the World Bank's Environmental and Social Standards (ESS). This includes providing ongoing support to the MoES, particularly in monitoring and reporting on the effectiveness of mitigation measures for social risks and impacts. The role requires developing or assisting in the development of Environmental and Social Management Plans (ESMPs) and other documents to ensure alignment with ESS and the operations' objectives. A significant aspect of the work is fostering stakeholder engagement by organizing public consultations and ensuring effective communication between the team, local communities, and other stakeholders. The consultant will also be responsible for establishing and managing a grievance redress mechanism at the Project level, facilitating training for contractors on ESS standards, and overseeing compliance with safety and ethical standards, including the prevention of sexual abuse, exploitation and harassment. Regular reporting on social aspects, compliance, and grievance handling will be necessary.

Environmental and Occupational Health and Safety Specialists

WBOMU: Environmental and Occupational Health and Safety Specialist

UIHERP : -

The Consultant will play a role in ensuring the successful implementation of the Project's Environmental and Social Management Framework (ESMF) and Occupational Health and Safety (OHS) guidelines. Key responsibilities include coordinating with the MoES to prepare, disclose, and implement site-specific environmental and social instruments in line with World Bank standards. The Consultant will also be responsible for monitoring and reporting on environmental impacts, managing OHS systems, and developing mitigation measures for identified risks. Additionally, the role involves facilitating stakeholder consultations, ensuring effective communication with all relevant parties, and developing training plans for the operation staff, contractors, and stakeholders on OHS protocols. They will also be responsible for promptly notifying the World Bank of any significant incidents or accidents related to the operations and providing detailed reports.

ANALYTICS, MONITORING AND EVALUATION TEAM

Education Specialists

The Education Specialists provide support and consultation to MoES regarding the conceptualization and implementation of education policies for the purposes of the Operation development and education reform. They contribute to all areas of the operation by contextual advises and analytical reviews. Specialist coordinates with subvention teams for aligning the operation objectives with actions of MoES.

Monitoring and Evaluation Specialists

The Consultant's scope of services includes collecting, structuring, consolidating, and reviewing data from responsible entities and specialists, while maintaining proactive communication with them. The Consultant will monitor and evaluate the progress of the Program results framework and plans endorsed by the Bank or agency, contributing to planning exercises and analyzing data to provide recommendations for improvement. Responsibilities also include preparing verification packages for DLI/DLRs, coordinating with the Independent Verification Agent, drafting reports, following up on recommendations from the Bank or project entities, and establishing a monitoring and evaluation system.

IMPLEMENTATION TECHNICAL ADVISORS TEAM

Implementation technical advisors

WBOMU: Implementation technical advisors

UIHERP : Project managers / coordinators

The specialists support the implementation of the specific directions envisaged by the Project. They support MoES in administration, planning, reporting and monitoring of the specific categories of the contract subject matters of the Projects parts or Sub-parts. It includes IT, Training direction, Educational environment, Teaching and learning materials, Communications and others. These specialists may complement the functions of the procurement specialist in the procurement process, especially in market engagement, contract monitoring and assessment of the quality based on the contracts conditions. They also contribute to the development of the selection criteria.

The staff in the teams may be categorised as a Senior and Standard staff.

A Senior staff would likely oversee more complex tasks, mentor standard staff, and have a greater role in decision-making and autonomous work. Specialists or consultants represent the standard position, where the individual would focus on supporting specific tasks and responsibilities as outlined, with less emphasis on leadership or higher level oversight compared to the senior role. The Senior signals a more advanced role with broader responsibilities, while the standard title remains focused on day-to-day technical support and implementation tasks.

If necessary, short-term consultants and other experts will be engaged.

ARRANGEMENTS

The composition of the PIU can be altered according to Operation needs subject to the approval of the Bank without a need to change the Manual.

The WBOMU / PIU will be composed by the consultants hired according to the World bank procurement rules. MoES is responsible for the selection and hiring of PIU consultants in accordance with the Bank's rules and procedures. Each PIU consultant will be engaged through a separate contract between MoES and the individual entrepreneur authorized by MoES to carry out specific activities for the Operation implementation in accordance with the Manual and their contracts.

The contracts set among other things the remuneration and reimbursement arrangements. The reimbursement arrangements may include travel cost budget for domestic and international travel. All travels are subject to standard practice appropriate to the MoES.

The authorization document permitting official travel shall be an internal memo submitted by the consultant and approved by the Coordinator/Co-Coordinator. The memorandum shall indicate the purpose, duration, destination, the individual consultant's name and position, and the source of financing.

The actual use of the international travel reimbursable budget is subject to World bank clearance on a case-by-case basis. This means that international travels will be only eligible for reimbursement if they have a written clearance from the World bank team. To get this clearance, PIU would need to submit a request with the purpose and scope of each trip.

The financing of the PIU is carried out at the expense of the Project, as well as, if necessary, can be shared with other joint projects with the World Bank.

The PIU consultants will report directly to the Coordinator and cannot be a part of the decision making entities of the Operation, such as Steering committees and Tender committee.

PIU consultant provides services according to the Terms of references, which are integral part of their contracts. All Terms of References are subject to the Bank's technical review.

The MoES provides consultants with a workplace, including the necessary equipment for task performance (telephone, PC, printer, copier, internet access, etc.), free of charge, if stipulated in their consulting service contracts.

The organization of working communication among individual consultants and with the representatives of the authorities and other stakeholders may be carried out in any way not prohibited by the current legislation of Ukraine.

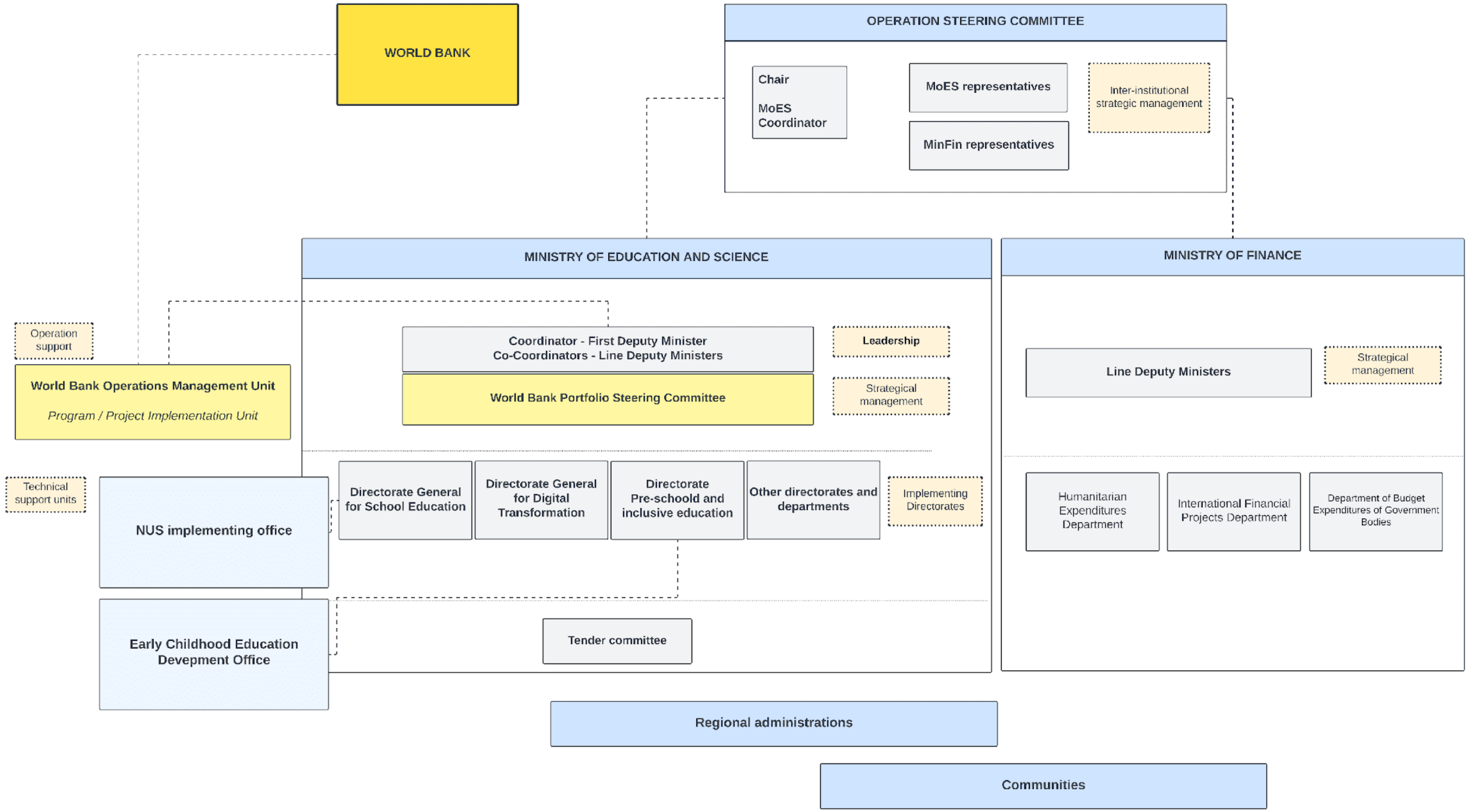
2.2.4 Tender committee for the organization and conduct of the procedure for the procurement of goods, works, and services for the operations of the International Bank for Reconstruction and Development in the MoES

A committee to be established in the MoES to organize and conduct procurement of goods, works and services in accordance with Article 6 of the Law of Ukraine "On Public Procurement" according to the Procurement regulations.

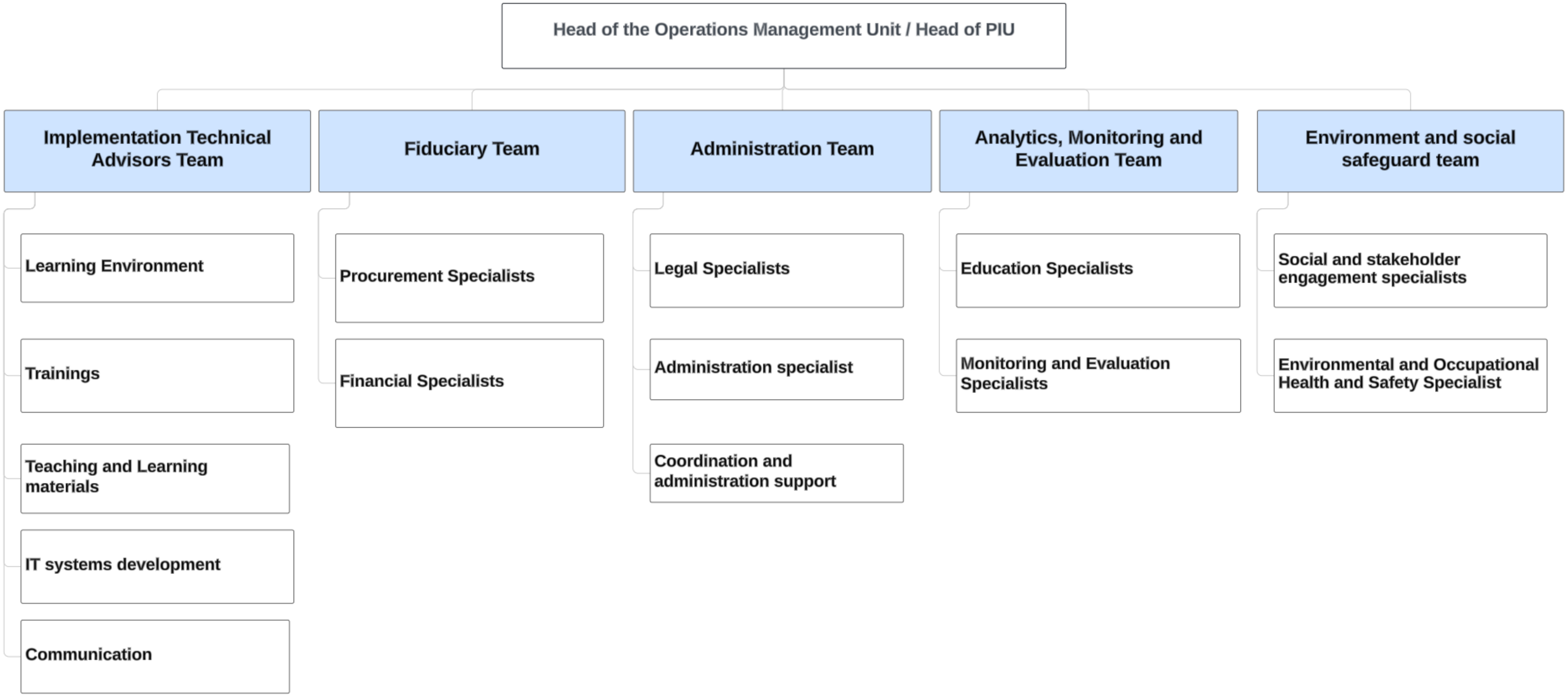
The Tender committee acts as a single joint committee for all Bank operations in MoES.

More on Tender committee operation in the Project is provided in the chapter dedicated to the IPF procedures.

LEARN UNIVERSE



World Bank Operations Management Unit / PIU Composition



2.2.5 Local authorities and communities

As the subventions are directed to the local authorities and communities the final responsibility for achieving the Program results will bear with local authorities and communities.

The MoES through the Implementing directorates will facilitate, control, monitor and support the execution in the framework of its mandate. The MoES will also provide capacity building training program to the managers.

2.2.6 World Bank

The Bank will provide a systematic and continuous support through constant communication and weekly virtual meeting with government during the implementation of Bank-financed operations. The Bank, to ensure that financing is used to achieve intended purposes and results with due regard to efficiency and economy, has a fundamental interest in seeing that the projects it supports achieve their development objectives.

The Bank periodically will have a mission staffed with a task team composed of relevant technical specialists who monitor the implementation of activities. Missions can happen in person or virtually, to monitor in person or to conduct specific tasks, as events field visits, mid-term reviews, etc.

The task team reports the findings of each mission in a concise aide-mémoires that reflect the review of documents, discussions and decisions with the government and relevant partners, and recommendations. The MoES and MOF should respond to the aide-memoire and outline its strategy for addressing the issues raised in the Bank's report. During the missions the Bank team may review the quality of PIU work.

The World Bank through an extended mission will conduct a Mid-Term Review (MTR) of the Operation. During the MTR, the Bank will assess the status and progress of the Program, and decide whether the Program objective and indicators/targets are still relevant. During the MTR, or if necessary at any point during implementation, the Program may, with the agreement of the Bank and government, be restructured to strengthen its development impact, modify its development objectives or DLIs, improve Program performance, address risks and problems that have arisen during implementation, make appropriate use of undisbursed financing, cancel unwithdrawn amounts prior to the Closing Date, extend the Closing Date, or otherwise respond to changed circumstances.

3 Program Procedures

3.1 Program monitoring and evaluation (M&E)

3.1.1 Overview

Monitoring and evaluation (M&E) will be undertaken as an integral element of the Operation management system for the implementation by the respective MoES **Implementing directorates** and **PIU**.

There will be several forms for M&E:

- **Progress monitoring.** Monitoring the implementation of the program against the **Program Action Plan** (PAP) and legal covenants in a timely manner, including **internal verification of DLIs/DLRs** and targets and development objectives and if necessary, modify and/or redirect activities to maximize the potential impact of the Program; and
- **Reporting on the indicators** of the results framework and the drafting program progress reports as required by the Agreements and the Manual
- **Policy specific reporting** on the **compliance** with procurement, environmental and social, anti-corruption Banks' policies.

The main **data originating entities** of the information are

- Representatives of the communities using the subventions/budget programs proceeds; and
- Directorate of School Education providing by-laws, plans and other information required by indicators framework

The **data collecting and consolidating** entities

- Institute of the Education Analytics (AIKOM system)
- Departments of the education of the Regional State Administrations
- Relevant MoES directorates

The **data analysis, quality check and reporting** entity

- Implementing directorate supported by PIU and other consultants

Monitoring of PDO, DLI/DLRs and intermediate results indicators is carried out using the following data sources and methodologies: (i) regular surveys and data collection processes; (ii) administrative data, including data from AIKOM; and (iii) monitoring information provided by relevant MoES directorates and/or consultants according to their area of expertise.

The responsibility for data accuracy rests with the communities and regional administrations. Day-to-day monitoring and evaluation remain the responsibility of the implementing directorate responsible for the result area, with the PIU facilitating, where necessary, meetings or coordination arrangements with other implementing partners and other support. Review and approval of the report and submission to the Steering Committee and/or Bank will be part of the responsibility of PIU. The Coordinator is responsible for coordinating activities between the various structures responsible for Program implementation and for timely reporting/submission of information to the Bank, IVA, and other entities as required.

The Result Framework as a single basis for monitoring indicators of the Operation is available as **Annex I.A.**

If clarifications or details of the indicators are required to be clarified, the PIU will consult with the Bank. The confirmed communication will be built on that basis.

3.1.2 M&E support

PIU will support Implementing directorates in establishing and operating the Monitoring and evaluation system.

The PIU Monitoring and Evaluation Consultant (hereinafter - M&E Consultant) will coordinate the M&E, namely: collection, verification, consolidation, and analysis of the obtained data; preparation of reports on the Program activities; organization of planned surveys (if necessary) to monitor achievement of the indicators of the Results Framework; prepare and submit reports as required by the Agreements and national legislation, instructions of the Coordinator, and the Head of PIU.

Other consultants will also be involved in carrying out M&E activities dependent on their functional areas and provide to M&E specialist their sector – specific contributions and specific reports.

3.1.3 M&E Processes

The M&E framework will consist of the following main areas:

- Implementation progress
- Environmental and social framework
- Grievance redress mechanism (GRM)
- Procurement and anti-corruption aspects
- Financial reporting

Specific reports are described in the corresponding section of the **POM**.

The data originating entities will provide a source information on monthly basis to the **Regional administrations,** which will send the structured information in disaggregated form to the **Implementing directorate** of MoES. The **Implementing directorate** will review it, consolidate, check data quality, analyse and track progress and then pass the complete information to **PIU** for further preparation for the submission to the Bank. **Implementing directorates** may request the data originating entities to clarify the original information. **AIKOM** system will be used by **Implementing directorates** to extract necessary data and / or verify data consistence in direct or indirect way. The **PIU** will evaluate information and draft the reports.

All semi-annual reports are subject to approval by the **Coordinator.**

Each entity will assign the contact person for establishing communication. **MoES** will provide communication to explain the **M&E** system and particularities in the data collecting system. The specific electronic forms will be developed. MoES through PIU will provide a register of data which need to be monitored within one month from project effectiveness. The register may complement the available reporting forms. Implementation departments are responsible for storing all records.

The Bank conducts an evaluation of Program implementation, including the services of the consultants of PIU during monitoring missions. At the end of the mission, the Bank provides an Aide Memoire with an assessment of the Program performance.

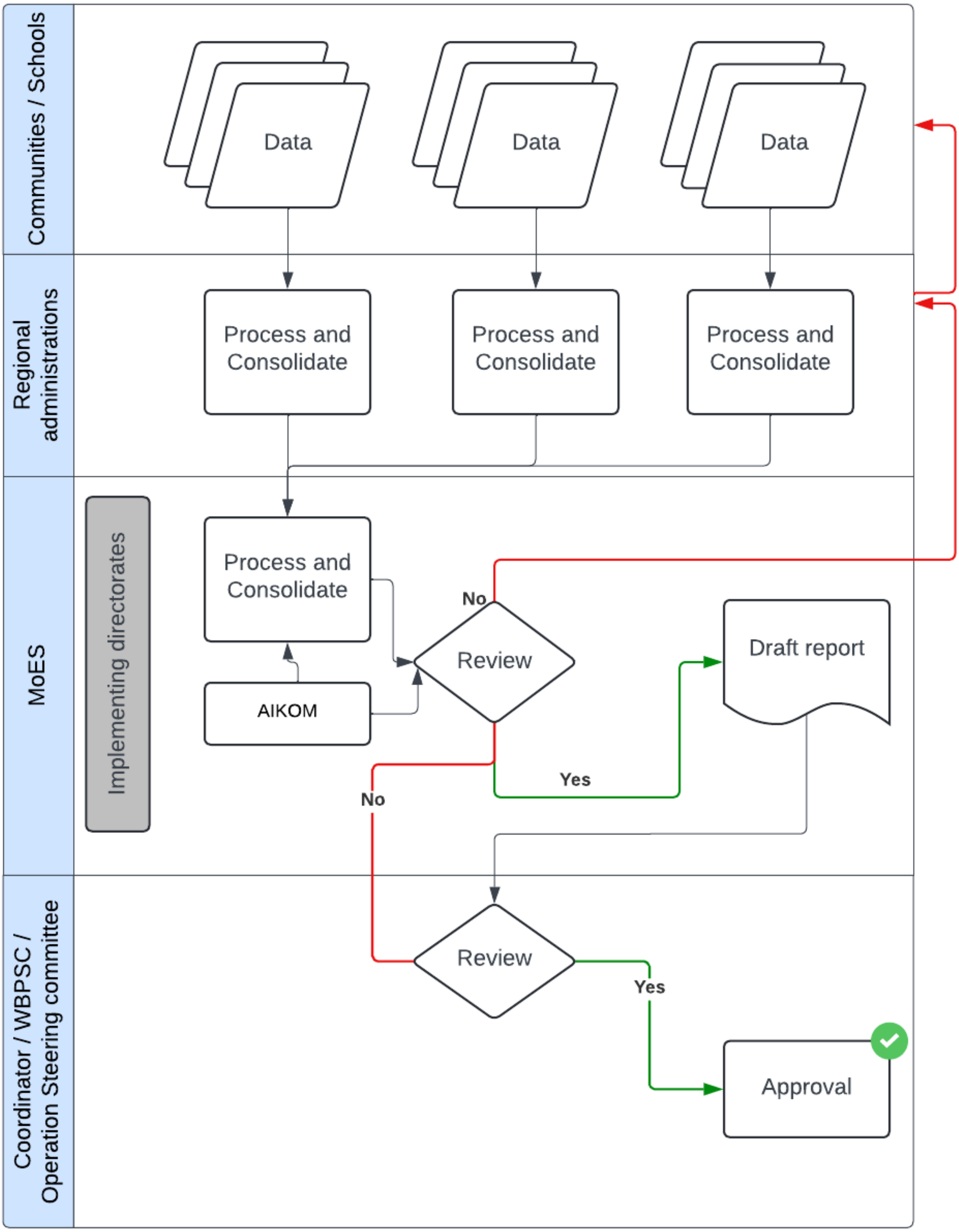
The standard process flow, depicted on the diagram below, may be modified given the circumstances.

