



Japan International Cooperation Agency



Date: June 16, 2021

JOINT PUBLIC STATEMENT

Subject: On status of Bortnychi Sewage Treatment Plant Modernization Project (UKR-P2)

Japan International Cooperation Agency (hereinafter referred to as JICA) and PrJSC "Kyivvodokanal" (hereinafter referred to as KVK) continue their efficient cooperation for the implementation of Bortnychi Sewage Treatment Plant Modernization Project, one of the major infrastructure Projects in Ukraine.

On April 23, 2021 KVK completed the technical and financial evaluation of the bid that was received on February 26, 2021. On June 15, 2021 JICA has issued its official concurrence, after consultation with relevant higher authorities in Japan, that notify no objection to the evaluation process done by KVK and also the proposal for next step, negotiation with the bidder.

In order to clarify and share the actual progress of the Project, the JICA and KVK emphasize on the following:

- The project lengthy duration mainly caused by serious epidemic of COVID-19, which heavily hindered regular business activities and it caused various difficulties to proceed the bidding process in ordinary format. No "business as usual" exists.
- Regarding JICA's review and concurrence process for each procurement step, it is necessary to secure the transparency and fairness of the procurement, especially in case of large-scale infrastructure project, in accordance with the Loan Agreement and JICA's procurement guidelines;
- As of today, June 15, 2021 JICA has issued concurrence letter to KVK and authorized KVK's next step - negotiation with the bidder;
- Project remains on track and moving forward. Both parties – the creditor (JICA) and the executing agency (KVK) - are committed to the full and efficient implementation of the Project;
- Upon completion of the negotiation with the bidder KVK will notify on its next steps regarding the planning of actual works.

Regardless this difficult time related to COVID-19 spread all over the world and its substantial impact on business activities, all parties make every effort to accelerate the implementation of the Project.

Sincerely yours,

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on capital Construction and Investment –
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Project information (annex)

Type of financing: Japanese ODA loan under STEP (Special Terms for Economic Partnership) scheme

Eligible country: the General Contractor must be represented by a company from Japan, the subcontracting companies must be represented by companies from any country.

Rule for country of origin: The total cost of goods and services procured from Japan must not be less than 30% of the total amount of the contract(s) (except for consulting services).

Procurement method: Bidding shall be executed by International Competitive Bidding (ICB) and the construction contract shall be formed in a single contract.

Component 1: Technical re-equipment of Block 2 and 3 facilities for ensuring regulatory treatment of the total volume of sewage water for the period of construction of the new Block 1 with arrangement of a system for deodorization of air from Blocks' facilities.

Component 2: Construction of the section of mechanical dewatering of sewage sludge.

Component 3: Construction of technological line of sewage sludge disposal

Component 4: Construction of new Block 1 of the station.