

Kyiv, February 27, 2025

Excellency,

I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and of the Government of Ukraine (hereinafter referred to as "the Recipient") concerning Japanese economic cooperation to be extended with a view to promoting the economic and social development of Ukraine, and to propose on behalf of the Government of Japan the following understanding to be agreed in accordance with and governed by the Agreement on Technical Cooperation and Grant Assistance between the Government of Japan and the Government of Ukraine signed at Tokyo on June 10, 2004, including provisions related to exemptions from taxes and customs duties:

1. (1) For the purpose of contributing to the implementation of the Programme for Emergency Recovery (Phase 4) (hereinafter referred to as "the Programme") by the Recipient, the Government of Japan has decided that a grant of eight billion eight hundred million Japanese Yen (¥8,800,000,000) (hereinafter referred to as "the Grant") will be extended to the Recipient, subject to the relevant laws and regulations and budgetary appropriations of Japan.

(2) The Grant will be made available by concluding a grant agreement between the Recipient or its designated authority and the Japan International Cooperation Agency (JICA) (hereinafter referred to as "the G/A").

(3) The terms and conditions of the Grant and its accrued interest as well as the procedures for their utilization will be governed by the G/A within the scope of the present understanding.

His Excellency
Mr. Oleksii KULEBA
Deputy Prime Minister for Restoration of Ukraine -
Minister for Development of Communities
and Territories of Ukraine

2. The Grant will be available during such period as may be specified in the G/A, provided that the period will be between the date of entry into force of the G/A and February 29, 2028. The period may be extended by mutual consent between the authorities concerned of the two Governments.

3. The Grant and its accrued interest shall be used by the Recipient properly and exclusively for the purchase of such products and/or services necessary for the implementation of the Programme (hereinafter respectively referred to as the "Products" and the "Services") as well as for such fees necessary for the implementation of the Programme as may be specified in the G/A.

4. (1) For the purchase of the Products and/or the Services, the Recipient or its designated authority shall, with the approval of JICA, conclude employment contracts with independent and competent agents (hereinafter referred to as "the Agents") for it to act on behalf of the Recipient in accordance with the provisions of the G/A and/or enter into contracts in Japanese Yen with Japanese nationals (The term "Japanese nationals" in the present understanding means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons and registered in Japan.).

(2) The employment contracts with the Agents referred to in sub-paragraph (1) above will be approved by JICA in a written form to be eligible for the Grant and its accrued interest.

(3) The contracts in Japanese Yen with Japanese nationals referred to in sub-paragraph (1) above will be verified by JICA to be eligible for the Grant and its accrued interest.

5. The Grant will be executed by JICA, in accordance with the provisions of the G/A, by making payments in Japanese Yen to an account to be opened in the name of the Recipient at a bank in Japan designated by the Recipient or its designated authority.

6. (1) The Recipient shall take necessary measures:

(a) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the purchase of the Products and/or the Services are exempted;

(b) to give due environmental and social consideration in the implementation of the Programme;

(c) to ensure that the Products and/or the Services are maintained and used properly and effectively for the implementation of the Programme, and are not used for military purposes;

(d) to secure lots of land necessary for the implementation of the Programme and to clear the sites;

(e) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Programme outside the sites referred to in (d) above;

(f) to ensure prompt unloading, customs clearance and internal transportation in the country of the Recipient of the Products;

(g) to refund, after the completion of the Programme, the remaining amount of the Grant and its accrued interest to JICA subject to the conditions provided for in the G/A;

(h) to accord the Japanese physical persons and/or physical persons of third countries whose services may be required in connection with the supply of the Products and/or the Services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work;

(i) to ensure the safety of persons engaged in the implementation of the Programme in the country of the Recipient; and

(j) to bear all the expenses, other than those covered by the Grant and its accrued interest, necessary for the implementation of the Programme.

(2) In case the employment contracts with the Agents referred to in sub-paragraph (1) of paragraph 4 are concluded, the Recipient shall, in addition to the provisions of sub-paragraph (1) above, take necessary measures:

(a) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the employment of the Agents are exempted;

(b) to accord the Japanese physical persons and/or physical persons of third countries who are employed by the Agents, and whose services may be required in connection with the supply of the Products and/or the Services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work; and

(c) to present, through the Agents, to JICA a report prepared in a written form acceptable to JICA on the transactions on the account referred to in paragraph 5 subject to the conditions provided for in the G/A.

(3) Upon request, the Recipient shall provide the Government of Japan with necessary information on the Programme.

(4) With regard to the shipping and marine insurance of the Products, the Recipient shall refrain from imposing any restrictions that may hinder fair and free competition among the shipping and marine insurance companies.

(5) The Products and/or the Services shall not be exported or re-exported from the country of the Recipient.

7. The two Governments shall consult with each other in respect of any matter that may arise from or in connection with the present understanding.

I have further the honour to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Recipient the foregoing understanding shall constitute an agreement between the two Governments, which shall enter into force on the date of Your Excellency's Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration.