3.1.4 Program progress reporting

The Program reports as the parts of Operation progress reports are provided in **Annex II.A**.

The form and content of the reports will be agreed upon with the Bank and/or Steering committee in course of the reporting procedures.

DIAGRAM. STANDARD WORKFLOW OF THE DATA COLLECTION AND REPORTING



3.2 Verification

3.2.1 Verification procedure

Disbursement of funds under the PforR depends on demonstrating delivery of results. Therefore, the primary function of M&E in this context is demonstration of progress in achieving the DLIs and DLRs, as defined by the Loan Agreement and Financing Agreement.

The Implementation Directorate and PIU will carry out the function of internal monitoring of progress against the DLIs by developing bi-annual progress reports against all DLI/DLRs, using information provided to it by respective Implementing directorates, AIKOM and other sources.

Following this, and standard M&E procedure, the MoES will *share reports justifying* the achievement of DLI/DLRs with an Independent Verification Agency (IVA) contracted to provide an independent verification of results. The IVA will conduct the verification of results according to the verification protocols (**Annex I.D**).

Verification Protocols means the protocol agreed by the Bank and the MoES to verify the data and other evidence supporting the achievement of one or more DLIs and DLRs as specified in the Operational manual. Such protocols may be modified from time to time with the written agreement of the Bank.

Details of Verification protocols may be clarified in correspondence between MoES and Bank and such confirmed exchange *inter alia* in electronic form will complement or/and amend Verification protocols and build a basis for verification procedure.

Once verification is complete, the IVA will submit draft verification report to MoES. After MoES's review and confirmation, IVA will submit the final report and its opinion to MoES and the Bank with copy to the MoF. The Bank, after review, informs MoES and MoF formally that it has accepted evidence of achievement of the DLRs and specify the amount eligible for payment or provides request for additional clarifications.

If the DLI / DLR are not requiring the engagement of IVA as per Verification protocols the MoES will prepare and submit the package for verification signed by the Coordinator directly to the Bank with a copy to the MoF.

3.2.2 Independent verification agent (IVA)

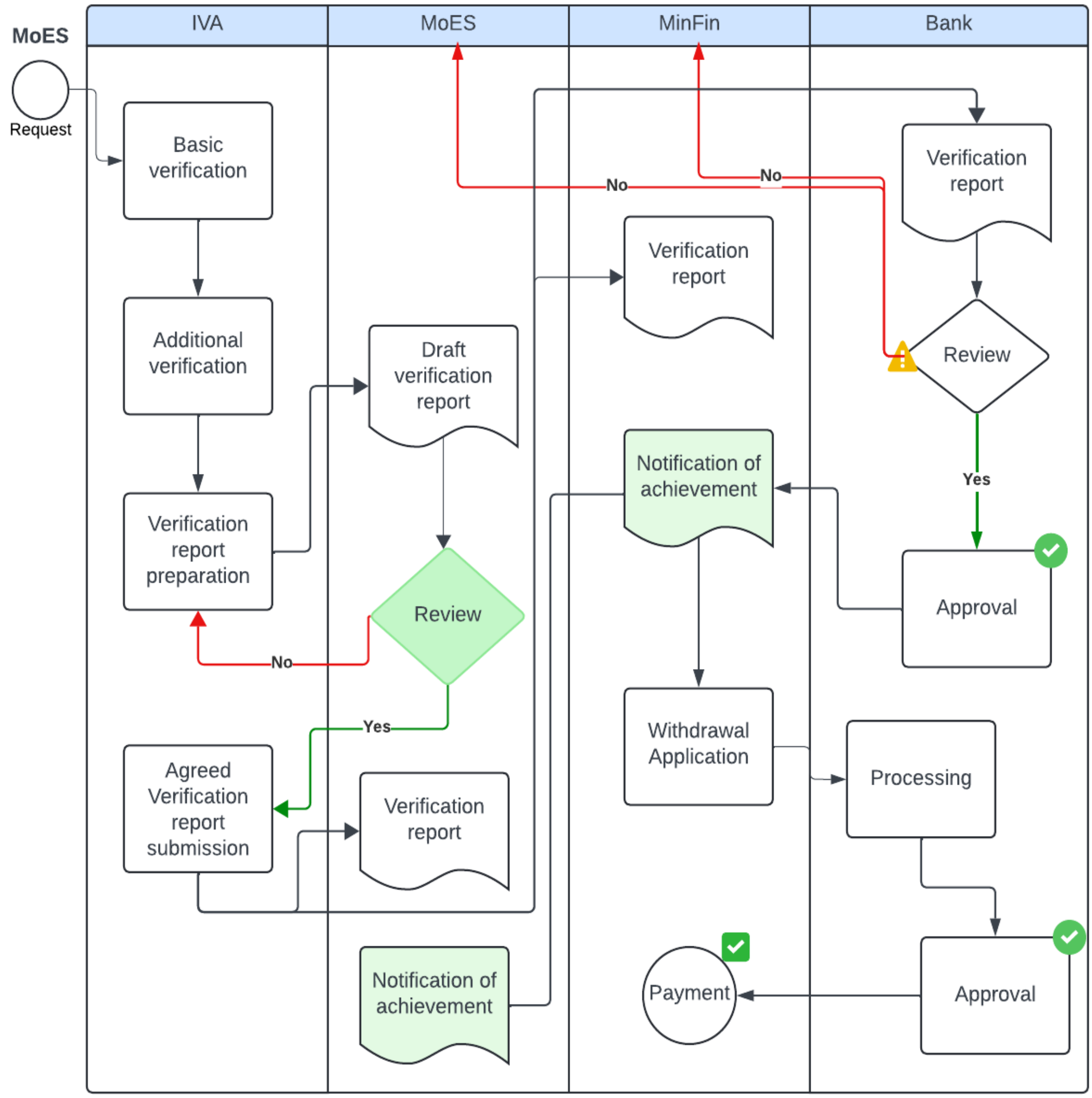
This independent organization will provide the verification of results achieved by MoES, against the DLIs and/or DLRs that, according to the legal agreements, require an IVA.

MoES is responsible to engage the IVA, and act as its primary interlocutor, as the entity responsible for the Program M&E. IVA maybe be covered using Grant proceeds from the Project or external financing.

The IVA will work closely with the MoES / PIU to submit the verification reports and coordinate submission of the additional information, if necessary. Verification should be done in accordance with Verification protocols for the IVA, which vary according to the nature of each DLI/DLR.

MoES is responsible for facilitating the work of the IVA by providing evidence according to the protocols and timelines agreed, and further by permitting access to primary data and to conduct spot checks and consultations.

FLOWCHART OF THE VERIFICATION AND DISBURSEMENT
(FURTHER TO STANDARD WORKFLOW OF DATA COLLECTION AND MONITORING)



Confidential

3.3 Disbursement of funds

3.3.1 Disbursement process

The Bank will review the documentation submitted along with the verification report, as needed, any additional information or clarification considered necessary.

Upon approval, the Bank will send a formal notification to the MoF with copy to MoES to confirm (fully or partially) the achievement of results and the amount to be paid according to the disbursements formula **Annex I.D**.

Based on the notification, the MoF prepares the related Withdrawal Applications (WA) through the World Bank online Client Connection system to the World Bank Treasury Division.

A copy of the Bank's letter confirming the achievement of DLI/DLR should be added to the WA. Transactions with the Program's funds cannot be performed until the Legal Agreements become effective and the Bank receives confirmation of the authority of the MoF officials who will sign applications for the withdrawal of funds from the Program account. The letter with signature species of the MoF officials authorized to sign applications for the withdrawal of Program funds, in the form recommended by the Bank according to Appendix 3, attached to the Bank's letter regarding the use of funds, must be signed by the MoF as a representative of the Government of Ukraine and submitted to the Bank's regional office in Ukraine.

In case of any changes in the composition of the previously approved authorized officials of the MoF, the MoF must promptly inform the Bank by sending a letter with signature samples of the updated authorized officials.

The World Bank funds will be transferred to the foreign currency account of the State Treasury Service of Ukraine, opened with the National Bank of Ukraine, as it provided in the Disbursement and Financial Information Letter (DFIL).

Funding for the activities necessary to implement the Program are provided by the MoES from the relevant budgetary allocations in accordance with Ukraine's budget legislation.

The funding for the work of the Verification Agent is carried out at the expense of Project funds or other sources not prohibited by law including financing of the external donors.

3.3.2 Advance

The advance policy stipulates that the MoF may withdraw an amount not to exceed $25,000,000 as an advance; provided, however, that if the DLRs in the opinion of the Bank, are not achieved (or only partially achieved) by the Closing Date, the MoF shall refund such advance (or portion of such advance as determined by the Bank) to the Bank promptly upon notice thereof by the Bank. Except as otherwise agreed with the MoF, the Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Bank shall specify by notice to the MoF.

3.3.3 Program Funds Accounting

The accounting for the Program is managed by the MoES in compliance with Ukrainian legislation. MoES prepares and provides the Bank with a consolidated financial report for the Program for the relevant year, which must detail the existing directions of use and include planned and actual expenditures.

The amounts of planned and actual expenditures are indicated in the national currency, and the total amount is converted into the Program currency as of the reporting date based on the exchange rate of the National Bank of Ukraine.

Operations regarding the receipt of loan and credit funds for the Program are carried out by the Treasury in accordance with current regulatory legal acts.

The Ministry of Finance maintains records of the receipt of credit funds for the Program, as well as the servicing and repayment of the attracted loan and credit, using the Information and Analytical System "Public Debt Management."

Financial documents for the Project are formed and stored both electronically and in printed format in the premises of the MoES and the MoF structured by folders titled by the reference to the Operation and corresponding component and/or action. Upon the completion of the Program, they will be stored in a separate location designated by the MoES and the MoF for archival storage of Project documentation.

3.4 Audits

Audit of the financial statement of the Program can be undertaken by the Accounting Chamber of Ukraine (ACU). Subject to unavailability of the ACU to perform the financial audit, MoES will select the private audit company, acceptable for the World Bank, and finance it through the Project funds. The selection will be performed based on the procurement procedures acceptable to the Bank.

To conduct the financial audit for 2024, the MoES will select a private auditing company acceptable to the World Bank and will fund its services using Project funds.

MoES will prepare the ToR for the audit and get it cleared by the Bank.

The external audits of financial statements should be conducted annually and completed with the issuance of the auditor’s opinion normally by June 30, but no later than within 9 months following the audited period.

3.5 Fiduciary aspects

3.5.1 Program procurement system

The Program will follow the country’s procurement and contract management system according to Public Procurement Laws and By-laws.

The Operation will be covered by the World Bank's Anti-Corruption Guidelines (ACGs). The Program will be subject to the Guidelines on Preventing and Combating Fraud and Corruption for Program-for-Results Financing, dated February 1, 2012, and revised as of July 10, 2015.

Without limitation upon the provisions of Section 5 .13 of the General Conditions and paragraph 6(c) of the Anti-Corruption Guidelines, MoES shall prepare a periodic ACG Reports, in form and substance satisfactory to the Bank and furnished each report to the Bank not later than three (3) months after the end of each calendar semester, covering the calendar semester as a Part 2 of the semi annual report.

ACG report should include, whether or not there has been the following information: (a) any credible and material allegations and other indications of fraud and corruption under the Program which come to the MoES attention during reporting period; (b) any investigations launched into such allegations, their progress and findings; and (c) any remedial or corrective actions taken or planned in response to such allegations or the findings of such investigations.

MoES will disseminate Bank's anti-corruption guidelines together with updated lists of the debarred and temporarily suspended firms and individuals among implementing institutions and conduct annual meetings with the anticorruption officers of the implementing institutions to discuss dissemination and compliance with the Bank's anti-corruption rules and procedures.

The main agencies responsible for the implementation of the Program anti-corruption measures are listed in the **Annex III.A** to the Manual.

Actions which have to be done in course of the Program implementation are provided in the (**Annex I.F**).

3.5.2 Excluded activities

MoES, shall ensure that the Program excludes any activities which

(a) in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

(b) involve the procurement of: (1) works, estimated to cost $50,000,000 equivalent or more per contract; (2) goods, estimated to cost $30,000,000 equivalent or more per contract; (3) non-consulting services, estimated to cost $30,000,000 equivalent or more per contract; or (4) consulting services, estimated to cost $15,000,000 equivalent or more per contract.

3.5.3 Monitoring and evaluation

Procurement activities will be part of the M&E system and information thereof should be provided by the communities and regional state administrations. MoES will closely monitor Prozorro web site for procurement development monitoring.

For the purpose of reporting to the Bank, the MoES will be the main institution responsible for collecting the required information in coordination with the involved entities and agencies.

The M&E system will assess and monitor the performance report of the procurement using of below procurement and financial Key Performance Indicators (KPIs) under the Program. The KPIs will be reflected in the Program's Progress Reports KPIs monitoring procedures, and will also be subject to review and confirmation by the Program auditors.

Procurement KPIs:

- % of procurement completed in support of DLIs achievement;

- % of procurement (by value) following open tender procedure;
- Average number of bids received;
- Volume of complaints received.

Financial management KPIs:

- % of annual actual financing of the budget lines that are part of the Program, compared to the planned financing of these budget lines;
- accounts payable for the Program budget lines at the end of reporting period;
- % of such accounts payable at the end of reporting period to the annual financing;
- average amount of days required for the State Treasury to execute payments in the Program budget lines;
- Timeliness of the audit report submission, nature of audit opinion on Program financial statements and timeliness in addressing audit findings.

The standard M&E workflow procedure applies.

3.5.4 Reporting

Progress about procurements will be part of semi-annual reports as provided in the **Annex II.A**.

3.6 Environment and Social Risk Management

3.6.1 Introduction

The Environmental and Social Systems Assessment (ESSA) for the Program has been prepared to ensure that the environmental and social impacts of the project are properly managed and mitigated. This section outlines the framework and processes for environmental and social management, including the responsibilities of the Ministry of Education and Science of Ukraine (MoES) and other stakeholders.

The ESSA aims to:

- Assess potential environmental and social (E&S) impacts of the LEARN project.
- Evaluate the capacity of the Government's systems to manage these impacts.
- Recommend measures to strengthen these systems to ensure compliance with the World Bank's Environmental and Social Standards (ESS).

The ESSA analysis is guided by six core principles:

- **General Principle of Environmental and Social Management**:
  - Avoid, minimize, or mitigate adverse impacts.
  - Promote environmental and social sustainability in Program design.
  - Promote informed decision-making regarding the Program's environmental and social effects.
- **Natural Habitats and Physical Cultural Resources**:
  - Avoid, minimize, or mitigate adverse impacts on natural habitats and cultural resources.

- **Public and Worker Safety**:
  - Protect public and worker safety against potential risks from the Program's activities.
- **Land Acquisition**:
  - Manage land acquisition to avoid or minimize displacement and assist affected people in restoring their livelihoods.
- **Indigenous Peoples and Vulnerable Groups**:
  - Ensure equitable access to Program benefits, giving special attention to the needs of Indigenous Peoples and vulnerable groups.
- **Social Conflict**:
  - Avoid exacerbating social conflict, particularly in fragile or post-conflict areas.

The major risks identified by the ESSA include

Environmental Risks:

- Rated as substantial due to potential pollution, impact on water/soil quality, noise and dust levels, soil disturbance, vegetation loss, and risks related to construction activities (including OHS and community health and safety risks).
- Specific risks include health and safety from shelter damage and operational risks related to traffic safety, water supply, sanitary conditions, and energy consumption.

Social Risks:

- Rated as substantial, including risks to community and worker health and safety, security risks in the education sector, and potential adverse effects from construction activities.
- Ensuring inclusivity and accessibility to Program benefits for vulnerable individuals and groups, such as the poorest children and children with disabilities.

Context specific risk include military action hazards and threats.

Based on the above assessment, the ESSA concludes that the environmental and social risks of the program are considered to be adequately mitigated, through additions to the design, operation procedures and through committed actions in the Program Action Plan. All recommendations will be supervised throughout bank implementation. The mitigation actions are provided in the PAP and ESSA document.

Through the Program implementation the following responsibilities will be put in regard to the ESF:

- The MoES will maintain requisite E&S staffing, including a social/stakeholder engagement specialist and an environmental/OHS specialist.
- Local governments are responsible for preparing technical designs, obtaining permits, and ensuring compliance with national legislation.
- MoES will arrange a regular monitoring and reporting on E&S performance and compliance.

- MoES will develop and implement a comprehensive capacity-building program for contractors and local authorities.
- MoES will issue guidelines and conduct training sessions on E&S management practices.

These tasks are reflected in the PAP provided in the **Annex I.F** to the POM.

3.6.2 Grievance Redress Mechanism

3.6.2.1 Description of Grievance mechanism

The main objective of a Grievance mechanism (GM) is to assist to resolve complaints and grievances in a timely, effective, and efficient manner that satisfies all parties involved.

Objective:	To strengthen transparency and accountability to beneficiaries and provide channels for Operation stakeholders to provide feedback and/or express grievances related to Operation supported activities.
Aims:	Identification and resolving of issues affecting the Operation; mitigate the risk of the Operation inadvertently affecting citizens/beneficiaries; obtain feedback and learning to help improve Operation impact.
Activities:	Receive, record, evaluate and address complaints and concerns from Operation-affected parties and citizens at Operation level and escalate for further response as needed.
Scope:	GM will be available for Operation stakeholders (especially Operation beneficiaries and those directly or indirectly affected, positively or negatively, by the Operation) and other interested parties to submit questions, comments, suggestions and/or complaints, or provide any form of feedback on all Operation-funded activities.
Implementation Structure:	The GM for the Operation is managed by the MoES/PIU. The PIU will work with the Department of Document Management, Control and Information Technologies of MoES - the Department of Citizen's Appeals to resolve any grievances related to Operation activities that come in through MoES channels.
Legal basis:	Citizens' appeals, complaints and recommendations procedure is specified in the Law On Citizens' Appeals and amendments to the latter through the 2015 amendment on Electronic Petitions. According to the mentioned law and Constitutional Article 40, the Operation proposes the following channels through which ball interested parties can make complaints regarding Operation-funded activities.

3.6.2.2 Grievance procedure

Dissemination of GM	Information included in SEP and available at the MoES website, disseminated in communications with stakeholders. MoES will disseminate information about the GM for such category of stakeholders as teachers and parents and report on such measures.

Channels for submitting complaints	**MoES:** ● By the phone number: (044) 481-47-57, (044) 481-47-65, (044) 481-47-95 ● By E-mail: ez@mon.gov.ua ● Through the following web page: mon.gov.ua ● In writing: 01135, Kyiv, 10, Beresteyskiy ave. ● In person: at the above addresses or at the addresses of delegated authority by the latter ● Other: Written complaints to Operation staff (through Operation meetings) **Education Ombudsman Service:** ● **By Email**: ez@eo.gov.ua ● Through the following web page: http://zvernennya.eo.gov.ua ● In writing: 04053, Kyiv, Lvivska Sq., 14A (https://eo.gov.ua/podaty-zvernennia/2020/06/21/) ● **Phone**: +380 951438726 **Government contact center** ● **Phone:** 1545 **For corruption issues** ● **Whistleblower Reporting Portal** whistleblowers.nazk.gov.uat ● **Phone** +38 (044) 481 32 06 Anonymous complaints: may be submitted without personal details. Confidentiality will be ensured in all instances, including when the person making the complaint is known. **Labor management issues:** ● Administrative Specialist
Sorting, Processing	A focal point at the MoES (Department of Document Management, Control and Information Technologies of MoES), who receives a complaint, registers it according to the internal rules of the MoES. Upon receipt of the complaint within the Operation, the Head of PIU is promptly notified about grievance received and forwards the complaint to the responsible person for addressing in PIU. The PIU social and stakeholder engagement specialist will register the complaint in the Grievance log.

Acknowledgement and follow-up	Upon receiving a complaint through the grievance mechanism, the person/department responsible for reviewing the complaint promptly acknowledges receipt to the complainant. If the complaint was submitted via email, the acknowledgment is provided through an email sent to the complainant's email address, unless the complainant has requested a different communication method. ● **By Email** - The interested party receive the number of a registered complaint by email. ● Through the following web page - The interested party receive the number of a registered complaint by email. ● In writing: The interested party may request a letter with a notification of receipt of the complaint number. ● **Phone**: The number of a registered complaint announced by the operator over the phone.
Verification, Investigation	Investigation of the complaint is led by the Coordinator who assign resources and responsibilities for investigating the complaint including gathering facts in order to generate a clear understanding of the circumstances surrounding the grievance. The investigation/follow-up can include site visits, review of documents and a meeting with those who could resolve the issue. A proposed resolution is formulated by the Operation Coordinator and communicated to the complainant no later than 15 days after receipt. Complaints requiring additional evaluation are considered and resolved no later than one month after receipt (Article 20 of *the Law of Ukraine on Citizens' Appeals)*
Handling of SEA/SH complaints	The Operation will develop procedures to handle sensitive and confidential complaints, including those related to Sexual Exploitation and Abuse/Harassment (SEA/SH) in line with the World Bank ESF Good Practice Note on Identifying and Mitigating the risk of SEA/SH. The procedure will ensure (i) confidential referral of survivors to support services (health, legal, psychosocial, security and other assistance), based on the consent, needs and wishes of survivors; (ii) linkage to the domestic legal system (based on the consent of survivors unless the reporting to the law enforcement agencies is mandatory in Ukraine). Unlike other types of issues, SEA/SH Grievance Mechanisms do not conduct investigation, make any announcements, or judge the veracity of allegations; and (iii) determination of the likelihood that SEA/SH allegations relate to the Operation. If a SEA/SH incident is confirmed, an employer is expected to take a corrective action against the perpetrator.
Escalation and Appeal	Complaints that cannot be resolved within one month referred to the head or deputy of the organization to define necessary time for its consideration, and report about it to the person who filed the appeal (entire term for resolving issues raised in the complaint may not exceed forty-five days).

	If the complainant is not satisfied with the proposed resolution of the complaint. Once all possible means to resolve the complaint have been proposed and if the complainant is still not satisfied, then they should be advised of their right to legal recourse.
Response to complainant	The complainant will be informed about the results of verification via letter or email, as received. The response shall be based on the materials of the investigation and, if appropriate, shall contain references to the national legislation.
Monitoring and reporting	The Operation will prepare a semi-annual report of GM results, including any suggestions and questions, to the Operation team and the management, and review the status of complaints to track which are not yet resolved and suggest any needed remedial action.
Training	MoES will conduct training for the staff of the Office of Information Policy and Communications and Department of Records Management, Control and Information Technologies - on the Operation GM, including anonymous grievances and WB ESS10 requirements related to GM.
Progress reports submitted to the World Bank	In the semi-annual Operation implementation reports submitted to the Bank, MoES will provide information on the following: ● Status of establishment of the GM (procedures, staffing, awareness building, etc.); ● Quantitative data on the number of complaints received, the number that were relevant, and the number resolved; ● Qualitative data on the type of complaints and answers provided, issues that are unresolved; ● Quantitative data on the number of SEA/SH complaints; ● Time taken to resolve complaints; ● Number of grievances resolved at the lowest level, raised to higher levels; ● Any particular issues faced with the procedures/staffing or use; ● Factors that may be affecting the use of the GRM/beneficiary feedback system; ● Any corrective measures adopted.
Referral to World Bank GRS	Communities and individuals who believe that they are adversely affected by a WB supported Operation may submit complaints to the above Operation-level GM or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address Operation-related concerns. Operation affected communities and individuals may also submit their complaint to the WB's independent Inspection Panel which determines

	whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit: http://www.worldbank.org/en/Operations-operations/products-and-services/grievance-redress-service.

The project will establish and operate a responsive Grievance Mechanism to allow Project Workers under ESS2 to inform management of labor issues and raise workplace concerns and labor-related matters without retaliation.

The grievance mechanism for labor-related complaints under the LEARN project will utilize the same uptake channels as the project's overall grievance mechanism but follow distinct avenues for resolving labor-specific grievances. This structure ensures that labor-related issues are handled efficiently and confidentially, while still maintaining transparency.

Complaint Submission Process

Complaints can be submitted via an email system, which serves as the primary channel for receiving and processing labor-related grievances. This system will ensure that complaints are handled swiftly and securely.

- Submission via Email: Individuals can submit their complaints directly to a designated email address, which will be overseen by the department or personnel responsible for reviewing labor-related grievances.
- Publication of the Mechanism: The details of the grievance mechanism, including instructions for submitting complaints, will be made publicly available on the Ministry of Education and Science (MoES) website. This will make the process transparent and accessible to all stakeholders, including project workers, contractors, and the public.
- Access to Information: Clear guidelines on how to submit a complaint, including the designated email address and instructions for the steps involved, will be available on the MoES website. It will also outline how labor-related complaints are handled differently from other grievances.

Once a complaint is submitted via email, the person or department responsible for reviewing the complaint will take the following steps:

1. Acknowledgment: The complainant will receive an acknowledgment email, confirming that the complaint has been received and logged. The email will include information on the next steps in the process.
2. Review and Categorization: The department or individual tasked with handling the complaint will review its contents and categorize it as labor-related. The complaint will then follow the specific resolution process for labor issues as outlined in the Project Operational manual.

3. Investigation and Resolution: The responsible personnel or department will ensure that the labor-related grievance is properly investigated and resolved, involving relevant project staff or external experts as necessary. Throughout this process, the complainant will be kept informed of any progress.
4. Confidentiality and Data Security: Throughout the complaint-handling process, the responsible department will ensure the confidentiality and security of the complainant's personal data. All sensitive information will be stored securely, and access will be restricted to authorized personnel only.

The person/department responsible for reviewing the complaint will track all steps in the resolution process and document actions taken in response to the complaint. They will also ensure that the process adheres to the guidelines set forth in the POM.

By using the email-based system and establishing clear roles and responsibilities for handling labor-related grievances, the LEARN project ensures that complaints are addressed quickly, confidentially, and fairly, in line with the principles of transparency and accountability.

The Bank and the MoES do not tolerate reprisals and retaliation against operation stakeholders who share their views about Bank-financed projects.

3.6.3 Reporting

ESF reports are provided in **Annex II.A Consolidated list of the Operation progress reports.**

3.7 Green transition and climate change aspects

LEARN intends to address the challenges posed by climate change and support a green transition through (i) establishing disaster-resilient shelters that can be used in case of a climate emergency, (ii) procure fuel efficient buses, (iii) implementing the NUS curriculum, which aims to raise climate awareness among students and to build the skills needed at school to act at the community level and further specialize in green occupations at later stages.

Annex I.E details how the Operation will address climate change considerations.

4 Project Procedures

4.1 Implementation plans

4.1.1 Project Implementation Plan

The Project implementation will follow Project Implementation Plan (hereinafter - PIP), which objective is to describe how the component/subcomponents/activities are organized, presenting the expected outputs, timelines, amounts (budgets) and responsibilities assigned to each activity for the whole project duration.

The PIP will guide the decisions of the MoES/PIU, including the activities and amounts that can be financed by the operation. The PIP will prevail and organize the other related instruments, such as the procurement plan and any plan of the implementing units.

The PIP includes an explanatory note that provides a description of the components and actions and is an integral part of this plan. Calculation memory for the budget allocation is indicative and not binding.

The PIP will be prepared in agreement between the Implementing Directorates, the MoES/PIU and the Bank team and adopted by a No-Objection process.

The Bank's No objection is required to i) add, modify, cancel or replace an activity or any other substantial part of PIP, and ii) reallocate funds for amounts greater than 15% of the activity whose budget is reduced. All non-objection requests, ToRs, and project documents will refer to the activities according to the nomenclature established in the PIP and/or PP.

The PIP will be updated by the MoES/PIU, including planned, executed, and committed resources, and shared with the Bank for no objection approximately every 6 months or when deemed necessary due to major changes in its contents. Intermediate changes may be communicated and agreed with the Bank via email and later incorporated into the PIP.

The PIP will be confirmed by the Coordinator and may be detailed by the procurement plan.

The form of the plan will be agreed between Bank and MoES.

4.1.2 Project Implementation Plan (Resolution 70)

Action plan will be prepared **annually** and submitted to the MoF before **January 30** in accordance with the Resolution of the Cabinet of Ministers of Ukraine of January 27, 2016 № 70 "On the preparation, implementation, monitoring and completion of economic and social development projects of Ukraine supported by international financial organizations". (hereinafter – PIP70)

In case of changes in Action Plan, the MoES should update the PIP70 and submit it to the Ministry of Finance.

The plan will be prepared and reviewed by the PIU and approved by the Coordinator.

In accordance with the Resolution of the Cabinet of Ministers of Ukraine of January 27, 2016 № 70 "On the preparation, implementation, monitoring and completion of economic and social development projects of Ukraine supported by international financial organizations" MoES also provides constant supervision over project preparation and implementation through the Project Coordinator and the work of the PIU, in particular by monitoring the implementation of action plans for project preparation and implementation, procurement plan (works, services) and project budget, preparation of financial statements and evaluation of performance indicators, and in case of deviations from planned activities - ensures compliance with the terms of the Grant agreement.

4.2 Program monitoring and evaluation

4.2.1 Overview

The **Project monitoring** is a part of the same M&E system as described in the **Chapter 3. Program procedures.** The **Results Framework** available in **Annex I.A** is a single framework for both the Project and Program.

The structure and capacity and principles of the monitoring and evaluation system will remain the same. However, the main focus is shifted to the procurement within the Project. The source of the original information is the schools / communities / regional ODAs which participate in the NUS piloting and PIU itself for procurement activities.

4.2.2 Project progress reporting

Systematic reporting is carried out according to the provisions of:

- The Grant Agreement.
- The Resolution of the Cabinet of Ministers of Ukraine dated January 27, 2016, No. 70 "On the procedure for preparing, implementing, monitoring, and completing the implementation of economic and social development projects of Ukraine supported by international financial organizations".
- Implementation results and frameworks.

MoES provides semi-annual reports - by August 15 of the current year and by February 15 of the year following the reporting year.

In accordance with paragraph 42 of the *Procedure for the preparation, implementation, monitoring, and completion of the implementation of economic and social development projects of Ukraine supported by international financial organizations*, approved by the Resolution of the Cabinet of Ministers of Ukraine dated January 27, 2016, No. 70 (hereinafter - the Procedure), the MoES submits to the Ministry of Finance:

- Quarterly, by the 15th of the month following the reporting quarter, a Report on the implementation of the Project Implementation Plan and a summary of analytical information on the main results achieved in the reporting period, on issues that arose during the Project implementation, and proposals for their resolution;

In accordance with paragraph 46 of the Procedure, the MoES submits semi-annually, by the 30th of the following month, information to the Ministry of Foreign Affairs of Ukraine on the status of implementation of the Grant Agreement between Ukraine and the Bank.

In addition, in accordance with the provisions of the Procedure for the Attraction, Use, and Monitoring of International Technical Assistance, approved by the Resolution of the Cabinet of Ministers of Ukraine dated February 15, 2002, No. 153 (hereinafter – the Procedure for International Technical Assistance), the Recipient shall submit to the Beneficiary by July 10 of the reporting year the results of the semi-annual monitoring of the project (program), and by January 10 of the year following the reporting year, the results of the annual monitoring of the project (program). These reports must be compiled using the form specified in Annex 3 to this Procedure, endorsed by the responsible person, and signed by the Recipient's head.

The Beneficiary shall analyze and submit the results of the current and/or final monitoring, signed by the project (program) coordinator in accordance with Annex 7 to this Procedure, to the Secretariat of the Cabinet of Ministers of Ukraine by the 30th day of the following month semi-annually.

The list of reports in the table form is provided in the **Annex II.A.**

4.3 Financial management

4.3.1 Project Financial Management System

4.3.1.1 General Statements

The financial management system of the Project consists of:

- Responsible staff from the Ministry of Education and Science and consultants;
- Planning and budgeting;
- Ensuring the funds flow and use of funds;
- Accounting and reporting;
- Internal control;
- External audit.

The financial management system of the Project is created to:

- Ensure proper accounting of all transactions, operations, and balances;
- Ensure effective financial flow planning;
- Carry out timely transactions within the Project;
- Ensure timely, proper, and efficient preparation of reports required by the Bank and authorized state institutions of Ukraine;
- Ensure internal control for the preservation of all assets;
- Prepare for the audit of the Project's financial reports.

The primary objective of this system is to ensure the monitoring of the Project funds, control over their receipt by sources and directions of expenditure in terms of Categories of expenses, Parts and sub-parts of the Project, as well as in terms of contracts and codes of economic classification of expenditures. The main goals of financial management procedures are as follows:

- To comply with the requirements of the World Bank;
- To adhere to the Grant Agreement;
- To meet the requirements of National accounting standards.

Using the Project funds, the MoES shall establish a pre-developed module on the existing automated accounting and reporting system to enable the functionality for generating Expense Reports (SOE) and Interim Unaudited Financial Reports (IFR). This module shall feature capabilities for accounting in transaction currency with simultaneous conversion into Grant currency at the current exchange rate, as well as built-in controls for security, integrity, and reliability, including creating database backups. The Terms of Reference (ToR) must be coordinated with the World Bank, and the system shall require review and approval by the World Bank.

The head of the Ministry's accounting department shall manage the selected software for automated accounting, and the Project's accounting shall be fully supported in this system. Financial management consultants shall have automated workstations to perform their duties under the Project. The software shall create interim unaudited financial reports (IFR) and expense reports (SOE) according to formats agreed with the World Bank.

The accounting policy adopted by the Ministry shall set the main principles to ensure complete, current, and reliable accounting documentation, consistency and continuity of accounting from one period to another, making the financial statements comparable.

4.3.1.2 Chart of Accounts

The accounting service of the Ministry of Education and Science conducts accounting in accordance with the Budget Code of Ukraine, the Law on Accounting and Financial Reporting in Ukraine, and other legal acts related to accounting in the public sector, including the utilize of a unified automated accounting and reporting system.

The typical correspondence of sub-accounts, including for the gratuitous transfer of material values, is outlined in the Ministry of Finance Order No. 1219 dated 29.12.2015 (or its substitute), which allows for the utilize of other sub-account correspondences to reflect transactions with assets, capital, and liabilities while preserving the uniform methodological principles defined by legal acts on accounting, as noted in the institutional document on accounting policy. Accounting for the Project activities is carried out by the Ministry's accounting service with the support of financial management consultants according to standard procedures established by Ukrainian legislation for Budgetary institutions.

4.3.2 Functional Support

The Financial Management Consultants of PIU (Consultants) are responsible for the overall management of the Project's funds.

Their primary functions include:

- Ensuring the Project's financial management complies with World Bank's rules and procedures.
- Collecting, systematizing, and analyzing current information on the Project funding.
- Forming, processing, and monitoring of the withdrawal applications according to the expense categories defined in the Grant Agreement.
- Reconciling the Project accounts opened in the name of the State Treasury of Ukraine in JSC "State Export-Import Bank of Ukraine" and transit accounts in the State Treasury.

- Providing consultation to the Ministry of Education and Science (MoES) on financial reporting as per the Grant Agreement and Ukrainian law.
- Assisting the MoES in planning the Project funds in the State Budget and amendments to it.
- Preparing the Budget request, drafting the Budget program passport and its execution report, and evaluating the program's effectiveness.
- Monitoring contract execution, accompanying the implementation of supply contracts, coordinating documents related to the transfer of goods or services purchased under the Project, and conducting relevant communications.
- Interacting with MoES's relevant executors for managing accounts and payment documents in accordance with the World Bank's Guidelines and national legislation.
- Supporting MoES in the preliminary control of primary documents for provided services, performed works, and delivered goods under the Projects.
- Assisting MoES in preparing payment and other primary financial documents related to the utilize of the Project funds as per the treasury service procedure.

Financial Management Consultants are also responsible for preparing the Project documents related to financial management, information, and requests from the Government Ministries, the World Bank, the Project Coordinator, control bodies, auditors, and other interested parties. The detailed scope of tasks is defined in the Terms of Reference of the contracts with consultants.

4.3.3 Budgeting and Planning

4.3.3.1 Budgeting and Planning for Category 1

The Project budget includes all expenses necessary for its implementation. The MoES prepares (reviews) the complete and annual Budgets based on the Project Procurement Plan and its revisions composed on the basis of the Project Implementation plan and considering the expected Grant funds utilization for current and planned contracts.

The budgeting process involves:

- Preparation and review of the Budget Declaration;
- Formulation of the Budget Request for the next fiscal period as per Ukrainian law, indicating the necessary Budget funds for financing parts of the Project;
- Preparation of monthly Budget allocations, Budget estimates, calculations for the Budget, plans for the special fund required from Budget institutions during Budget execution;
- Preparation and review of the Budget Program Implementation Report;
- Preparation and review of the Budget Program Passport for the respective fiscal year.

Financial Management Consultants prepare draft documents for points for review and approval by MoES's specialists handling financial-economic and accounting matters.

In process of preparing the Project's Budget estimate for the next fiscal year, Financial Management Consultants, in collaboration with MoES specialists responsible for financial-economic and accounting matters, must identify and consider all expected expenditures according to the relevant codes of the economic classification of expenditures (ECE) based on categories of expenditures and the Project components.

Financial Management Consultants of PIU, along with MoES specialists (together with specialists of MoES departments, whose functions include consideration of financial and economic issues and accounting issues), continuously monitor the Budgetary process to ensure its complete and timely consideration and execution in the state Budget for the respective year.

Consultants of PIU are engaged in ongoing planning of expenses for signed contracts, forecasting monthly, quarterly, and annual expected payment volumes for the Project. This expense planning is necessary to comply with the monthly Grant fund usage schedule and, if needed, to advance funds from the Grant Account to the foreign currency account at JSC "Ukreximbank", including for payments to non-residents. To cover eligible expenses in the national currency, foreign currency shall be converted into hryvnia as needed to a transit account in local currency for further expenditures (payments to residents) for the Project.

Redistribution of funds among expenditure codes follows procedures set by current Ukrainian legislation.

4.3.4 Project Fund Flow Management

4.3.4.1 General Terms

Bank Grant funds shall be utilized from the following accounts:

- The Grant Account;
- The Project's Designated Account, a foreign currency account opened in the name of the State Treasury of Ukraine at JSC "State Export-Import Bank of Ukraine" for financing the Project expenditures;
- MoES's registration account for special fund resources at the State Treasury in the national currency.

4.3.4.2 Grant Account

The Grant Account (GA) is opened in US dollars and utilized for withdrawing Grant funds on behalf of Ukraine based on corresponding Withdrawal Applications.

The MoES exclusively executes withdrawals from the GA for authorized expenditures, as per the Grant Agreement and DFIL requirements, and for replenishing or increasing the balance on the Project's Designated Account within the allocation sanctioned by the Bank.

The minimum amount for direct payments from the GA or issuing special commitments is defined in DFIL and may be altered subject to the World Bank's no objection.

Withdrawals from the GA are executed by the Bank, only based on MoES Withdrawal Applications, which, if necessary, should be accompanied by properly prepared and justified appendices and explanations regarding the purpose of these funds, including documents stipulated in relevant contracts (agreements), expenditure statements (SOE), account balance statements, etc., depending on the nature of the payment.

All Withdrawal Applications from the GA and their appendices are prepared by the MoES in accordance with World Bank Grant fund use procedures.

4.3.4.3 Designated Account

Designated Account (DA) is a foreign currency account opened in an authorized bank in the name of the State Treasury Service of Ukraine for the duration of the Grant Agreement and managed by MoES. The World Bank advances Grant funds to the DA for payment of expenses in line with the Project's purpose and conditions.

Additionally, interests accrued by the bank on account balances may be credited to the DA as per the servicing agreement. Such interests belong to the Government of Ukaine, and are utilized according to Ukrainian law.

As per the Cabinet of Ministers of Ukraine resolution from September 5, 2007, No. 1090, the State Treasury opens and manages this foreign currency account at an authorized bank within twenty days after the Grant Agreement becomes effective, based on notification from the Ministry of Finance.

When using Grant funds:

- In national currency: The State Treasury credits the hryvnia equivalent of the Grant funds specified in MoES's written request (at the official exchange rate of the National Bank of Ukraine on the transaction date) to the relevant special fund account in the State Budget at the State Treasury, while simultaneously transferring the specified foreign currency funds from the Designated Account to the current foreign currency account of the State Treasury at JSC "Ukreximbank" or another bank designated by the State Treasury.
- In foreign currency: Based on MoES's application-order and payment instruction for transferring the hryvnia equivalent of the foreign currency sum (at the National Bank's exchange rate), the State Treasury transfers funds from the Designated Account to MoES's foreign currency account at JSC "Ukreximbank" for subsequent transfer under the respective contract.

The World Bank determines the authorized allocation amount for the DA, from which the Project activities shall be funded. MoES exclusively conducts account deposits and payments using the DA for eligible expenses as per the Grant Agreement provisions and World Bank's rules on Grant fund utilization.

"Eligible expenses" refer to reasonably priced goods and services necessary for the Project execution, financed by periodic Grant disbursements to approved categories.

"Eligible categories" are the expense categories listed in the Grant Agreement.

4.3.4.4 Accounts in Authorized Ukrainian Bank and State Treasury Service of Ukraine

For all the Project payments, the State Treasury and MoES must comply with Ukrainian currency regulation laws and Budget legislation. To facilitate the Project expenditures funded by the World Bank Grant, specifically for payments in foreign currency (US dollars, USD) and national currency (Ukrainian hryvnia, UAH), MoES shall utilize separate respective accounts opened in its name: a foreign currency account (Designated Account DA) at JSC "Ukreximbank," and a national currency registration account at the State Treasury.

4.3.4.5 Foreign Currency Account

The MoES's foreign currency account (CA) shall be replenished with funds transferred from the Designated Account (DA). This account is used for:

- Crediting currency receipts within expenditure scope for paying non-resident contracts in foreign currency;
- Corresponding foreign currency payments for contracts with non-residents (entities or individuals) financed by World Bank Grant funds, as stipulated in the Grant Agreement.

For settlements with non-residents, if foreign currency funds in the Special Account (SA) are insufficient, the Treasury, based on the application-order and payment order of the MoES for the transfer of the hryvnia equivalent of the foreign currency amount (at the exchange rate of the hryvnia to foreign currencies set by the NBU), transfers funds from the CA to the foreign currency SA at JSC "Ukreximbank" for further transfer of funds under the relevant agreement.

The State Treasury, following MoES's application-order and payment instructions, transfers the hryvnia equivalent of the foreign currency amount from the DA to MoES's foreign currency account at JSC "Ukreximbank" for subsequent transfers under related contracts.

MoES provides JSC "Ukreximbank" with a card of the signature and the MoES seal imprint for account operations.

Interest accrued by the bank on the account balances, in accordance with the terms of the settlement and cash service agreement, may be credited to these accounts. Interest accrued by a Ukrainian commercial bank on the account balance belongs to the Government of Ukraine, and is used in accordance with current Ukrainian legislation.

4.3.4.6 Account in National Currency

The national currency registration account that MoES shall open with the State Treasury shall be exclusively utilized for:

- Crediting the hryvnia equivalent of inflows (opening appropriations) from USD to UAH conversion transactions (at the exchange rate of the National Bank of Ukraine on the transaction day);
- Conducting transactions in Ukrainian hryvnia within the expenditure scope that, according to the Grant Agreement, should be wholly or partially financed by World Bank Grant funds.

MoES provides the State Treasury with a species of the signatures of authorized signatories for account transactions and the MoES seal imprint.

4.3.5 Use of Grant Funds

4.3.5.1 General Restrictions on Grant Funds

MoES may not conduct any transactions with the funds in the Grant Account until the Bank declares the respective Grant Agreement effective.

MoES is also prohibited from transacting with these funds until the Bank receives confirmation of the authorities of individuals signing the Grant Disbursement Applications.

The use of any Grant funds or resources for defence, security, or military purposes is prohibited, and no payments shall be made to any defence, security, or armed forces.

Prior to submitting the first withdrawal application from the GA to the Bank, MoES, prepares a letter listing authorized individuals to sign payment documents for withdrawing funds and their signature specimens.

These signature specimens are sent to the World Bank in a letter from the MoES, following the format specified in DFIL / Client Connection (Authorization of the Signatures Letter).

Grant fund withdrawals are forbidden for expenses incurred before the Grant Agreement date, except as allowed by the Agreement and under its terms.

4.3.5.2 Preparation of Withdrawal Applications from the Grant Account

PIU Financial Management Consultants, together with MoES accounting specialists, prepare withdrawal applications from the Grant Account and accompanying documents.

The original application and/or the application in the World Bank's "Client Connection" system are signed by authorized persons from MoES, as specified in the aforementioned letter to the World Bank. Applications are submitted to the World Bank electronically, with the need for paper copies determined by them.

The Consultants prepare all necessary application appendices, with copies of the application and its appendices distributed accordingly

Bank	Electronic copy
MoES	Paper copy/Electronic copy

4.3.6 Payments from the Grant Account

4.3.6.1 Direct Payments to Suppliers

The minimum amount for a direct payment request is defined in the DFIL. Throughout the implementation of each project, this amount may change based on project needs and agreement with the World Bank.

When making direct payments to suppliers from the Grant Account, in addition to a copy of the contract, the following documents should be attached:

1. Acceptance certificate for services, works,
2. Invoice from the supplier or consultant.
3. Bank guarantee for advance payment or contract performance.
4. Interim or final work report signed by an authorized person.
5. Proof of delivery (for equipment and materials purchase) which may include:
   - Copy of the transport bill of lading (consignment note).
   - Cargo customs declaration.
   - Other documents specified in the contract.

6. Any other documentation stipulated in the contract as a condition for payment.

Payments from the Grant Account may be made for all categories of the Project.

4.3.6.2 Transferring Funds from the Grant Account to Designated Accounts (DA)

The initial advance transfer request from the Grant Account to the Designated Account by MoES does not require accompanying documentation. The World Bank sets the maximum allowable amount for such requests in DFIL.

Requests for replenishment or expense reporting from the Designated Account should be submitted within the timeframe specified in DFIL. Minimum direct payment amount restrictions from the Grant Account do not apply to these requests. Withdrawal requests for expense reporting from the Designated Account should be accompanied by Expenditure Statements (detailing payments made from the Designated Account) and additional appendices:

- Statement from the Special and other Project accounts.
- Reconciliation report of the Designated Account.

All restrictions on the utilize of Expenditure Statements for Grant fund expenditures from the Designated Account are defined by the World Bank in the Grant Agreement and DFIL.

4.3.6.3 Withdrawal of Funds from the Designated Account

Since the Designated Account (DA) is opened in the name of the State Treasury, transfers from the DA are made based on transfer applications prepared by the Treasury, following MoES's written requests.

MoES's requests for fund transfers from the DA specify the Budget program.

Funds from the Project's DA are transferred to the State Treasury's foreign currency account, with the hryvnia equivalent credited at the official NBU rate at the date of the operation to the respective appropriation account under the special fund's consolidated indicators of the State Budget of MoES at the State Treasury.

Post-transaction, the bank holding the DA provides an account statement to the State Treasury.

Following the Cabinet of Ministers of Ukraine's resolution No. 1090 dated 05.09.2007, the State Treasury provides the Ministry of Finance with copies of the DA transaction statements by the 15th of the following month.

4.3.6.4 Making Expenditures from the Foreign Currency Account at JSC Ukreximbank and the National Currency Account at the State Treasury Service of Ukraine.

Expenditures in Foreign Currency

Financial Management Consultants of PIU together with MoES accounting specialists, prepare payment instructions (in the form provided by the authorized bank) for transferring funds from MoES's foreign currency account and present them for signature to the MoES-authorized person for signing project-related payment documents.

As per the Cabinet of Ministers of Ukraine's resolution No. 1090 dated 05.09.2007, payment documents for managing funds in project-related accounts must include the Grant Agreement details in the "Payment Details" field.

After signing by the authorized MoES person, the payment order is submitted to the bank for fund transfer.

The bank then provides an account statement post-transaction.

EXPENDITURES IN NATIONAL CURRENCY

According to Ukrainian law, settlements with suppliers or consultants who are Ukrainian residents must be made exclusively in the national currency, the hryvnia. Payments in hryvnia (funded by the Grant) may be made via direct payment from the Grant Account. Additionally, hryvnia payments (funded by the Grant) may be processed through the Project's Designated Account using MoES's registration account.

For transactions in national currency through MoES's hryvnia account at the State Treasury, the established treasury service procedures for Budget institutions, as per Ukrainian Budget legislation, are applied.

MoES's accounting department prepares the payment order for fund transfer and submits it for signature to the authorized signatory.

After signing by the authorized MoES representative, payment documents are submitted to the State Treasury for fund transfer.

Following payment, the State Treasury provides an account statement detailing the transactions.

EXPENSES FOR PIU CONSULTANT SERVICES

Payment for the Project's consulting services is made in accordance with the terms of the consultancy service contracts, using the national currency of Ukraine, the hryvnia.

REIMBURSABLE EXPENSES OF PIU CONSULTANTS

Individual consultants' reports for the Project should be submitted according to clearly defined calendar periods (monthly).

Contracts with individual consultants may include reimbursable expenses, in which case the contract terms shall list these expenses and their maximum amounts.

For reimbursement, the consultant must attach to the monthly report the original documents verifying these expenses and include them in the invoice for the reporting period.

All consultant expense reimbursements are made in accordance with the maximum limits prescribed by Ukrainian law.

TAXES

Use of Grant Funds for Payment of Taxes Levied in Ukraine on Goods or Services Financed under the Grant, or Their Importation, Procurement, Supply is Carried Out in Accordance with the Bank's Policy, Which Requires Economical and Efficient Use of Grant Funds.

4.3.7 Payment Procedures

4.3.7.1 Methods of Providing Funds

According to the World Bank's Guidelines for the disbursement of funds for investment projects from February 2017 and the Grant Agreements No. 9238-UA, as well as the relevant Disbursement and Financing Instruction Letters (DFIL), the following methods of Grant fund disbursement are provided:

- Reimbursement of expenses;
- Advances (transfer of funds to the Designated Account);
- Direct payment

Restrictions for the Grant Account, selection for category 1

The Designated Account (DA) at JSC "Ukreximbank" shall be replenished based on MoES submissions confirming acceptable expenditures for Category 1, made from the provided advance. The DA ceiling of 4 million USD is provided in DFIL.

In addition to DA, the Project funds shall come from the World Bank through direct payment, the reimbursement method, and/or special commitments. Detailed instructions for withdrawing financial proceeds through these methods are provided in DFIL and in the Disbursement Guidelines for Borrowers from May 2017.

Withdrawal applications are submitted to the World Bank in the required format for accessing funds from the financial account and include information the World Bank may require. Applications and necessary supporting documents are sent to the World Bank electronically as defined by the Bank through the Client Connection website. The World Bank sets the minimum size for reimbursement applications, direct payments, and special commitments in DFIL.

4.3.7.2 Main transactions with the Project funds

Operation	Supporting documents
Advance payment on the Project DA or replenishment of the balance on the DA	Application for transfer of funds (World Bank form)
Reporting on expenses from MoEs UAH account in Treasury	Statement of Expenditures (SOE), Bank Statement on the Special Account's Fund Balance, Statement Confirming the Proper Management of the Special Account, and Other Documents as Required by the World Bank.
Direct payment from the Grant Account	Request for Funds Transfer (World Bank Form), Invoice, Certificate of Completed Works/Goods Receipt Confirmation, and Other Documents Specified in the Relevant Contract or as Required by the World Bank.

Payment from the DA Project for financing costs originating outside Ukraine	Written Request from the Ministry of Education and Science, Application-Order, Payment Instruction, and Other Documents Specified in the Contract and Current Legislation
Transfer from the DA Project to the Ministry of Education and Science of Ukraine's registration account at the State Treasury Service of Ukraine for financing expenses originating from Ukraine	Written Request from the Ministry of Education and Science for Fund Transfer, Allocation of Open Assignments
Payment from the Ministry of Education and Science of Ukraine's foreign currency account for the Project at an authorized Ukrainian bank	Payment Instruction, Invoice, Act of Completed Works/Services Confirmation of Goods Receipt, and other documents as required by legislation and contract
Payment from the Ministry of Education and Science of Ukraine's hryvnia account at the State Treasury Service of Ukraine (UAH)	Payment instruction, invoice (if specified in the contract), act of completed works/services, confirmation of goods received, and other documents as stipulated by current legislation and the contract

4.3.8 Project reporting

MoES is responsible for the timely preparation and submission of financial reports to the World Bank, the State Treasury, the Ministry of Finance, and other central executive authorities as stipulated by the World Bank and Ukrainian legislation.

MoES's accounting departments independently compile and submit financial Budget reports to the State Treasury in accordance with the requirements of the Ministry of Finance Order No. 44 dated January 24, 2012, or its subsequent replacement.

The Project funds movement in financial reporting, prepared according to the forms agreed with the World Bank, must be reflected according to the cash accounting method.

4.3.8.1 Submission of reports for the Category 1 the Project

MoES submits quarterly to the World Bank (IFRs):

- Expense Report (SOE), using the forms agreed with the World Bank, as presented in **Annex III.B** to this Manual;
- Bank format reporting, interim unaudited financial reports within 45 days after the end of each reporting quarter. The first interim report is submitted after the first quarter in which funds were utilized;
- Budget program execution report – within the deadlines set by the State Treasury for the submission of annual financial reporting.

MoES submits to the Ministry of Finance:

- Reporting in accordance with the requirements of the Cabinet of Ministers of Ukraine Resolution No. 70 of January 27, 2016, or as shall be established by other normative documents, if adopted.
- Reporting in accordance with the requirements of the Cabinet of Ministers of Ukraine Resolution No. 1090 of September 5, 2007, or as shall be established by other normative documents, if adopted.

4.3.9 Internal control

4.3.9.1 GENERAL

The following principles are elements of the overall concept of internal control:

- Gathering, registering, and consolidating in monetary terms the information about the project's assets and liabilities and their movements: document-supported accounting, continuous over time, and comprehensive in coverage, reflecting all changes occurring within the project.
- Asset accounting and financial reports: all operations must be registered in journals.
- Distribution of duties: functional responsibilities must be clearly divided among PIU consultants.
- Individuals responsible for receiving goods, materials, and equipment must be MoES employees who shall record the received items and possess the necessary knowledge and skills to assess the quality and completeness of the goods.
- Access restrictions: access to accounting and financial documents by unauthorized personnel is only possible with written permission from the Project Coordinator; all accounting programs and files are password-protected for full access, with passwords for viewing without the right to make changes.
- Independent verifiers: accounting documents must be reconciled with the assets by a person not responsible for preparing such documents and managing assets.
- Specific procedures should include periodic verifications of assets and financial documents of the Project by MoES's financial-economic departments or other authorized personnel, as well as annual verified by an independent auditing firm, in accordance with the World Bank's requirements.
- Special procedures should include periodic reconciliations of the utilize of Grant funds with the World Bank's WEB Client Connection System. Reconciliation with the system shall be conducted during:
    - Preparation of applications for reporting on funds utilized from the Designated Account;
    - Preparation of interim financial reports for the World Bank;

- Monthly reconciliation of the Project accounts by PIU financial management consultants (cross-verifying with the WB Client Connection System, statements from the Designated Account at JSC "Ukreximbank," and the account at the State Treasury).

All payment documents related to the utilize of World Bank Grant funds, including:

- Withdrawal applications from the Grant Account (LA),
- Letters of Application for fund transfers from the Designated Account (DA),
- Payment documents for using Grant funds from MoES's foreign and hryvnia accounts, must be submitted to the World Bank, the State Treasury, or JSC "Ukreximbank" with the signature of the authorized person(s) from MoES. The signature sample(s) of the authorized person(s) must be available at the respective bank.

MoES provides banks with signature cards containing the signatures of individuals authorized to sign documents related to specific accounts, along with the imprint of MoES's seal. The absence of the authorized person's signature(s) on payment documents related to the utilize of World Bank Grant funds renders such documents invalid.

4.3.9.2 PAYMENT PREPARATION

Before processing a payment, PIU Consultants must ensure that:

- The payment complies with World Bank requirements for eligible expenses as outlined in the World Bank's guidelines for funding investment projects from February 2017;
- Payment documents are prepared according to established procedures, contract terms, and relevant legislation;
- The invoice amount matches the amount specified in the contract's payment terms;
- The invoice includes contract details, reference to the completed work stage, number of hours worked (for hourly rate contracts), reimbursable expenses (e.g., travel, transportation, translation costs), invoice date, and the exchange rate for calculating the payment amount in hryvnia (if necessary);
- Contracts requiring World Bank's prior approval have received it;
- The invoice is accompanied by documentation specified in the contract and contains all necessary details.

If errors are found in an invoice or accompanying documents, such an invoice and its accompanying documents are to be returned to the supplier / contractor within 5 working days of receipt for correction.

Payment for contracts is processed as follows:

- Suppliers (excluding PIU consultants) submit an invoice to MoES as per contract terms, with supporting documents (acceptance certificates, cargo customs declarations, orders, waybills, receipts, etc.) specified in the contract.
- PIU financial management consultants verify the invoice and documents for compliance with payment and contract terms.

- If documents meet requirements, they are forwarded to the Project Coordinator and, after signing/approval, to MoES's accounting department; copies are retained by PIU financial management in finance management.
- PIU financial management consultants oversee the submission of payment documents to the World Bank and the servicing bank, ensuring timely payment.

To prevent the imposition of penalty charges due to unjustified payment delays in contracts, MoES must ensure timely review and prompt approval of payment documents for signed contracts.

The processing and approval of documents verifying contract fulfilment (service or goods acceptance certificates; supplier or consultant invoices; contract reports) by MoES specialists (the Project Coordinator, financial-economic units, etc.) should not exceed three working days.

4.3.9.3 INTERNAL CONTROL DURING REPORTING

When preparing reports, special attention must be given to the report's verification block, reconciling the calculated ending balances with bank statements for the respective accounts, and reconciling the balances of funds converted into the Grant currency at the rate of accrual.

4.3.9.4 FINANCIAL MANAGEMENT DOCUMENTS

The original financial documents are stored by the accounting and financial-economic departments of MoES.

The main files should be organized by PIU in the following manner:

File Name	Scan Description	Notes	Responsibilities
World Bank Grant account, requests (reporting, replenishment, direct payments), accompanying documents Statements from the Grant Account	Submitted applications with accompanying documents SOEs invoices acceptance acts etc Extracts from the account from the Bank Client Connection database,	In chronological order	Financial management consultants of the PIU
World Bank (Bank), Interim Financial Reports (IFR)	Quarterly report forms	In chronological order	Financial management consultants of the PIU
State Treasury Service of Ukraine, Designated Account (DA), account opening, transactions, account statements	Openings, letters, accompanying documents, statements	In chronological order	Financial management consultants of the PIU

State Treasury Service of Ukraine, UAH account, account opening, transactions, account statements	Openings, payment orders, accompanying documents, statements	In chronological order	Financial management consultants of the PIU, accounting departments of the MoES
Reporting by the Ministry of Education and Science of Ukraine (MoES) to the Ministry of Finance, State Treasury Service of Ukraine, and state authorities	Reports, according to legislation	In chronological order	Financial management consultants of the PIU, accounting departments of the MoES

Banking, payment, and other financial documents related to the implementation of the Project are retained by MoES for a period of 5 years following the closure of the Project.

4.3.10Fixed assets

The receipt of goods purchased with the Project funds is conducted by a material-responsible person, authorized as per the established legal procedures. This authorized individual verifies the details of the goods with those listed in the invoice, waybill, and supply contract. Any discrepancies found are recorded in a corresponding protocol. Upon acceptance of the goods, a document specified in the contract between the beneficiary and supplier (such as an acceptance certificate or waybill) is signed by authorized representatives of both parties.

In the case of transactions with foreign suppliers through direct payments from the Grant account, the initial cost of assets may be determined in two stages due to the must adjust the cost of each equipment unit, considering the currency exchange rate differences between the asset receipt (accreditation) date and the direct payment date.

In the first stage, the receipt of assets is recorded at the institution in the hryvnia equivalent using the National Bank of Ukraine's (NBU) exchange rate on the date of the transaction.

In the second stage, the value of the accredited assets is adjusted based on the NBU rate on the payment date, using the direct payment document's hryvnia equivalent amount calculated at the NBU rate on the transfer day. For material assets paid through direct payment, no exchange rate difference arises. However, there's a positive or negative difference between the asset value on the receipt and accreditation date and the direct payment date. This difference, a result of exchange rate fluctuations, should be recorded as an adjustment (increase or decrease) in the payment amount and corresponding adjustment in the value of each asset unit, as per the exchange rate in the received information.

The revaluation of capitalized equipment and other assets due to changes in exchange rates during direct payments from the World Bank Grant account may be conducted based on the MoES order, if such a provision is included in the MoES order regarding the transfer of project-funded assets. The transfer of fixed assets or inventory (Tangible Material Assets - TMA), purchased by MoES for the project, to Education Institutions, is executed and recorded in accounting and reporting as a non-monetary transfer of assets.

In executing such transactions, MoES adheres to legislative requirements and internal rules regarding the recording of non-monetary asset transfer operations in the accounts. When final beneficiaries receive fixed assets and other TMA purchased centrally by MoES under the project, they account for them in accordance with legal requirements. For received software, its accounting depends on the terms of the transfer of ownership rights of such software.

4.3.10.1 Preservation of material values

Fixed assets, software, and other tangible material assets (TMA) received under the Project are recorded and stored until their transfer or utilization in locations accessible only to authorized MoES personnel. The Project assets (equipment, computers, furniture etc) must be protected and comply with storage requirements.

Asset transfer and accounting comply with the Ministry of Finance of Ukraine's order dated January 23, 2015, No. 11 or other relevant regulations, reflecting in accounting and reporting.

Institutions, recipients of TMA from MoES, ensure the preservation and appropriate utilize of received assets. The inventory summary reports conducted by MoES should provide information about the presence and location of software, fixed assets, and other TMA acquired with the Project funds as per general rules.

4.3.11 Project Audit

Project audits are conducted once per financial year set in Ukraine, which corresponds to the calendar year, by the Accounting Chamber as the National Supreme Audit Institution, established under the Law of Ukraine of July 2, 2015, No. 576-VIII "On the Accounting Chamber".

Subject to unavailability of the ACU to perform the financial audit, MoES will select the private audit company, acceptable for the World Bank. The external audits of financial statements should be conducted annually and completed with the issuance of the auditor’s opinion normally by June 30, but no later than within 9 months following the audited period.

The ToR for the Project audit will be prepared by the Ministry of Education and Science (with the help of the Project Implementation Unit) and sent for approval to the World Bank.

The scope of the audit for the Project will focus, in particular, on verifying the Project's compliance with the requirements set out in the Manual and the Grant Agreement. The Project's financial reporting includes interim unaudited financial statements; consolidated expenditure statements (SOE), which are used as the basis for withdrawal application requests.

4.4 Procurement and Contract Management

4.4.1 General Provisions

In accordance with the Article 6 of Law of Ukraine on Public Procurement dated 25.12.2015 with changes and amendments (hereinafter – the Procurement Law), procurement in the Project shall be implemented following the rules and procedures established by the Bank.

So, the procurement of goods, works, consulting and non-consulting services for the Project will be carried out in accordance with:

- the provisions stipulated in the Grant Agreement;
- The World Bank's New Procurement Framework, specifically the World Bank Procurement Regulations for IPF Borrowers – Procurement in Investment Project Financing of Goods, Works, Non-Consulting and Consulting Services, dated September 2023 (hereinafter referred to as "Procurement Regulations");
- the latest Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Grants and IDA Credits and Grants (revised as of July 1, 2016).

This chapter outlines specific methodologies that may detail the processes as required in the Procurement Regulations.

The procurement will be implemented by MoES with support of PIU.

4.4.2 Project Procurement Strategy for Development

MoES has developed an initial **Project Procurement Strategy for Development (PPSD)** for the Project and included it in the package at stage of negotiations. The PPSD addresses how procurement activities will support the development objectives of the project and deliver the best Value for Money (VfM) under a risk-based approach. It provides adequate justification for the selection methods in the procurement plan. The initial PPSD and procurement plan are based on the information, what was available at that stage of negotiations.

The **PPSD** follows the basic procurement regulations, guides, policies and market research in the extent possible. The basic guides beyond **Procurement regulations** including **Bank Guidance.** While preparing or updating the PPSD, it is essential to consider the thresholds for procurement approaches and methods by country, as well as the specific procurement flexibilities for Ukraine**.** The level of detail and analysis in the PPSD is proportional to the risk, value and complexity of the Project procurement and to the acceptability to the Bank.

The PPSD needs to be updated by MoES and submitted for the Bank's review and approval at least annually. Additionally, should significant changes occur that impact the procurement environment or market, more frequent updates may be necessary during the course of the project implementation. Final version of PPSD approved by the Bank will be uploaded to STEP by MoES..

Please refer to the PPSD for details.

4.4.3 Procurement Plan

BASIC PROVISIONS

The provisions of the PPSD results in the **procurement plan of the Project,** which contains a brief description of the activities/contracts; the selection methods to be applied; cost estimates; time schedules; the anticipated Bank's review requirements; the applicable Procurement Documents; and any other relevant procurement information.

For Emergency Situations, the simplified Procurement Plan may be completed during the implementation stage.

Update or change of the Procurement plan does not necessary require update of the PPSD, in no substantial changes in the procurement environment has taken place.

The terms specified in the Procurement Plan are indicative, given the certain unpredictability of the procurement process.

The cost of each procurement package is also indicative and cannot be considered as the maximum amount of the contract. Accordingly, the actual amount of the contract, which may be higher or lower than the estimated cost of the procurement package specified in the procurement plan, is determined based on the results of the bids and/or negotiations only. If the cost of the received proposals significantly exceeds the updated expected cost or the available budget, this may lead to their rejection, subject to the approval of the Bank. A slight excess of the actual contract price (about 10 percent) from the estimated cost does not require prior approval of the Bank for taking a decision of approving or rejecting the proposal. In addition, the amount of the contract may increase or decrease during its implementation.

WORKFLOW

PIU is responsible for introduction of the new project activities in the procurement plan, preparation of the draft procurement plan and its changes/updates.

Deputy Ministers, MoES departments and other project-related entities subordinated to Minister and/or MoES may request inclusion of the new procurement packages into the procurement plan.

Such requests need to be provided to Coordinators / PIU for presentation to the Tender committee in written providing sufficient details required by the procurement plan.

PIU addresses the required plan and presents packages and updates/changes to the draft procurement plan to the Tender committee.

The procurement plan and its updates/changes to be reviewed and approved by the Tender Committee and approved (signed) by the Project Coordinator.

Some Project activities are subject to further determination and may have not all details to proceed with procurement. The procurement plan approved by the Tender Committee has a consolidated form of all Project activities and introducing all changes / updates therein. This procurement plan is being used for the Project-related operational purposes, as it may be required.

The procurement plan or its parts must be uploaded to the Bank's Procurement System (STEP) subject to Tender committee decision for the Bank review and approval.

Once it has provided its no-objection via STEP or separate email, the Bank arranges for the publication of the Procurement Plan and all its updates on its external website.

Published procurement plan and or its parts constitute (the "Procurement Plan" or "PP") the basis for start of the procurement procedure.

4.4.4 Systematic Tracking of Exchanges in Procurement (STEP)

The project will use the STEP system to plan, register and track procurement operations, including preparation, updating and approval of the Procurement Plan, as well as sending a request for consideration and receiving letters of no objection from the Bank on procurement actions, if necessary. Using the STEP system will facilitate effective communication and storage of procurement-related information.

STEP system will be used to prepare, detail and update procurement plans for World Bank review and approval and track with all procurement operations for the Project. Accordingly, all procurement activities under the Project will be entered, approved by the Bank and tracked online through STEP.

The Procurement Plan is used to monitor procurement procedures under the Project. It is necessary to indicate the data of the signed contracts in the Procurement Plan (the name of the contractor/supplier/consultant, the actual cost in the Grant currency at the rate of the National Bank of Ukraine on the date of signing the contract or the actual amount spent on the completed contracts, as well as the revised and actual dates of procurement).

The procurement packages will be submitted for the Bank's prior review as per applicable ECA Regional Procurement Maximum Thresholds and additional Bank's guidance. However, all Terms of Reference and Technical Specifications / Requirements as well as changes to these documents, regardless of the expected cost estimate of these procurement packages, will require Bank's review and approval.

In case of prior review packages and selection of the consultants the ToR/procurement document should be cleared separately as per STEP functional. In case of post-review packages, for which STEP functional does not provide for sending the procurement document for Bank's review through the system (RFQ, RFB, RFP), ToRs/Technical Specifications / Requirements shall be sent for Bank's review and clearance through the email.

PIU / Ministry shall prepare and submit to the Bank the list of the STEP users. At least Head of PIU (Contact point) and Procurement Specialist(s) should be included in the list of STEP users by default and may submit information related to STEP to Bank.

Both have a right to submit request to add/change/modify the users in STEP.

4.4.5 Flexibilities

The procurement flexibility due to the emergency situation in Ukraine can be applied for certain procurement packages subject to the Bank's no-objection. The following flexible approaches to procurement can be applied for the period determined by the Bank under the Project and communicated by the corresponding email.

- The use of e-catalogue system
- Increased procurement thresholds for market approaches for non-emergency projects: Open International Approach required only from USD 5 mln for G, IT and NCS; from USD 10 mln for W; and from USD 0.5mln for CS. RFQ permitted for packages below USD 2mln for G, IT and NCS and below USD 5 mln for Works

- Contracts included in CERC components of ongoing projects (not originally classified as 'Emergency') are subject to Bank’s post-review irrelevant of the value
- Preparation of simplified PPSD and initial Procurement Plan for emergency operations (detailed PPSD deferred to implementation)
- Bidding/proposal preparation periods during the immediate response and recovery phases of an emergency may be reduced to 15 business days for international competition and 7 business days for national competition
- Electronic Bid Submission through:
    - encrypted email;
    - Ukrainian Embassy, which conducts bid opening and records the minutes.
- Standstill Period does not apply
- Use of bid-securing declarations instead of regular bid securities in the form of Bank Guarantees
- Slicing large packages into small lots with the provision of cross discounts where appropriate during the award
- Lowering the qualification requirements relating to turnover and similar experiences
- Incentives for sustainable procurement: providing incentives in international bidding procedures for those bidders who subcontract local Ukrainian firms, include MSMEs in their bids, create jobs and use green products or approaches
- Advance Payment: waiving the advance payment guarantee for advance payments up to 10% for emergency projects or contracts; increasing the amount of advance payments up to 40% of the contract price or more (against the Bank guarantee or insurance guarantee)
- Performance security (PS): waiving PS for contracts for the supply of goods within a period of 90 days (3 months) and for works contracts under an open National threshold. For contracts beyond 90 days and for international threshold level, procuring entities may request for Performance Securing Declaration (similar to Bid securing declaration) and insurance guarantees as appropriate. Performance bonds or Bank performance security when feasible and necessary may be used depending on risk as assessed by the procuring entity and agreed with the Bank. Retention money will be relied on a form of security for works contracts.
- Use of Force Accounts when works involve (a) repairs to services infrastructure that is also under use (b) works are scattered (c) scope of work would be difficult to define for construction (d) works are in areas which are under hostilities and it is not feasible for the private sector to participate and provide a reasonable price (provided that the implementing agency has the sufficient managerial capacity and possesses the required technical and financial controls to report to the Bank on expenditures)

Any waivers or deviations from the procurement rules applied and/or referred to above are subject to the prior Bank’s no-objection.

4.4.6 Procurement related staffing

The PIU is responsible for overseeing all procurement activities related to the Project.

Procurement under Project will be managed by the PIU's Procurement Specialist(s), and Implementation Manager for the Education Environment and Infrastructure Enhancement, under coordination by the Head of PIU and the Coordinator.

The Procurement Specialist(s) and implementation managers are responsible for coordination, implementation and monitoring of the procurement of all works, goods, consulting and non-consulting services required by the Project. The professional(s) ensure(s) that all procurement activities for the Project are carried out in accordance with the World Bank's Procurement Regulations mentioned above, the provisions stipulated in the Grant Agreement, in PPSD and in this POM. They work in close cooperation with the Project Coordinator, the Head of PIU, and representatives of implementing units, and supervise the entire cycle of procurement processes conducted within the Project, directing and managing inter alia the processes of:

- preparation and updating of Project Procurement Plan and PPSD for TC and MoES consideration and approval and further no objection by the Bank;
- preparation of bidding documents;
- timely publication of General Procurement Notice, Specific Procurement Notice and Request for Expression of Interest and their updates as the case may require;
- managing the STEP;
- Managing procurement activities in Prozorro e-procurement system;
- bid/proposal opening and evaluation;
- procurement reviews by the government agencies and the World Bank;
- selection and contracting of consultants;
- contract award;
- monitoring contract implementation and completion.

Subject to the project's plans and workload the additional procurement specialists and managers with procurement components can be hired subject to Bank's no-objection to the changes into procurement plan.

4.4.7 Confidentiality

Following the paras. 5.19 and 5.20 of the Procurement regulations

Confidential Information Without prejudice to the principle of transparency and other obligations pursuant to these Procurement Regulations, in particular those relating to the publication of the Contract Award Notice and debriefing of unsuccessful Bidders/Proposers/Consultants, the MoES shall not disclose information provided by Applicants/Bidders/Proposers/ Consultants in their Applications/Bids/Proposals, which they have marked as confidential. This may include proprietary information, trade secrets and commercial or financially sensitive information.

Release of Evaluation Information MoES shall treat information relating to the examination, clarification, and evaluation of Applications/Bids/Proposals in such a way as to avoid disclosure of their contents to any other Applicant/Bidder/Proposer/Consultant participating in the selection process, or any other party not authorized to have access to this type of information, until the MoES notifies the outcome of evaluation of Applications/Bids/Proposals, in accordance with the procedures in the applicable Procurement Documents.

An access to the selection / evaluation process and may have members of Evaluation groups and members of the Tender.

All involved in the selection / evaluation shall sign the *Declaration of Impartiality* before initiation of the procurement and/or selection process.

4.4.8 Procurement Documents

The MoES shall retain all Procurement Documents and records of procurements.

World Bank's Standard Procurement Documents shall be mandatorily used for procurement that would follow the international market approach under the proposed project. For all other approaches the Procurement Documents shall be acceptable to the Bank.

All documents and records with respect to each procurement action will be retained by the MoES. Originals of the procurement plans, evaluation reports, minutes of negotiations and contracts are stored by the MoES in written form. The copies both in scanned and printed form are kept by PIU. Proposals are kept by the PIU.

The PIU consultants will furnish such documentation to the World Bank upon request for post review missions, examination by the World Bank or by the auditors.

4.4.9 Publications

After project effectiveness, General Procurement Notice will be published on World Bank's external website, announcing relevant consulting and non-consulting services to be procured under the project, and inviting interested eligible providers and consultants to express interest and to request any complementary information from the MoES. GPN may be updated from time to time depending on the need.

Specific Procurement Notices (SPNs) for works and goods packages as well as REoIs for consultancy services packages will be advertised as per the requirements of the Procurement Regulations.

All competitive procurement announcement shall be published at least on MoES website, on the Bank's external website following the processing in STEP and on Prozorro. Further dissemination can be applied on a case-by-case basis.

MoES uses STEP to create and publish all notices relevant to the project's procurement process, including general and specific procurement notices, requests for expression of interest and requests for prequalification, and contract award notices. Notifications created in STEP are automatically published on the external web portal of the World Bank as required by Procurement Regulations.

4.4.10 Prozorro

Ukraine's e-procurement system called Prozorro following the Procurement regulations will be used for the procurement of Goods, Non-Consulting services and Works (if any) using Request for Quotations (RFQ), Request for Bids (RFB) and/or Request for Proposals (RFP) methods for both national and international market approach. Prozorro is not being used for the selection of the consultants except for the announcement of selection process.

Specific Procurement Notices (SPNs) with the link to Prozorro System will be published at least on the MoES website, and on the Bank's external website following the processing in STEP.

The MoES will grant the access to the Prozorro system upon decision of the Tender committee to the Procurement specialist(s) and Implementation managers with procurement functionals.

Prozorro Market, as a separate type of procurement, can be used for the procurement of off-the-shelf goods both under operational costs and for the procurement of goods within applicable RFQ thresholds. Nevertheless, the use of Prozorro Market must be agreed by the Bank for each procurement activity .

4.4.11 Procurement complaints

All complaints received in regards of procurement in the Project by the Ministry and/or through the any other channel should be transmitted to the PIU Head and procurement specialist. The Complaints should be treated in respect of the Procurement Regulations and this Manual and recorded in STEP.

4.4.12 Operating Costs

Operating Costs means reasonable incremental expenditures incurred by the Recipient on account of Project implementation, management and monitoring, including office supplies, office rental and utilities, publication of procurement notices, office and equipment maintenance and repair, communication, translation and interpretation services, printing and publications, bank charges, courier services, travel costs including travel, accommodation and per diem, subscription to publications and databases, subscription to the software required for the project operation and other miscellaneous costs directly associated with the Project as approved by the Bank.

4.4.13 Tender Committee

The Tender Committee (TC) of the Ministry of Education and Science of Ukraine is established in accordance with paragraph 41 of the Procedure for preparation, implementation, monitoring and completion of economic and social development projects of Ukraine supported by international and financial organizations, approved by the Cabinet of Ministers of Ukraine from 27.01.2016 № 70 (as amended), for the purpose of organizing and conducting procurement of goods, works and services in accordance with Article 6 of the Law of Ukraine "On Public Procurement" (hereinafter - the Law) according to Bank procedures.

In its activities, the TC is guided by the laws, resolutions of the Cabinet of Ministers of Ukraine, this POM, Bank Procurement Regulations, and Anti-Corruption Guidelines.

4.4.13.1 Principles of TC activity

The TC operates on the basis of collegiality and impartiality in decision-making, the absence of conflict of interest of its members. The composition of the TC, as well as changes to it are approved by order of the Ministry of Education and Science. The TC consists of representatives of the Ministry of Education and Science, including staff advisers of the Ministry, in the number of at least seven people.

The TC may not include representatives of participants in the procurement procedure, members of their families, as well as people's deputies of Ukraine, deputies of the Verkhovna Rada of the Autonomous Republic of Crimea and deputies of city, district in the city, district, regional council. Membership in the TC should not create a conflict between the interests of the Client/Employer and the participants in the procurement procedure or between the interests of the participants in the procurement procedure, the existence of which may affect the objectivity and impartiality of decisions on the winner of the procurement procedure.

4.4.13.2 Organization of work and functions of TC

The TC is managed by the Coordinator.

In the absence of the TC Secretary, his duties are performed by another TC member appointed by its Chairman.

All decisions of TC are recorded in the minutes.

The TC may initiate non-voting representatives of MoES structural units and / or individual consultants of the Project Implementation Unit when considering issues related to the tasks and functions of the relevant MoES structural units, in order to obtain professional advisory assistance required for procurement procedures.

By decision of the TC, working groups of evaluators (Evaluation groups) may be created to facilitate evaluation of the Bids/Proposals/Quotations/Expressions of Interest received within the Project.

The list of issues to be considered at the TC meeting and the agenda shall be communicated to the TC members no later than on the working day preceding the meeting.

The TC considers issues related to the procurement procedures within the framework of the Project implementation by discussing it by the TC members, provided that at least two thirds of the TC members participate in the meeting.

Decisions will be made by a simple majority vote of the meeting' attendees. In cases where the votes are equal, the Chair's vote will prevail (in case of their absence – Deputy Chair's vote if assigned).

Record keeping: Decisions made based on the results of the meeting are documented in a minutes, indicating the date of the decision, reflecting the results of the roll-call voting of the PSC members ("for" or "against"), present at the PSC meeting, on each item of the meeting agenda. The minutes is signed by the head of the PSC. Minutes for each meeting will be created and distributed to PSC members upon their request. Decisions made during meetings will be documented, and their implementation will be monitored as necessary.

The TC is responsible for approving procurement procedures within the Project.

In the process of TC makes decisions on:

- drawing up and approving the procurement plan of the Project and making changes to it;
- ensuring equal conditions for all participants, objective and fair selection of the winner;
- approval of documents required for procurement under the Project, in particular:

competitive bidding documentation; requests for proposals; short lists of individual consultants and consulting companies admitted to participate in the procurement; evaluation reports prepared by individual consultants on the procurement of goods, works and services, including the selection of individual consultants and consulting companies, including the determination of the winners of procurement procedures; other documents related to the procurement of goods, works and services, including the selection of consultants;

- organization of acceptance, storage and public disclosure of proposals of participants in procurement procedures;
- implementation of other actions provided by the World Bank Procurement Guidelines and procedures.

The TC members have the right to:

- analyze and / or receive information on the implementation of agreements concluded in accordance with the TC decisions;
- submit issues for consideration by the TC;
- to receive from structural subdivisions of the Ministry of Education and Science the information necessary for carrying out procurement procedures;
- make a separate opinion in the minutes;
- receive information and explanations from procurement consultants on compliance with the Procurement Rules;
- initiate the participation without the right to vote of representatives of structural units of the MoES and / or individual consultants in the activities of the TC, when considering issues related to the tasks and functions of the relevant structural units of the MoES, in order to obtain professional advice necessary for procurement procedures.

The TC members are obliged to:

- participate in TC meetings
- participate in the discussion of issues submitted to the TC;

- participate in procurement procedures;
- ensure equal conditions for all participants, objective and fair selection of the winner in accordance with the Bank Procurement Rules;
- follow the procedures of the Bank Procurement Rules;
- ensure the confidentiality of information related to the activities of the TC and information provided by procurement participants.

The TC Chairman:

- organizes the work of TC;
- determines the list of issues submitted for consideration by the TC;
- determines the date and time of discussion of the TC on the agenda;
- submits to the MoES proposals for changes in the composition of the TC;
- exercises other powers necessary for procurement.

The duties of the Secretary of the TC include:

- registration of TC decisions by drawing up protocols;
- prompt informing of members of TC concerning organizational questions of its activity;
- performance of other organizational work on behalf of the chairman of the TC;
- storage of documents on procurement, in particular ensuring reliable security of unopened tender proposals, including financial proposals;
- compliance with the requirements of the legislation on office work when working with documents;
- placement of information on procurement in accordance with the Bank Procurement Rules;
- fulfilment of other powers in accordance with the Bank Procurement Rules.

The Chairman of the TC is personally responsible for the performance of the functions assigned to the TC.

The Deputy Chairman of the TC performs all the duties of the Chairman of the TC in the absence of the Chairman (vacation, business trip, sick leave, etc.) and certain duties at any time on behalf of the Chairman of the TC.

4.5 Environmental and Social Safeguards

4.5.1 Overview

This chapter details how environmental and social issues are going to be addressed under the Project.

The objective is to identify, minimize, and mitigate adverse impacts on the natural and built environment and communities in order to ensure the project contributes to the development of the education sector in Ukraine while being in compliance with legal provisions and standards for environmental protection, health and safety, and labor protection.

The environmental and social management under the Project is guided by relevant Ukrainian legislation as well as the applicable World Bank Environmental and Social Standards (ESS), which can be accessed at the following URL: https://projects.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards

4.5.1.1 Environmental and Social Standards (ESS)

As per the outcomes of the environmental and social risk screening conducted at the project design phase jointly with the World Bank's environmental and social experts, the implementation of the Project has led to the activation of the following Environmental and Social Standards (ESS) of the World Bank:

- ESS 1 – Assessment and Management of Environmental and Social Risks and Impacts
- ESS 2 – Labor and Working Conditions
- ESS 3 – Resource Efficiency and Pollution Prevention and Management
- ESS 4 – Community Health and Safety
- ESS 10 – Stakeholder Engagement and Information Disclosure

In accordance with the specified standards for environmental and social management, the following tools have been developed for the sustainable implementation of the Ministry of Education and Science (MoES) project.

The Project will be implemented in accordance with the Environmental and Social Commitment Plan (ESCP). The ESCP outlines the MoES commitments to prepare and implement the following environmental and social management tools throughout the entire Project cycle. A brief summary of these documents is presented below

Document	Name	Purpose
ESS 1. Assessment and Management of Environmental and Social Risks and Impacts	Environmental and social screening procedures	Environmental and Social Screening Procedures are a set of processes used to assess potential environmental and social impacts of a project or activity at an early stage. These procedures help determine the extent and type of environmental and social assessments required for a project, ensuring that any risks or negative impacts are identified, evaluated, and mitigated before the project proceeds.
	ESMP	The Environmental and Social Management Plan (ESMP) defines a set of measures and procedures to prevent, minimize, and manage the Project's environmental and social risks and impacts, as well as mechanisms for monitoring and reporting.
	Contractor's ESMP	The Contractor's ESMP is a mandatory site-specific management tool that must be developed, submitted for approval, and implemented prior to and throughout the construction works to ensure effective management of environmental, social, occupational health, safety, and labor risks in compliance with contractual requirements and ESS. The C-ESMP defines mitigation measures, monitoring and reporting procedures, and, where applicable, includes specialized plans such as an Asbestos Removal Plan.

	Environmental and Social Commitment Plan (ESCP)	This document sets out the summary of actions, plans and documentation that guide the implementation of the project. This is the legally binding document that Government has signed with Bank, and all the actions listed under this document will be assessed during World Bank missions. The ESCP requires compliance with all the actions, plans and documentation.
ESS 2. Labor and working conditions	Labor Management Procedures (LMP)	The LMP enables identify main labor requirements and risks associated with it under the project and determines the resources necessary to address labor issues under the project.
	Grievance Mechanism	Establish and operate a responsive Grievance Mechanism to allow Project Workers to quickly inform management of labor issues and raise workplace concerns and labor-related matters without retaliation. This mechanism will use the same uptake channels of the project's overall GM but follow separate avenues for the resolution of labor-related complaints.
ESS 3. Resource efficiency and pollution prevention and management	E - waste management plan	An e-waste management plan is a comprehensive strategy designed to manage the lifecycle of electronic waste (e-waste), which includes discarded electrical or electronic devices. The plan aims to mitigate the environmental and health impacts of e-waste through systematic collection, recycling, and disposal processes.
	Asbestos Plan of Work (Removal)	To prevent and manage potential health and environmental risks associated with asbestos-containing materials during renovation work, an Asbestos Plan of Work – Removal has been developed has been developed to prevent and manage potential health and environmental risks associated with asbestos-containing materials during renovation works. It ensures the safe handling, removal, containment, and disposal of such materials to protect workers, children, and the environment.
ESS 10. Stakeholder engagement and information disclosure	Stakeholder Engagement Plan (SEP)	It sets out the stakeholder engagement and documentation disclosure framework in the context of the Ukraine Improving Higher Education for Results Project, including the Grievance Redress Mechanism.
ESS 4. Community plan and safety	War-Hazard Emergency Preparedness and Response Plan	The purpose of this plan is to identify potential security risks associated with the Russian Federation's invasion of Ukraine, which may arise during the implementation of project activities, and to develop mitigating measures.
	SEA/SH handling protocol for Schools and the MoES	The purpose of this protocol is to establish clear procedures for reporting, handling, and responding

		to SEA/SH cases in schools and the Ministry of Education and Science, ensuring the safety, confidentiality, and rights of survivors, including children.

The content of these documents may be modified or supplemented according to emerging needs, requirements of the Government of Ukraine or the World Bank, changes in the Project design, and legal, economic, and security conditions. Any modifications to the documents or the manual will require the approval of the World Bank.

Environmental and Social Management Plan (ESMP)

The project activities will involve minor internal repair works, including painting of premises, provision of furniture and equipment, and possible upgrades to ventilation and sanitation systems. The ESMP prepared by MoES outlines the environmental and social measures required to prevent, mitigate, or compensate for potential negative impacts on the environment and local communities. It ensures that opportunities for positive environmental and social outcomes are identified and maximized. The ESMP clearly defines the roles and responsibilities of all stakeholders involved in implementing mitigation measures, specifies the required timelines and resources, and establishes monitoring and reporting procedures to track the effectiveness of these measures. The plan ensures compliance with applicable national environmental and social legislation, as well as the World Bank Environmental and Social Framework (ESF) and relevant policies and standards.

Contractor's Environmental and Social Management Plan (C-ESMP)

The C-ESMP is a document developed specifically for contractors who will perform repair work as part of the project. It will be prepared, approved, and implemented before and during construction work. The plan defines measures to reduce potential impacts on the environment, society, health, and safety. It defines roles and responsibilities, monitoring and reporting procedures, and ensures safe and responsible execution of work within the Project.

4.5.1.2 Environmental and Social Commitment Plan (ESCP)

According to the ESS1 the ESCP had been agreed by the MoES with the Bank. The ESCP forms part of the Grant agreement. It is developed to consolidate into one summary of mitigation measures and actions that are required for the Project to achieve compliance with the ESS over a specified timeframe in a manner satisfactory to the Bank. The ESCP was developed by MoES as information regarding the potential risks and impacts of the project becomes known. As part of Grant agreement, ESCP stipulate the obligations of the MoES to establish organizational structure and mobilize resources to implement actions needed for identified risks mitigation. The MoES will implement diligently the measures and actions identified in accordance with the timeframes specified and will review the status of ESCP implementation as part of monitoring and reporting.

4.5.1.3 Labor Management Procedure (LMP)

Project work force will include direct workers (staff and consultants, schools and other entities staff) and contracted workers (employees of contractors and sub-contractors). The project will primarily rely on supply of equipment and materials and use labor force from the local market, hence no risk of child and forced labor is expected (as this risk is not relevant for Ukraine-based enterprises due to requirements of national legislation). The LMP prepared by MoES for the project outlining the expected number and type of workers, key gaps between national legislation and regulations that need to be addressed at the project level, as well as monitoring and supervision arrangements.

4.5.1.4 Stakeholder Engagement Plan (SEP)

Stakeholders of the Project are individuals or groups who experience direct or indirect impact from the Project's implementation. A Stakeholder Engagement Plan (SEP) was prepared by the Ministry of Education and Science at the preliminary assessment stage to identify potential stakeholder groups and ensure the implementation of measures at all stages of the project. The SEP also outlines procedures for conducting consultations with stakeholders (including virtual consultations due to martial law and security considerations). In the early stage of Project preparation, an in-depth analysis was conducted to identify key stakeholders, including vulnerable groups. The outcomes of these consultations are reflected in the Plan.

Procedures for a Grievance Redress Mechanism (GRM) for stakeholders were included as part of the SEP and will be implemented during the project to ensure feedback from stakeholders and the opportunity for stakeholders to participate in the Project's implementation.

During implementation of Project, all provisions provided in SEP will be followed by MoES, PIU, Schools, ISTTI and Contractors. The requirement for proper engagement with the stakeholders will be specified in bidding documentation.

During the Project implementation, representatives of the Ministry of Education and Science/Project Implementation Unit, Schools, ISTTI and Contractors will adhere to all provisions of this Plan.

Preliminary consultations regarding stakeholder engagement and other information related to the Project have been conducted in accordance with the World Bank's standard policies and are included in the SEP (Stakeholder Engagement Plan).

The format of consultations and communications with stakeholders will be determined based on the security and epidemiological situation in the country.

4.5.1.5 E-waste management plan

An e-waste management plan is a structured approach to handling electronic waste, encompassing its collection, recycling, and disposal. It aims to reduce the environmental and health impacts of discarded electronics by ensuring proper management throughout their lifecycle. This involves setting up collection points for consumers to drop off their e-waste, safe transportation to recycling facilities, and the systematic dismantling and recycling of materials like metals, plastics, and glass.

An e-waste management plan involves several critical steps to effectively handle electronic waste. Collection and Transportation is the first step, which focuses on establishing accessible collection points such as drop-off centers or take-back programs managed by manufacturers and retailers. This step ensures the efficient and safe transportation of collected e-waste to recycling facilities, where it can be processed further.

Recycling and Resource Recovery is the next crucial phase, where electronic devices are dismantled to recover valuable materials like metals, plastics, and glass. Advanced technologies are employed in this process to efficiently extract and recycle these materials, thereby reducing the reliance on virgin resources. This step not only conserves natural resources but also minimizes the environmental impact associated with mining and production of new materials.

Disposal of non-recyclable e-waste components involves safe methods such as designated landfills or incineration, all while adhering to strict environmental regulations.

Regulation and Compliance ensure that all e-waste management activities comply with national and international regulations like the Basel Convention. Implementing extended producer responsibility (EPR) policies holds manufacturers accountable for the entire lifecycle of their products. Public Awareness and Education campaigns are essential to inform consumers about proper e-waste disposal methods and the environmental impacts of e-waste. Finally, Monitoring and Reporting involve tracking the volume and types of e-waste managed, and reporting progress to stakeholders, which helps in assessing the effectiveness of the e-waste management plan and identifying areas for improvement.

Asbestos Plan of Work (Removal)

An Asbestos Plan of Work (Removal) is a preventive and management document developed to address potential risks associated with asbestos-containing materials during construction or renovation activities. When renovating ventilation and sanitation systems, particularly in older buildings, there is a possibility that asbestos-containing materials may be present, including in pipe insulation, ventilation ducts, gaskets, or outdated plumbing fixtures.

This plan is implemented in cases where asbestos-containing materials are identified during construction or renovation works and sets out the procedures for safe handling, removal, containment, and disposal in order to protect workers, and the surrounding environment.

4.5.1.6 War-Hazard Emergency Preparedness and Response Plan

These Framework Requirements have been developed by the Ministry of Education and Science to minimize security risks for the staff, contracting organizations, and students under the conditions of the Russian Federation's military aggression on the territory of Ukraine.

The primary hazards for schools and ISTTIs include the shelling of the infrastructure with long-range ammunition of various types and methods of application (cruise and ballistic missiles, unmanned aerial vehicles, long-range artillery, etc.), and the presence of unexploded ordnance on their premises following shelling.

According to the plan, all individuals involved in the Project, in any capacity, will be instructed on the necessary measures to be taken in the event of an emergency, the announcement of an air raid alert by air defence services, or the discovery of explosive or similar objects.

SEA/SH handling protocol for Schools and the MoES

This protocol will be developed to ensure a safe, confidential, and victim-centered response to cases of sexual exploitation, abuse, and harassment (SEA/SH) in schools and early childhood education institutions. The protocol will define secure and confidential channels for submitting complaints at the local, regional, and central levels and will regulate the content of such complaints, including the procedure for obtaining the consent of victims, taking into account the specifics of working with children. The document will provide information on mandatory reporting in accordance with Ukrainian law and establish procedures for registering and processing complaints, defining the roles and responsibilities of those in charge, while ensuring the confidentiality of information.

The protocol will provide for the referral of victims to appropriate support services (GBV) in accordance with their needs and wishes, as well as the transfer of cases to law enforcement agencies if further investigation is necessary. It will also establish procedures for closing cases, including feedback and notification of the victim, and ensure systematic reporting of SEA/SH incidents.

4.5.2 Implementation capacity and monitoring

As it was mentioned above, during appraisal stage the preliminary ES assessment was undertaken by MoES jointly with Bank`s environmental and social Team. As result the Environmental and Social instruments were elaborated, publicly disclosed and approved by the MoES and the Bank.

The obligation of MoES to Implement the Project in accordance with the Bank`s ES requirement was included to the Agreements between Ukraine and the Bank.

4.5.2.1 Capacity

As part of Ministry`s capacity building, the Project implementation unit (PIU) was established at the Ministry level. The social and environment Consultants will be part of PIU team.

Moreover, the Project foresee a budget for the capacity building and technical assistance.

The PIU will coordinate the environmental and social monitoring of the measures in Procurement plan. Through environmental and social monitoring, the project team will verify if the recommended actions are effective in mitigating potential negative impacts of Project activities.

The supervision of the execution of environmental and social measures will be ensured by the PIU Environmental and Social consultants. At first stage the PIU specialists will be involved into the Project.

Responsible persons for environmental and social risks and health, safety, and security (ESHS) will also be appointed in the hromadas involved in the project. They will oversee the implementation of measures to manage environmental and social impacts, coordinate the implementation of the Environmental and Social Management Plan (ESMP), interact with the MoES on monitoring, reporting, and responding to incidents and grievances, and maintain ongoing communication with contractors to ensure timely and proper implementation of all risk management measures and compliance with environmental, health, and safety standards

4.5.2.2 MONITORING

The PIU's monitoring will include:

- Maintenance of an adequate environmental and social management system, ensuring compliance with the national legal framework and WB ESF and ESSs, and worker health and labor safety;
- Consolidation and submission of the Project Activity Report to the Bank every three months or per Bank`s request.
- Ensuring that activities under the Project and its components comply with the approved design and applicable laws, environmental and social requirements set out on tender documentation;
- Ensuring that activities and services for Project's employees comply with the requirements of health and safety norms and rules;
- Ensuring the rational use of resources and responsible waste management;
- Engagement with stakeholders, review complaints and grievances and address issues raised in relation to the Project activities;
- Control and supervise activities of contractors, ensuring compliance with Project environmental and social requirements;
- Ensuring that accessible GRM (including SEA/SH GRM) are available for all stakeholders at central and Project levels;
- Report to the Bank (through the PIU's regular reporting) on E&S performance of the Program.

4.5.3 Reporting

4.5.3.1 BASIC REPORTING

To comply with World Bank standards, all measures implemented by the Ministry of Education and Science within the framework of the Project and related activities, including a register of complaints from stakeholders (if received), will be included in regular reporting to the World Bank.

The table in **Annex II.A** provides a brief summary of all reporting requirements on environmental and social safeguards.

4.5.3.2 ESIRT REPORTING

Despite significant efforts to manage environmental and social risks associated with Project activities, incidents may always occur. An incident in this context is an accident or negative event resulting from failure on the part of the implementing party to comply with national legislation and Bank ESF requirements, or because of unexpected or unforeseen events during project implementation. Examples of incidents include: fatalities, serious accidents and injuries; social impacts from labor influx; sexual exploitation and abuse (SEA) or other forms of gender-based violence (GBV); major environmental contamination; loss of biodiversity or critical habitat; loss of physical cultural resources; and loss of access to community resources.

This Environment and Social Incidents Response Toolkit (ESIRT) is intended to assist implementing parties to address incidents that occur during implementation of the Project and to advise implementing parties on their response to such incidents. ESIRT does not replace regular project supervision and reporting but has been prepared to help implementing parties respond when they learn of incidents during supervision, or at any other time. ESIRT is comprised of the following steps under the incident management and reporting process:

- Step 1: Initial Communication, Step 2: Classification, Step 3: Investigation , Step 4: Response , Step 5: Follow Up

The MoES roles and responsibilities in incident response are outlined in each of the steps. This ESIRT also contains a Section on Responses and Remedial Actions, where examples of possible responses by implementing parties to incidents are provided. ESIRT detailed breakdown of steps is provided in the ESMF.

4.5.4 Stakeholder Engagement

Stakeholder engagement is an inclusive two-way iterative process that should be conducted throughout the project life cycle to ensure that the views, concerns and opinions of the project-affected groups are considered. The detailed table with key stakeholder engagement activities to take place during the project preparation stage through to implementation and closure could be found in the SEP.

Due to martial law regime, for security reasons, meetings with stakeholders for the purpose of presenting and discussing project activities and documents prepared in accordance with World Bank standards may take place in a virtual format, depending on the conditions available. Given the full-scale military aggression of Russia against Ukraine, conducting face-to-face meetings and workshops with stakeholder engagement may not be optimal from a security reasons.

The overall responsibility for implementing the stakeholder engagement process and communication with them lies with the MoES, schools, IISTTI, and communities with the support of the World Bank.

5 Annexes

Part I. Results

Annex I.A. Program results framework

Annex I.B. Table of DLI/DLRs

Annex I.C. Monitoring & Evaluation Plan

Annex I.D. Verification Protocol Table: Disbursement Linked Indicators

Annex I.E. Climate Change aspects of DLIs

Annex I.F. Program Action Plan

Part II. Reporting

Annex II.A. Consolidated list of the Operation progress reports

Part III. Fiduciary

Annex III.A. List of the anti-corruption agencies

Annex III.B. Procedure for Forming the Statement of Expenditures (SOE) and Interim Financial Reports (IFR)

6 Part I. Results

6.1 Annex I.A. Program results framework

Program Development Objective(s)

To (i) improve teaching and learning conditions ; and (ii) strengthen management capacity of the education system

PDO Indicators by Outcomes

Baseline	Period 1	Period 2	Period 3	Closing Period
Supporting pilots of key education reforms				
Students supported with better education (Number of people)				
Feb/2024	Dec/2024	Dec/2025	Dec/2026	Dec/2028
0	300,000	600,000	906,000	906,000
➢Students supported with better education – Youth (Number of people)				
Feb/2024	Dec/2024	Dec/2025	Dec/2026	Dec/2028
0	300,000	600,000	906,000	906,000
➢Students supported with better education – Female (Number of people)				
Feb/2024	Dec/2024	Dec/2025	Dec/2026	Dec/2028
0	150,000	300,000	453,000	453,000
➢ **of pre-school age** (Number)				
Feb/2024				Dec/2028
0				10,000

Teachers delivering the NUS curriculum including environmental literacy (Number)				
Mar/2024	Dec/2024	Dec/2025	Dec/2026	Dec/2028
0	60,000	120,000	120,000	120,000
Strengthening institutional management capacities				
Improved use of data for education system management (Yes/No)				
Mar/2024	Dec/2024	Dec/2025	Dec/2026	Dec/2028
No	No	Enhanced administrative data from AIKOM being used to target allocation of resources	NUS pilot results used to inform the scale up nationwide	Yes
Intermediate Indicators by Results Areas				

Baseline	Period 1	Period 2	Period 3	Closing Period
Results Area 1. Supporting pilots of key education reforms				
Additional students and teachers with access to constructed or rehabilitated shelters (Number) [DLI]				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
0	0	16,000	32,000	32,000
Additional students with access to free bus transportation (Number) [DLI]				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028

0	0	9,500	14,000	14,000
Additional students with disabilities with access to free bus transportation (Number)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
0	0	117	234	234
Teachers trained to implement the NUS reform (Number) DLI				
Feb/2024	Aug/2024	Dec/2024	Dec/2025	Dec/2028
N/A	Teacher training plan for grades 7, 8 and 9 adopted	60,000 teachers completed NUS-aligned training for grade 7	60,000 teachers completed NUS-aligned training for grade 8	60,000 teachers completed NUS-aligned training for grade 8
Students with access to NUS teaching & learning materials (Text) DLI				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
N/A	2024 textbooks decree establishes that 100% of grade 7 students, including those with disabilities, will receive NUS-aligned textbooks	300,000 students of grade 7 receive free NUS-aligned textbooks	337,000 students of grade 8 receive free NUS-aligned textbooks	637,000 students of grade 7 and 8 receive free NUS-aligned textbooks
Students with disabilities with access to NUS teaching & learning materials (Number)				
Feb/2024	Sept/2024	Dec/2024	Sept/2025	Dec/2028
0	0	5,000 (Grade 7)	5,000 (Grade 8)	5,000 (Grade 8)
Percentage of beneficiaries satisfied with accessibility and functionality of shelters (Percentage)				

Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
NA	TBD	Baseline data collected	Increase from baseline by 10%	Increase from baseline by 20%
Printed and delivered copies of textbook manuscripts for grades 7-8 in mathematics and Ukrainian language that have completed gender non-discrimination review (Number)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
25,000	30,000	50,000	1,334,797	2,000,000
Results Area 2. Strengthening institutional management capacity				
Updated allocation criteria for the shelters subvention to the regions (Yes/No) DLI				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No	2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing.	2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing.	2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing.	2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing.
Updated allocation criteria for the school bus subvention to the regions (Yes/No) DLI				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No	2024 school bus subvention is allocated based on data-driven needs, prioritizing high-need	70% of the 2024 school bus subvention disbursed by the State Treasury to communities	70% of the 2024 school bus subvention disbursed by the State Treasury to communities	70% of the 2024 school bus subvention disbursed by the State Treasury to communities

	regions and streamlined redistribution mechanism			
Support for school network optimization (Yes/No) [DLI]				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No (2024)	No	2025 education subvention allocation formula is updated to increase minimum student requirement per school by at least 50% relative to the prior year	2026 education subvention allocation formula is updated to increase minimum student requirement per school by at least 30% relative to the prior year	2026 education subvention allocation formula is updated to increase minimum student requirement per school by at least 30% relative to the prior year
IPF Part 1. Supporting pilots of key education reforms				
Number of schools piloting NUS implementation (Text)				
Feb/2024	Sept/2024	Sept/2025	Sept/2026	Dec/2028
No	No	100 schools participated in piloting NUS for grade 8	100 schools participated in piloting NUS for grade 9	Pilot results are analyzed and report developed for integrating lessons learned
Number of hromadas participating in the first phase of the "First Steps Forward Strategic Framework for Early Childhood and Preschool Education in Ukraine" implementing their approved plan (Number)				
Sep/2025				Dec/2028
0				35 hromadas implementing their approved plans
Number of ECPE groups in the participating hromadas receiving educational and didactic equipment, furniture, and technology (Number)				

Sep/2025				Dec/2028
0				500
Number of consultations conducted with parents (including parents of children with SEN) in participating hromadas (Number)				
Sep/2025				Dec/2028
0				500
Teachers from pilot schools with improved teaching practices aligned to NUS (Number)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
0	0	0	0	300 (Grade 10)
IPF Part 2. Strengthening institutional management capacities				
Education Infrastructure Planning is developed (Yes/No)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No	No	No	Yes	Yes
Education Management Information System (AIKOM) is modernized (Yes/No)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No	No	No	Yes	Yes
The special online platform for conducting the State Final Examination is developed and piloted (Yes/No)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028

No	Yes	Yes	Yes	Yes
UIRO has undergone an institutional audit of its organizational capacity (Yes/No)				
Feb/2024	Sept/2024	Dec/2024	Dec/2025	Dec/2028
No	No	Yes	Yes	Yes

6.2 Annex I.B. Table of DLI/DLRs

Disbursement Linked Indicator	Disbursement Linked Result	Disbursement formula	Amount of the Loan Allocated
DLI #1: Updated allocation criteria for the Shelters Subvention to the regions	DLR #1.1: 2024 Shelters Subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM System for project processing.	N/A	25,000,000
DLI #2: Additional students and teachers with access to constructed or rehabilitated shelters	DLR #2.1: Number of students and teachers with access to shelters constructed or rehabilitated to meet minimum conditions.	For each 500 additional students or teachers, an amount of $1,015,625, and up to $65,000,000 Baseline = 0 Target = 32,000	65,000,000
DLI #3: Updated allocation criteria for the School Bus Subvention to the regions	DLR # 3.1: 2024 School Bus Subvention is allocated based on data-driven needs, prioritized high-need regions and streamlined redistribution mechanism.	N/A	25,000,000
DLI #4: Additional students with access to free bus transportation	DLR #4.1: Number of students with access to free bus transportation	For each 100 additional students, an amount of $250,000 and up to $35,000,000 Baseline = 0 Target = 14,000	35,000,000
DLI #5: Teachers trained to implement the NUS reform	DLR #5.1: Teachers training plan for grades 7, 8 and 9 adopted by MoES DLR #5.2: Number of teachers who completed NUS-aligned training for grade 7	N/A For each 100 teachers who completed training for grade 7, an amount of $33,334, and up to$20,000,000 Baseline = 0 Target = 60,000 For each 100 teachers who completed training for grade 8, $33,334 and up to $20,000,000.	20,000,000 20,000,000 20,000,000

Disbursement Linked Indicator	Disbursement Linked Result	Disbursement formula	Amount of the Loan Allocated
	DLR #5.3: Number of teachers who completed NUS-aligned training for grade 8	Baseline = 0 Target = 60,000	
DLI #6: Students with access to NUS teaching & learning materials	DLR #6.1: 2024 textbooks decree establishing that 100% of grade 7 students, including those with disabilities, will receive NUS-aligned textbooks, has been adopted by MoES	N/A	10,000,000
	DLR #6.2: Number of students of grade 7 who receive free NUS-aligned textbooks	For each 1,000 students who receive new NUS- aligned textbook for grade 7, an amount of $133,334 and up to $40,000,000 Baseline = 0 Target = 300,000	40,000,000
	DLR #6.3: Number of students of grade 8 who receive free NUS-aligned textbooks	For each 1,000 students who receive new NUS- aligned textbook for grade 8, an amount of $133,334 and up to $40,000,000 Baseline = 0 Target = 337,000	44,900,000
DLI #7: Support for school network optimization	DLR #7.1: 2025 Education Subvention allocation formula is updated to increase minimum student requirement per school by at least 50% relative to 2024	N/A	25,000,000
	DLR #7.2: 2026 Education Subvention allocation formula is updated to increase minimum student requirement per school by at least 30% relative to 2025	N/A	24,625,000

6.3 Annex I.C. Monitoring & Evaluation Plan

Supporting pilots of key education reforms	
Students supported with better education (Number)	
Description	Cumulative number of students in grades 7-9 benefiting from improved teaching and learning conditions in schools nationwide during the project duration, including through access to shelters, free school bus transportation, updated textbooks, and teachers trained during project implementation period
Frequency	Semi-Annually
Data source	MOES documents and Project progress reports
Methodology for Data Collection	MoES requests data from Regional State Administrations (RSAs), Institute for Education Analytics (IEA), entities responsible for textbooks as defined in the OM, and In-Service Teacher Training Institutes
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs; IEA; entity responsible for textbooks; ISTTIs
Students supported with better education- Youth (Number)	
Description	See "Students supported with better education"
Frequency	See "Students supported with better education"
Data source	See "Students supported with better education"
Methodology for Data Collection	See "Students supported with better education"
Responsibility for Data Collection	See "Students supported with better education"
Students supported with better education- Female (Number)	
Description	Cumulative number of female students benefiting from improved teaching and learning conditions in schools nationwide during the project duration, including access to shelters, free school bus transportation, updated textbooks, and trained teachers
Frequency	Semi-Annually
Data source	MOES documents and Project progress reports
Methodology for Data Collection	MoES requests data from Regional State Administrations (RSAs), Institute for Education Analytics (IEA), entities responsible for textbooks as defined in the OM, In-Service Teacher Training Institutes
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs; IEA; entities responsible for textbooks; ISTTIs
Students supported with better education- of preschool age (Number)	
Description	Cumulative number of students of preschool age benefiting from improved teaching and learning conditions in schools nationwide during the project duration, including access to shelters, free school bus transportation, updated textbooks, and trained teachers
Frequency	Semi-Annually
Data source	MOES documents and Project progress reports
Methodology for Data Collection	MoES requests data from Regional State Administrations (RSAs), Institute for Education Analytics (IEA), entities responsible for textbooks as defined in the OM, In-Service Teacher Training Institutes
Responsibility for Data Collection	MoES, Directorate for Pre-School and Inclusive Education; RSAs; IEA; entities responsible for textbooks; ISTTIs
Teachers delivering the NUS curriculum including environmental literacy (Number)	
Description	Number of teachers in grades 7 to 9 trained on NUS standards, principles and the use of the updated learning materials teaching in classrooms where students have received updated learning materials
Frequency	Assessed during the first two years of the project implementation
Data source	Reports on the use of the NUS subvention for teacher training from In-Service Teacher Training Institutes

Methodology for Data Collection	MoES requests data from Regional State Administrations (RSAs) and In-Service Teacher Training Institutes
Responsibility for Data Collection	MoES, Directorate for School Education; Regional state administrations; In-Service Teacher Training Institutes
Strengthening institutional management capacities	
Improved use of data for education system management (Yes/No)	
Description	Indicator is achieved when MoES is applying: (i) enhanced administrative data from AIKOM and (ii) NUS pilot results data to target allocation of resources through subventions.
Frequency	Annually
Data source	MoES Program documents and progress reports
Methodology for Data Collection	MoES
Responsibility for Data Collection	MoES School Education Directorate, Institute for Education Analytics

Results Area 1. Supporting pilots of key education reforms	
Additional students and teachers with access to constructed or rehabilitated shelters (Number)	
Description	Total additional capacity of shelters that are constructed or rehabilitated with funding from the shelter subvention and meets minimum standards as defined in the OM
Frequency	Quarterly
Data source	Regional State Administrations (RSAs) and other relevant data sources
Methodology for Data Collection	MOES requests data from RSAs and other relevant data sources on list of schools with shelters rehabilitated or constructed under the subvention, as well as maximum capacity of shelters
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs
Additional students with access to free bus transportation (Number)	
Description	Number of additional students who can be transported using a school bus that is procured under the subvention and meets minimum standards as defined in the OM
Frequency	Quarterly
Data source	Regional State Administrations (RSAs)
Methodology for Data Collection	MoES requests data from RSAs including list of schools with buses procured under the subvention and buses capacity
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs
Additional students with disabilities with access to free bus transportation (Number)	
Description	Number of additional students with disabilities who can be transported using a school bus that is procured under the subvention
Frequency	Quarterly
Data source	Regional State Administrations (RSAs)
Methodology for Data Collection	MoES requests data from RSAs including list of schools with buses procured under the subvention and their capacity for serving students with disabilities
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs
Teachers trained to implement the NUS reform (Number)	
Description	Number of teachers of grades 7-9 who completed NUS training pertaining to the grades 7-9 NUS curriculum as specified in the State Standard on Basic Education and financed under the NUS subvention

Frequency	Quarterly
Data source	MoES, Regional State Administrations (RSAs), and In-Service Teacher Training Institutes (ITTIs)
Methodology for Data Collection	MoES requests data from RSAs and ITTIs
Responsibility for Data Collection	MoES, Directorate for School Education; RSAs; ITTIs
Students with access to NUS teaching & learning materials (Text)	
Description	Indicator tracks that the 2024 textbooks decree establishes that 100% of grade 7 students, including those with disabilities, will receive NUS-aligned textbooks as well as the number of students in grades 7-9 who receive free NUS textbooks
Frequency	Quarterly
Data source	Reports on the use of budget funds and distribution of textbooks, entities responsible for textbooks as defined in the OM, Regional State Administrations (RSAs)
Methodology for Data Collection	MoES requests data from entities responsible for textbooks as defined in the OM and RSAs
Responsibility for Data Collection	MoES, Directorate for School Education; entity responsible for textbooks; RSAs
Students with disabilities with access to NUS teaching & learning materials (Number)	
Description	Indicator tracks the number of students with disabilities in grades 7 and 8 who receive free NUS textbooks (DLRs 4.2 and 4.3)
Frequency	Quarterly
Data source	Reports on the use of budget funds and distribution of textbooks, entity responsible for textbooks, Regional State Administrations (RSAs)
Methodology for Data Collection	MoES requests data from entity responsible for textbooks and RSAs
Responsibility for Data Collection	MoES, Directorate for School Education; entities responsible for textbooks; RSAs
Percentage of beneficiaries satisfied with accessibility and functionality of shelters (Percentage)	
Description	Indicator tracks the satisfaction level of shelters' beneficiaries in regard to shelter's accessibility and functionality.
Frequency	Annually
Data source	AIKOM
Methodology for Data Collection	MoES requests data from IEA and RSAs
Responsibility for Data Collection	MoES, Directorate for School Education; IEA; RSAs
Printed and delivered copies of textbook manuscripts for grades 7-8 in mathematics and Ukrainian language that have completed gender non-discrimination review (Number)	
Description	Indicator tracks the number of printed and delivered copies of textbooks' manuscripts for grades 7-8 in mathematics and Ukrainian language that have completed gender non-discrimination review.
Frequency	Semi-annually
Data source	Reports on the completion of the gender non-discrimination review, use of budget funds and distribution of textbooks, entities responsible for textbooks as defined in the OM, Regional State Administrations (RSAs)
Methodology for Data Collection	MoES requests data from entities responsible for textbooks and RSAs
Responsibility for Data Collection	MoES, Directorate for School Education; entities responsible for textbooks; RSAs
Results Area 2. Strengthening institutional management capacity	
Updated allocation criteria for the shelters subvention to the regions (Yes/No)	
Description	2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing. Improved management refers to three elements: (i) increased

	efficiency through targeting of resources for hub schools which also are operating in distance/hybrid mode; (ii) increased equity through targeting of funds to regions facing greatest security challenges for enabling in-person learning; and (iii) increase transparency through use of the DREAM system for project application, selection, and monitoring
Frequency	Once
Data source	CMU Website, MoES
Methodology for Data Collection	MoES provides final approved resolution and supporting evidence demonstrating application of the three elements of improved management for 2024 subvention relative to 2023 subvention.
Responsibility for Data Collection	MoES, Directorate for School Education
Updated allocation criteria for the school bus subvention to the regions (Yes/No)	
Description	2024 school bus subvention is allocated based on data-driven needs, prioritizing high-need regions and streamlined redistribution mechanism. Improved management refers to two elements: (i) increased efficiency through targeting resources directly to the local (hromada) level; and (ii) increased equity through targeting with need-based selection criteria which prioritize based on number of students in need of transportation and geographic proximity to the front line.
Frequency	Once
Data source	CMU website, MoES
Methodology for Data Collection	MoES provides final approved resolution and supporting evidence demonstrating application of two elements of improved management for 2024 school bus subvention
Responsibility for Data Collection	MoES, Directorate for School Education
Support for school network optimization (Yes/No)	
Description	2025 education subvention allocation formula is updated to increase minimum student requirement per school by at least 50% relative to the prior year and 2026 education subvention allocation formula is updated to increase minimum student requirement per school by at least 30 % relative to the prior year.
Frequency	Once
Data source	CMU website, MoES, IEA through AIKOM
Methodology for Data Collection	MoES provides final approved resolution and supporting evidence demonstrating application of minimum number of 45 and 60 students per school for the allocation of the education subvention in 2025 and 2026 respectively.
Responsibility for Data Collection	MoES, Directorate for School Education; State Treasury Service of Ukraine; MoF
IPF Part 1. Supporting pilots of key education reforms	
Number of schools piloting NUS implementation (Text)	
Description	Tracks the development and piloting of the NUS curriculum for grades 8 and 9 in pilot schools
Frequency	Annual
Data source	MOES documents and Project progress reports
Methodology for Data Collection	MoES requests data from pilot schools, Directorate for School Education
Responsibility for Data Collection	MoES Directorate for School Education
Number of hromadas participating in the first phase of "First Steps Forward: Strategic Framework for Early Childhood and Preschool Education in Ukraine" implementing approved plan (Number)	
Description	Tracks whether hromadas participating in the first phase of the "First Steps Forward: Strategic Framework for Early Childhood and Preschool Education in Ukraine" have both developed and implemented their approved plan to improve access to safe, quality ECPE centers
Frequency	Once
Data source	MoES documents and Project progress reports

Methodology for Data Collection	MoES requests reports from participating hromadas
Responsibility for Data Collection	MoES
Number of ECPE groups in participating hromadas receiving educational and didactic equipment, furniture, and technology (Number)	
Description	Tracks whether ECPE groups – this can include both new ECPE centers and existing ECPE centers that have added an additional age group- in hromadas participating in the first phase of the "First Steps Forward ECPE Strategy" have received educational and didactic equipment, furniture, and technology needed to enhance the physical learning environment
Frequency	Once
Data source	MoES documents and Project progress reports
Methodology for Data Collection	MoES requests reports from participating hromadas
Responsibility for Data Collection	MoES
Number of consultations conducted with parents (including parents of children with SEN) in participating hromadas (Number)	
Description	This indicator captures the total number of individual or group consultation sessions conducted with parents in participating hromadas during the reporting period, regardless of modality (in-person or remote).
Frequency	Once
Data source	MoES documents and Project progress reports
Methodology for Data Collection	MoES requests reports from participating hromadas
Responsibility for Data Collection	MoES
Teachers from pilot schools with improved teaching practices aligned to NUS (Number)	
Description	Number of teachers in NUS pilot schools who have undergone training and teach in NUS classes demonstrating improved teaching practices as measured by a classroom observation tool to be described in more detail in the OM.
Frequency	Annual
Data source	In-Service Teacher Training Institutes (ISTTIs)
Methodology for Data Collection	MoES requests data from ISTTIs
Responsibility for Data Collection	MoES, Directorate for School Education; ISTTIs
IPF Part 2. Strengthening institutional management capacity	
Education Infrastructure Planning is developed (Yes/No)	
Description	Measures the completion of the planning process for educational infrastructure development
Frequency	Once
Data source	Reports of MoES
Methodology for Data Collection	Review of project documentation
Responsibility for Data Collection	MoES, Directorate for School Education
Education Management Information System (AIKOM) is modernized (Text)	
Description	Tracks the modernization progress of the AIKOM
Frequency	Once
Data source	Reports from IEA
Methodology for Data Collection	MoES requests data from IEA
Responsibility for Data Collection	MoES, Directorate for School Education; Institute for Educational Analytics
The special online platform for conducting the State Final Examination is developed and piloted (Yes/No)	

Description	Software is produced and operational to be able to resume the summative state assessments for grade 4
Frequency	Once
Data source	Project Contracts
Methodology for Data Collection	Project procurement documentation for software modernization
Responsibility for Data Collection	MoES, Directorate for School Education; Ukrainian Center for Educational Quality Assessment; PIU
UIRO has undergone an institutional audit of its organizational capacity (Text)	
Description	Tracks progress of UIRO in developing institutional capacity to deliver the NUS reform
Frequency	Once
Data source	UIRO reports
Methodology for Data Collection	MoES requests data from UIRO
Responsibility for Data Collection	MoES, Directorate for School Education; Ukrainian Institute of Education Development

6.4 Annex I.D. Verification Protocol Table: Disbursement Linked Indicators

Verification Protocol Table: Disbursement Linked Indicators

1: UPDATED ALLOCATION CRITERIA FOR THE SHELTERS SUBVENTION TO THE REGIONS (Text)	
Formula	DLR 1.1: Total allocation is disbursed when achievement is verified.
Description	DLR 1.1: 2024 shelters subvention prioritizes hub schools working in distance or hybrid mode, located in high-need regions, and utilizing the DREAM system for project processing. Achievement of this DLR requires three elements to be included in the updated allocation criteria: (i) explicit reference to hub schools operating in distance/hybrid mode as being the first priority criterion for funds allocation; (ii) introduction of geographical targeting by region based on need for shelters; and (iii) use of the DREAM system for project application and monitoring.
Data source/ Agency	DLR 1.1: CMU Website, MoES
Verification Entity	DLR 1.1: MoES
Procedure	DLR 1.1: The World Bank will be provided with: (i) the final approved resolution of the Cabinet of Ministers of Ukraine for 2024 including all relevant annexes; and (ii) supporting evidence demonstrating application of the three above-mentioned elements for the 2024 subvention relative to the 2023 subvention. Supporting evidence shall include administrative data from AIKOM system indicating that schools selected to receive shelter subvention are primarily hub schools and are located in targeted high-need regions; and data collected through spot checks from the DREAM system to review applications submitted by schools selected for shelter subvention projects.
2: ADDITIONAL STUDENTS AND TEACHERS WITH ACCESS TO CONSTRUCTED OR REHABILITATED SHELTERS (Number)	
Formula	DLR 2.1: For each 500 additional students or teachers, an amount of US$1,015,625, up to total allocation
Description	DLR 2.1: Number of students and teachers with access to shelters constructed or rehabilitated to meet minimum conditions. This indicator measures the increase in capacity of shelters in schools to accommodate students and teachers (beneficiaries) due to construction of a new shelter or rehabilitation of an existing shelter with funding from the shelter subvention 2211310. In the case of a new shelter, beneficiaries will be calculated by capacity of the new shelter (taking into account the shift work schedule). In the case of an existing shelter, “additional beneficiaries” will be calculated by the difference between the new and previous capacity (taking into account the shift work schedule).
Data source/ Agency	DLR 2.1: Data on the actual number of students and number of teachers from Regional State Administrations (RSAs); shelter progress reports from RSAs
Verification Entity	DLR 2.1: IVA
Procedure	DLR 2.1: The IVA will be provided with a consolidated report on the student enrollment and number of teachers according to RSAs in schools with shelters constructed or rehabilitated after February 2024 and funded by the state subvention. The report will be prepared by MoES based on student enrollment and teachers data provided by RSAs. The IVA will also be provided with evidence of shelter compliance with minimum conditions: (i) safety standards; (ii) application of climate-resilient design; and environmental and social requirements, in accordance with the ESMP, as reflected in

	Resolution No. 419 of the Cabinet of Ministers dated April 28, 2023 . The IVA will also directly survey a sample of shelters constructed or rehabilitated through site visits. Schools with shelters that do not meet the minimum conditions shall not be considered to the success of this DLR .
3: UPDATED ALLOCATION CRITERIA FOR THE SCHOOL BUS SUBVENTION TO THE REGIONS (Text)	
Formula	DLR 3.1: Total allocation is disbursed when achievement is verified.
Description	DLR 3.1: 2024 school bus subvention is allocated based on data-driven needs, prioritizing high-need regions and streamlined redistribution mechanism. Achievement of this DLR requires three elements to be included in the updated allocation criteria: (i) allocation in proportion to the number of students in the region who need transportation as reported by schools and who are not provided with school buses; (ii) introduction of geographical targeting by region, with priority given to regions closer to the front line facing greater needs; and (iii) mechanisms to allow MoES or RSAs to redistribute funds in case of delays.
Data source/ Agency	DLR 3.1: CMU Website, MoES
Verification Entity	DLR 3.1: MoES
Procedure	DLR 3.1: The World Bank will be provided with: (i) the final approved 2024 resolution of the Cabinet of Ministers of Ukraine for the school bus subvention and (ii) supporting evidence demonstrating application of the above-mentioned elements for the 2024 school bus subvention relative to the 2023 subvention. Supporting evidence shall include administrative data from MoES and RSAs on speed of distribution of subvention funds and initiation of school bus procurement activities; data from AIKOM system showing that schools selected for school bus subvention are geographically located in higher-priority regions based on need; and data from AIKOM system for all schools receiving school bus subvention funds showing total number of students enrolled and total number of students in need of school bus transportation.
4: ADDITIONAL STUDENTS WITH ACCESS TO FREE BUS TRANSPORTATION (Number)	
Formula	DLR 4.1: For each 100 additional students, an amount of US$250,000, up to total allocation.
Description	DLR 4.1: Number of students with access to free bus transportation. This indicator measures the increase in the number of passengers that can be transported using school buses procured under the subvention 2211320.
Data source/ Agency	DLR 4.1: Regional State Administrations (RSAs); ProZorro
Verification Entity	DLR 4.1: IVA
Procedure	DLR 4.1: The IVA will be provided with a consolidated report on the number of passengers benefiting from the free school bus transportation prepared by MoES based on data received from the regional state administrations. The IVA will also be provided with evidence of: (i) school bus procurement records from ProZorro; (ii) school bus transportation routes (passports approved by RSAs) with data on number of passengers to be transported; and (iii) school bus compliance with minimum standards for (a) safety, (b) fuel efficiency or climate resilience, and (c) accessibility for children with disabilities. The IVA will also directly survey a sample of school buses and their use through site visits.
5: TEACHERS TRAINED TO IMPLEMENT THE NUS REFORM (Text)	
Formula	DLR 5.1: Total allocation is disbursed when achievement is verified. DLRs 5.2 and 5.3: For each 100 teachers who completed training for grades 7 or 8, respectively, an amount of US$33,334, up to the total allocation.

Description	DLR 5.1: Teacher training plan for grades 7, 8 and 9 adopted by a MoES decree. This DLR measures the adoption by a MoES decree of the teacher training plan for NUS in grades 7, 8, and 9 which contains the content specified in the procedures section below. DLRs 5.2 and 5.3: Number of teachers who completed NUS-aligned training for grades 7 or 8, respectively. This DLR measures the number of teachers trained on NUS implementation for grades 7 or 8, respectively, as specified in the State Standard on Basic Education and financed under the NUS subvention 2211230.
Data source/ Agency	DLR 5.1: MoES DLRs 5.2 and 5.3: Records of certificates of completion published on the website of the In-Service Teacher Training Institutes (ITTIs)
Verification Entity	DLR 5.1: MoES DLRs 5.2 and 5.3: IVA
Procedure	DLR 5.1: MoES will review the final teacher training plan for grades 7-9 and provide evidence of its adoption through a MoES decree. The teacher training plan must refer to/specify: (i) objectives and target group of training plan; (ii) areas, content, and required training hours of teacher training programs in alignment with NUS curricula and knowledge requirements to promote and implement feasible climate change adaptation/mitigation measures and sustainable development practices; (iii) method(s) of delivering (holistic and subject-specific), monitoring and evaluating the training results and outcomes; (iv) roles of involved institutions (public and private) in the implementation and financing; (v) planned timeline for training delivery; (vi) estimated target number of teachers to be trained; and (vii) method(s) of monitoring and evaluating the delivery of the teacher training plan. DLRs 5.2 and 5.3: IVA will be provided with consolidated report containing: (i) the number of teachers who have been trained to implement the NUS curriculum in grades 7 or 8, respectively; (ii) description of training programs delivered by ITTIs; and (iii) list of trainers formed by ITTIs and approved by RSAs. The IVA will then select a random sample of 1% of teachers trained and administer survey to validate receipt of training.
6: STUDENTS WITH ACCESS TO NUS TEACHING & LEARNING MATERIALS (Text)	
Formula	DLR 6.1: Total allocation is disbursed when achievement is verified. DLRs 6.2 and 6.3: For each 1,000 students who received new NUS-aligned textbook for grade 7 or 8, respectively, an amount of $133,334, up to the total allocation for each DLR.
Description	DLR 6.1: 2024 textbooks decree establishes that 100% of grade 7 students, including those with disabilities, will receive NUS-aligned textbooks. DLRs 6.2 and 6.3: Number of students of grades 7 or 8, respectively, who receive free NUS-aligned textbooks. These indicators measure total number of students in grades 7 (DLR 6.2) or 8 (DLR 6.3), respectively, who receive free textbooks which have been reviewed for gender non-discrimination.
Data source/ Agency	DLR 6.1: MoES website DLRs 6.2 and 6.3: Acceptance certificates from schools aggregated by Regional State Administrations (RSAs) and provided to MoES; Number of students in need of textbooks from AIKOM
Verification Entity	DLR 6.1: MoES DLRs 6.2 and 6.3: IVA
Procedure	DLR 6.1: The MoES will review and provide evidence of: (i) the final adopted passport of the 2024 budget program related to the preparation and printing of textbooks for grade 7 students, as well as (ii) evidence that the allocation of state funding is sufficient to

	cover 100% of grade 7 students in academic year 2024-25, including students with disabilities. DLRs 6.2 and 6.3: The IVA will be provided with a consolidated report on the number of Grade 7 or Grade 8 students receiving NUS-aligned textbooks from the MoES, prepared based on data collected by the entity responsible for textbooks and the RSAs, as well as details of gender non-discrimination review process conducted for textbooks. The IVA will administer an online survey for parents/guardians in up to 2 schools in 1% of hromadas to confirm receipt of relevant textbooks.
7: SUPPORT FOR SCHOOL NETWORK OPTIMIZATION (TEXT)	
Formula	DLR 7.1: Total allocation is disbursed when achievement is verified. DLR 7.2: Total allocation is disbursed when achievement is verified.
Description	DLR 7.1: 2025 education subvention allocation formula is updated to increase minimum student requirement per school by at least 50% relative to the prior year. This DLR measures a change in the allocation formula for the CY2025 education subvention (teachers' salaries), specifically an increase the required minimum enrolment size per school (normative school size) from 25 to 45 students in order to receive state funding through the education subvention. DLR 7.2: 2026 education subvention allocation formula is updated to increase minimum student requirement per school by at least 30% relative to the prior year. This DLR measures a further change in the allocation formula for the CY2026 education subvention (teachers' salaries), specifically an increase in the required minimum enrolment size per school from 45 to 60 students in order to receive state funding through the education subvention.
Data source/ Agency	DLR 7.1: CMU Website, MoES DLR 7.2: CMU Website, MoES
Verification Entity	DLR 7.1: MoES DLR 7.2: MoES
Procedure	DLR 7.1: The World Bank will be provided with: (i) the final approved 2025 resolution of the Cabinet of Ministers of Ukraine governing the allocation of the education subvention and (ii) supporting evidence demonstrating application of minimum number of 45 students per school (normative school size) for the allocation of the 2025 education subvention relative to the 2024. DLR 7.2: The World Bank will be provided with: (i) the final approved 2026 resolution of the Cabinet of Ministers of Ukraine governing the allocation of the education subvention and (ii) supporting evidence demonstrating application of minimum number of up to 60 students per school (at least 60 students for schools with grades 1-12, at least 55 students for schools with grades 1-11, at least 45 students for schools with grades 1-9 or 5-9) for the allocation of the 2026 education subvention relative to the 2025.

6.5 Annex I.E. Climate Change aspects of DLIs

DLI	Contribution to climate change adaptation	Mitigation
DLI 1. Updated allocation criteria for the shelters subvention to the regions	The selection of shelter sites that are less prone to the effects of climate change, such as extreme weather, flooding, or rising sea levels, will be vital for climate change adaptation. This strategic placement ensures that shelters remain safe and operational during climate-related disasters, providing a secure place for affected individuals. Constructing shelters with climate-resilient designs and materials further ensures their durability against such events. Additionally, these shelters can be used to educate communities about climate change preparedness, supporting the objectives of global climate agreements like COP27 by fostering a more informed and resilient populace.	The selection of locations for shelters that are near existing infrastructure can reduce the need for additional construction, thereby decreasing emissions from building activities and long-term operational energy use. Shelters can also be placed to take advantage of renewable energy sources, like solar or wind, which contributes to reducing greenhouse gas emissions.
DLI 2. Additional students and teachers with access to constructed or rehabilitated shelters	The construction of shelters in schools will be climate-informed to ensure that educational institutions have multi-purpose safe spaces that can act as shelters in the event of weather or climate-related disasters. This approach includes: avoiding new constructions in high-risk areas (particularly at risk of flooding, extreme heat, and water scarcity) Incorporating resilience measures in existing constructions in high-risk areas, such as flood embankments, wider drainage, heat resistant building materials, rainwater harvesting systems, etc. Construction will include water conservation and improved water efficiency through rainwater harvesting and on-site treatment systems, where feasible. School safety plans and evacuation protocols will be informed by and designed to respond to local climate risks and exposure to floods, heat, water scarcity, and other context-relevant disasters,	Shelters will be built with considerations to limit GHG emissions, including by: ● Following energy efficiency standards, in line with the highest efficiency standards in Ukraine/the EU ● Using low-emissions design and construction materials and processes, in line with the highest/latest standards and technologies in Ukraine ● Using materials that are locally or EU-sourced to the extent possible. ● Using energy efficient and low emissions building materials and technologies, design, and construction practices, in line with the highest efficiency standards in Ukraine/the EU. this includes: ● Utilizing materials with high thermal insulation properties, such as insulated concrete forms (ICFs) and structural insulated panels (SIPs).

	thereby building adaptive capacity and ensuring the safety and well-being of students and staff in the face of increasing climate vulnerabilities in Ukraine.	● Implementing green roofs and walls to enhance insulation and reduce heat absorption. ● Installing high-efficiency windows and doors to minimize energy loss. ● Incorporating smart building technologies for energy management, such as automated lighting and climate control systems. ● Utilizing LED lighting and smart lighting controls to reduce energy consumption and improve lighting efficiency. ● Choosing paints, coatings, and adhesives with low or no volatile organic compounds to improve indoor air quality and reduce environmental impact. ● Designing for natural ventilation through strategically placed operable windows and vents. Renewable energy sources will also be incorporated to reduce dependence on fossil fuel-based energy sources.
DLI 3. Updated allocation criteria for the school bus subvention to the regions	Through an improved allocation criteria of the buses subvention, municipalities that are more vulnerable to the impacts of climate change, such as those experiencing frequent extreme weather events, can be prioritized to ensure that students have reliable and safe transportation to and from school. By providing school buses, these municipalities can maintain educational continuity during climate-related disruptions. Furthermore, improved regulations can be part of the adaptation strategy, with features that allow them to operate in a variety of weather conditions and on different terrains.	An improved selection of municipalities to receive school buses can reduce overall vehicle emissions, decreasing the number of individual car trips required for school commutes. Additionally, the promotion of buses that are powered by clean energy or are more fuel-efficient can contribute to a reduction in greenhouse gas emissions, aligning with the goals of international climate initiatives such as COP27.

DLI 4. Additional students with access to free bus transportation	School buses will provide a means for access to education in communities that might be affected by climate change, such as intense rainstorms resulting in mudslides and flooding, and provide safe transport of students during extreme weather events. Climate-resilient fleet management strategies will ensure that school buses remain operational during extreme weather events and are accessible if climatic changes require adjustments in school schedules. This entails: ● Regular maintenance checks to prepare vehicles for harsh weather conditions, installing all-weather tires, and ensuring adequate fuel supply. ● Integrating GPS tracking systems that help reroute buses quickly in response to sudden weather changes to ensure minimal disruption to school schedules. ● Training drivers on emergency protocols, equipping buses with emergency kits containing essential supplies, and establishing communication networks to keep parents, students, and school staff informed during extreme weather events. These buses will prioritize students most vulnerable to climate impacts, thereby helping build resilience and ensure continued access to education. This includes: ● creating a priority list based on those living in areas more vulnerable to climate impacts ● coordinating with local authorities to identify and support the most at-risk students ● establishing clear communication channels with families, and ensuring these students are picked up and dropped off first during extreme weather events will be crucial.	Transportation using fuel-efficient, modern buses that the highest EU standards on efficiency (EURO5 or EURO6), to reduce GHG emissions associated with traditional fossil fuel-powered vehicles. Limit school communities' exposure to air pollution by reducing the use of traditional, fossil-fuel powered vehicles. Optimized route planning for more efficient use of resources and to contribute to the reduction of overall traffic congestion, emissions, and pollution. Provide school transportation to encourage the take-up of public transportation and reduce the plying of private, single household vehicles and private transportation that generate higher emissions and pollution.

	• providing information and resources to families about coping with climate impacts can further support these vulnerable students.	
DLI 5. Teachers trained to implement the NUS reform	Modules on climate change awareness, climate risk responsiveness, and technical education (including environmental and green skills for the green transition and latest technologies on emissions reduction), will be incorporated into the teacher training curriculum to help students gain an understanding of the causes, impacts, and solutions to climate change. Certification programs will be offered for teachers to develop skills related to climate change awareness and preparation. Professional development on the use of blended learning modalities will help ensure learning continuity and resilience to climate events and shocks, such as flooding and mudslides, especially as they could affect the school calendar. Teacher will be trained on emergency preparedness and response specific to climatic threats to ensure the safety of students during climate-induced emergencies. Training on psychological first aid will help teachers better support students experiencing trauma or anxiety related to climate-induced disasters, such as extreme flooding and related mudslides. Training will be provided for principals and teachers on how to carry out evacuation protocols, such as at the onset of climate change-induced emergencies.	Certification programs will be offered for teachers on the transition to green skills and jobs, including the latest technologies on emissions reductions and green skills needed for the green transition. Teachers will be trained to foster a reduction in emissions and introduce concepts of environmental stewardship and sustainability in classrooms, as well as on using energy-efficient spaces and equipment, on environmental protection, on how to reduce waste, and on conservation of resources.

DLI 6. Students with access to NUS Teaching & Learning Materials	Students will be given access to the contents of the new curriculum, which covers environmental awareness and the basics of climate change, as well as the causes and impacts of climate change, laying the groundwork for understanding and responding to climatic threats, with a specific focus on enhancing awareness of local climate risk exposure. Skills fostered under the new curriculum include problem-solving, adaptability, and resilience to help students to adapt to changing environments and challenges, including those posed by climate change. New textbooks provided as part of the learning materials integrate climate education across various subjects and provide comprehensive information on climate change causes, impacts, and adaptation measures, promoting sustainable practices and enabling disaster preparedness and response.	This DLI supports the provision of textbooks that will include lessons on how to: ● raise student and staff awareness of how to reduce GHG emissions motivate them to take action to reduce emissions ● encourage them to form 'eco-clubs' and develop practical learning solutions through local engagement, with a focus on climate change mitigation and sustainability. The new curriculum incorporates activities designed to encourage conservation efforts, such as recycling projects. NUS support to STEM enhances students' competencies in STEM enabling students to aspire for green jobs in sectors such as sustainable construction, alternative energy, etc. Eco-friendly and locally-sourced materials for textbook printing will be promoted, considering sustainable paper sources, environmentally friendly inks, and printing processes that minimize environmental impact. Longer and sustainable lifecycle management of textbooks will be emphasized, encouraging and guiding textbook reuse, recycling, and responsible disposal.
DLI 7. Support for school network optimization	Reducing the number of schools as part of network optimization can contribute to make educational infrastructure more resilient to the impacts of climate change. Consolidation can lead to the strategic location of schools in areas less vulnerable to extreme weather events, which are becoming more frequent and severe due to climate change. This approach ensures that educational services remain accessible and that school buildings are designed or retrofitted to withstand such events, thereby securing continuity in education amidst the challenges posed by a changing climate. Additionally, the resources saved through consolidation can be redirected towards adaptive measures, such as creating climate-resilient learning environments and integrating adaptive	This DLI aims at increasing the efficiency of the allocation criteria of the education (teacher salaries) subvention to the regions, including measures to reduce the number of small schools and improve the organization of the school network. By consolidating educational resources and infrastructure, the school network optimization leads to a decrease in energy consumption and greenhouse gas emissions from school facilities and transportation. Fewer schools mean less energy required for heating, cooling, and lighting, and fewer school buses on the road, which collectively contribute to a reduction in the education sector's carbon footprint. This consolidation can also drive the investment in and use of more sustainable, resilient buildings and

	strategies into the curriculum, preparing students to live and thrive in a world with a changing climate Utilizing data-based methods for selecting schools and including climate risk considerations, ensures resources are directed where they are most needed. Implementing GIS mapping can help identify vulnerable areas, allowing for more targeted support. Prioritizing vulnerable groups and high-need areas, such as students lacking transportation to school, schools exposed to climate hazards (floods, mudslides, extreme heat, and droughts), and students with disabilities, will ensure equitable access to education. Regularly updating data to reflect changing climate patterns will keep investments resilient, relevant and effective.	transport options, further aligning the education sector with climate change mitigation efforts.

6.6 Annex I.F. Program Action Plan

Action Description	Source	Respon-sibility	Timing		Completion Measurement
Project management unit should maintain requisite environmental and social staffing (1 social/stakeholder engagement specialist and 1 environmental/OHS specialist)	Environmental and Social Systems	MoES	Other	ES staff should be hired 1 month after the Program effectiveness date and maintained throughout Program implementation	Regular ES reporting (quarterly)
Issue a ministerial recommendation in connection to subvention for shelters, annually, to adopt the Environmental and Social Checklist (Annex 1) for all shelter subvention beneficiaries, and ensure it is included in the civil works contracts	Environmental and Social Systems	MoES	Other	3 months after the Program effectiveness date	ES Checklist dissemination evidence
Create a comprehensive capacity building and supervision program in line with scope outlined in Annex 3 of the ESSA.	Environmental and Social Systems	MoES	Other	6 months from the Program effectiveness	Supervision Plan Capacity building and supervision program and regular reporting on its implementation
Develop safety protocols (Emergency Preparedness and Response Plans) for instances of war hazards.	Environmental and Social Systems	MoES	Other	3 months from the Program effectiveness	Report on safety protocols preparation and implementation
Prepare guidance checklist for handling GBV complaints in a confidential, sensitive, survivor- and safety-centered manner consistent with good international practice, including referral protocols to qualified providers and guidance to schools	Environmental and Social Systems	MoES	Other	3 months from Program Effectiveness	Completion of procedures and dissemination of guidance

Action Description	Source	Respon-sibility	Timing		Completion Measurement
Prepare a stakeholder engagement and communication planning document for the program including the grievance mechanism equipped to handle anonymous complaints and SEA/SH complaints	Environmental and Social Systems	MoES	Other	Within one month of Program effectiveness	Plan delivered and report implementation thereafter
Further to the resolution on buses, conduct needs assessment on transporting children with disabilities and issue instructions accordingly on purchasing buses with accessibility for children with limited mobility	Environmental and Social Systems	MoES	Other	1 month from the Program Effectiveness Date	Instructions issued
Confirm targeting criteria for shelter subventions includes socioeconomic factors (e.g. municipal tax capacity)	Environmental and Social Systems	MoES	Other	Prior to issuance of 2025 and 2026 subventions respectively	To be integrated into 2025 and 2026 subvention
Establish a gender function /unit with staffing to support implementation of the Operational Plan.	Environmental and Social Systems	MoES	Other	6 months after the Program Effectiveness Date	Unit established/staff recruited as per organizational chart (supported under the IPF)
Procurement Plans published regularly with default competitive methods indicated for the Program procurement activities supporting achievement of DLIs	Fiduciary Systems	Impleme nting Institutio ns	Recurrent	Semi-Annually	Program Progress Report including procurement KPIs results
Progress Report should provide list of procurements completed annually by type and amount (indicating % use of competitive methods & direct contracting), participation	Fiduciary Systems	MoES	Recurrent	Semi-Annually	Program Progress Report

Action Description	Source	Respon-sibility	Timing		Completion Measurement
rates, # of complaints & contracts completed. Any procurement training provided.					
Program progress report should confirm that no contracts has been awarded to a suspended or debarred firm	Fiduciary Systems	MoES	Recurrent	Semi-Annually	Semi-annual Program Report
Share information/report on corruption allegations with the Bank immediately when identified and a consolidated bi-annual report describing the details of the reported allegations and actions taken	Other	MoES	Other	Immediately when allegations are reported/received Bi-annually for consolidated report	Receipt of ACG report
Disseminate Bank's anti-corruption guidelines together with updated lists of the debarred and temporarily suspended firms and individuals among implementing institutions	Other	MoES	Recurrent	Continuous	List of institutions receiving information
Conduct annual meetings with the anticorruption officers of the implementing institutions to discuss dissemination and compliance with the Bank's anti-corruption rules and procedures	Other	MoES	Recurrent	Yearly	Meeting held with appropriate attendance among implementing institutions

7 Part II. Reporting

7.1 Annex II.A. Consolidated list of the Operation progress reports

No	Report	Description	Frequency	Type	Submission after rep.period	Recipient	Sender
Progress reports							
1	Program Progress Report	Progress against DLI/DLRs	Semi-annual	Program	45 days	Bank, MoF	MoES
2	Results Frameworks Progress Report	Progress in Framework indicators, ESF, Procurement, GRM, Financial	Semi-annual	Program	45 days	Bank, MoF	MoES
3	Project Progress Report	Report on the Project action plan implementation progress	Semi-annual	Project	30 days	MFA	MoES
4	Project Progress Report	Report on the Project action plan implementation progress according to Res.70	Quarterly	Project	15 days	MoF	MoES
5	Project Monitoring Report	Report on the Project monitoring according to Res. 153	Semi-annual	Project	10 days	MoES	MoES
6	Program Progress Report	Progress against DLI/DLRs	Semi-annual	Program	15 days	MoF	MoES
7	Results Frameworks Progress Report	Progress in Framework indicators, ESF, Procurement, GRM, Financial	Semi-annual	Program	15 days	MoF	MoES
Procurement and ACG - related reports							

No	Report	Description	Frequency	Type	Submission after rep.period	Recipient	Sender
8	Immediate accident report	Information on breach of the ACG	Immediate	Operation	1 day	Bank	MoES
9	ACG report	Information on any credible and material allegations and other indications of fraud and corruption, any investigations launched into such allegations, their progress and findings; and any remedial or corrective actions taken or planned in response	Semi-annual	Program	30 days	Bank	MoES
Financial reports							
10	Unaudited Financial Report	(i) Statement of sources and uses of funds, and (ii) DA reconciliation statements; and iii) Statement of commitments	Annualy	Project	4 months	Bank, MoF	MoES
11	The Report on the Results of the Project's Financial Audit	The Financial Audit Report conducted according to the terms of reference approved by the Bank	Annually	Project	9 months	Bank	Accounting chamber or Private auditor
12	The Report on the Results of the Program's Financial Audit	The Financial Audit Report conducted according to the terms of reference approved by the Bank	Annually	Program	9 months	Bank	Accounting chamber or Private auditor
13	Program Financial Report	The Report on the Use of Funds for the relevant budget programs that provide the expenditures	Annually	Program	45 days	Bank, MoF	MoES

No	Report	Description	Frequency	Type	Submission after rep.period	Recipient	Sender
		necessary for the implementation of the Program (DLI/DLR)					
Environmental and social							
14	Annual Environmental and Social Monitoring Reports (Part of the Overall Progress reports - II. Implementation results and frameworks)	Cover monitoring of environmental, social, health, and safety parameters, including ESMP implementation; include information on stakeholder engagement activities and grievance mechanism functioning; include all reports and lists compiled during the year.	Annual	Operation	3 months	Bank	MoES
15	Quarterly Progress Reports	Detail progress of E&S measures, including incidents or non-compliance issues and actions taken; update on ongoing training and capacity-building activities for E&S management.	Quarterly	Operation	1 months	Bank	MoES
16	Immediate Incident Reports	MoES must report significant environmental or social incidents (e.g., accidents, natural disasters, SEA, or SH) to the World Bank.	Immediate	Operation	Initial: 48 hours Detailed: 7 wdays	Bank	MoES
17	Environmental and Social Audit Reports	Assess compliance with E&S requirements and effectiveness of ESMP; provide	Semi-annual	Operation	3 months	Bank	MoES

No	Report	Description	Frequency	Type	Submission after rep.period	Recipient	Sender
	(Results Frameworks Progress Report)	recommendations for corrective actions or improvements and E&S indicators of contractors and subcontractors.					
18	Grievance Redress Mechanism Reports (Part of the Results Frameworks Progress Report)	Regular updates on grievance mechanism functioning, including number and types of grievances; analysis of grievance trends and measures taken to address systemic issues.	Semi-annual	Operation	3 months	Bank	MoES
19	Environmental and Social Impact Assessment (ESIA) Reports	For sub-projects with significant environmental or social impacts; include mitigation measures and monitoring plans specific to sub-projects.	As required	Operation	As required	Bank	MoES
20	Resettlement Action Plans (RAPs)	For project activities involving land acquisition or displacement; detail compensation and resettlement measures; report progress on RAP implementation.	As required	Operation	As required	Bank	MoES
21	Compliance Reports on Legal and Regulatory Requirements	Document compliance with Ukrainian budget, procurement, environmental and social regulations and World Bank requirements; include updates on changes in national legislation affecting the Operation.	As required	Operation	Within two (2) weeks after substantial changes	Bank	MoES

8 Part III. Fiduciary

8.1 Annex III.A. List of the anti-corruption agencies

- National Anti-Corruption Bureau of Ukraine (NABU)
- National Agency on Corruption Prevention (NACP)

8.2 Annex III.B. Procedure for Forming the Statement of Expenditures (SOE) and Interim Financial Reports (IFR)

Reporting to the World Bank is compiled using the cash method.

The main document that partially forms the interim financial reporting (IFR) is the statement of expenditures (SOE) (hereinafter referred to as the Expenditure Report). The construction of the Expenditure Report is based on primary accounting documents and account statements.

The Expenditure Report reflects the spending of funds from the hryvnia registration account of the Ministry of Education and Science opened at the State Treasury Service of Ukraine (DTSU).

In column 8 of the Expenditure Report "Currency and Amount Paid from the Special Account (if applicable)", the amount in the loan currency, i.e., in USD, is shown. In column 9 of the Expenditure Report "Exchange Rate", the NBU rate on the date of currency sale from the Grant's Designated Account, a foreign currency account opened in the name of the State Treasury of Ukraine at JSC "State Export-Import Bank of Ukraine" for financing the Project expenditures.

When displaying the payment amount in the loan currency USD in the Expenditure Report, the expenditure of currency is determined by the FIFO (First In, First Out) method.

The rate for displaying payments in the currency equivalent is applied until the full expenditure of the hryvnia mass received from the sale of currency on the hryvnia registration account of the Ministry of Education and Science opened at DTSU for financing the Project's expenses. In the case when the funds credited from the sale of currency in the hryvnia account are spent, the NBU exchange rate on the date of the next receipt of hryvnia from the sale of currency is applied. If the complete expenditure of funds falls on a payment, while the funds from the sale of currency for it are insufficient, the currency value of such a payment is distributed at two rates: the previous rate until complete write-off and the subsequent rate upon crediting of hryvnia.

All transactions in the Expenditure Report are built in the same chronological order as in bank statements.

The application number of the Expenditure Report (SOE) must be equal to the number assigned by the World Bank's "Client Connection" system.

In item 8 of the Information that confirms the proper maintenance of the special account (SPECIAL ACCOUNT RECONCILIATION STATEMENT), the determined discrepancy in USD. must coincide with the balance of funds on the hryvnia registration account of the Ministry of Education and Science, opened at DTSU for financing the Project's expenses at the NBU rate on the date of the last receipt of hryvnia from the sale of currency from the account of JSC "Ukreximbank".

The interim financial reporting (IFR) should include the use of funds from column 8 of the Expenditure Report "Currency and Amount Paid from the Special Account (if applicable)" for the respective quarter and the cumulative total from the beginning of the Project's funds expenditure.