Masashi NAKAGOME
Ambassador Extraordinary and
Plenipotentiary of Japan
to Ukraine

Kyiv, February 27, 2025

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

"I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and of the Government of Ukraine (hereinafter referred to as "the Recipient") concerning Japanese economic cooperation to be extended with a view to promoting the economic and social development of Ukraine, and to propose on behalf of the Government of Japan the following understanding to be agreed in accordance with and governed by the Agreement on Technical Cooperation and Grant Assistance between the Government of Japan and the Government of Ukraine signed at Tokyo on June 10, 2004, including provisions related to exemptions from taxes and customs duties:

1. (1) For the purpose of contributing to the implementation of the Programme for Emergency Recovery (Phase 4) (hereinafter referred to as "the Programme") by the Recipient, the Government of Japan has decided that a grant of eight billion eight hundred million Japanese Yen (¥8,800,000,000) (hereinafter referred to as "the Grant") will be extended to the Recipient, subject to the relevant laws and regulations and budgetary appropriations of Japan.

(2) The Grant will be made available by concluding a grant agreement between the Recipient or its designated authority and the Japan International Cooperation Agency (JICA) (hereinafter referred to as "the G/A").

(3) The terms and conditions of the Grant and its accrued interest as well as the procedures for their utilization will be governed by the G/A within the scope of the present understanding.

His Excellency
Mr. Masashi NAKAGOME
Ambassador Extraordinary and
Plenipotentiary of Japan to Ukraine

2. The Grant will be available during such period as may be specified in the G/A, provided that the period will be between the date of entry into force of the G/A and February 29, 2028. The period may be extended by mutual consent between the authorities concerned of the two Governments.

3. The Grant and its accrued interest shall be used by the Recipient properly and exclusively for the purchase of such products and/or services necessary for the implementation of the Programme (hereinafter respectively referred to as the "Products" and the "Services") as well as for such fees necessary for the implementation of the Programme as may be specified in the G/A.

4. (1) For the purchase of the Products and/or the Services, the Recipient or its designated authority shall, with the approval of JICA, conclude employment contracts with independent and competent agents (hereinafter referred to as "the Agents") for it to act on behalf of the Recipient in accordance with the provisions of the G/A and/or enter into contracts in Japanese Yen with Japanese nationals (The term "Japanese nationals" in the present understanding means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons and registered in Japan.).

(2) The employment contracts with the Agents referred to in sub-paragraph (1) above will be approved by JICA in a written form to be eligible for the Grant and its accrued interest.

(3) The contracts in Japanese Yen with Japanese nationals referred to in sub-paragraph (1) above will be verified by JICA to be eligible for the Grant and its accrued interest.

5. The Grant will be executed by JICA, in accordance with the provisions of the G/A, by making payments in Japanese Yen to an account to be opened in the name of the Recipient at a bank in Japan designated by the Recipient or its designated authority.

6. (1) The Recipient shall take necessary measures:

(a) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the purchase of the Products and/or the Services are exempted;

(b) to give due environmental and social consideration in the implementation of the Programme;

(c) to ensure that the Products and/or the Services are maintained and used properly and effectively for the implementation of the Programme, and are not used for military purposes;

(d) to secure lots of land necessary for the implementation of the Programme and to clear the sites;

(e) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Programme outside the sites referred to in (d) above;

(f) to ensure prompt unloading, customs clearance and internal transportation in the country of the Recipient of the Products;

(g) to refund, after the completion of the Programme, the remaining amount of the Grant and its accrued interest to JICA subject to the conditions provided for in the G/A;

(h) to accord the Japanese physical persons and/or physical persons of third countries whose services may be required in connection with the supply of the Products and/or the Services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work;

(i) to ensure the safety of persons engaged in the implementation of the Programme in the country of the Recipient; and

(j) to bear all the expenses, other than those covered by the Grant and its accrued interest, necessary for the implementation of the Programme.

(2) In case the employment contracts with the Agents referred to in sub-paragraph (1) of paragraph 4 are concluded, the Recipient shall, in addition to the provisions of sub-paragraph (1) above, take necessary measures:

(a) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the employment of the Agents are exempted;

(b) to accord the Japanese physical persons and/or physical persons of third countries who are employed by the Agents, and whose services may be required in connection with the supply of the Products and/or the Services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work; and

(c) to present, through the Agents, to JICA a report prepared in a written form acceptable to JICA on the transactions on the account referred to in paragraph 5 subject to the conditions provided for in the G/A.

(3) Upon request, the Recipient shall provide the Government of Japan with necessary information on the Programme.

(4) With regard to the shipping and marine insurance of the Products, the Recipient shall refrain from imposing any restrictions that may hinder fair and free competition among the shipping and marine insurance companies.

(5) The Products and/or the Services shall not be exported or re-exported from the country of the Recipient.

7. The two Governments shall consult with each other in respect of any matter that may arise from or in connection with the present understanding.

I have further the honour to propose that this Note and Your Excellency's Note in reply confirming on behalf of the Recipient the foregoing understanding shall constitute an agreement between the two Governments, which shall enter into force on the date of Your Excellency's Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration."

I have further the honour to confirm on behalf of the Government of Ukraine the foregoing understanding and to agree that Your Excellency's Note and this Note in reply shall constitute an agreement between the two Governments, which shall enter into force on the date of this Note in reply.

I avail myself of this opportunity to extend to Your Excellency the assurance of my highest consideration.

O. K.

Oleksii KULEBA
Deputy Prime Minister
for Restoration of Ukraine -
Minister for Development of Communities
and Territories of Ukraine

Agreed Minutes on Procedural Details

With reference to the Exchange of Notes between the Government of Ukraine (hereinafter referred to as "the Recipient") and the Government of Japan dated February 27, 2025, concerning Japanese economic cooperation to be extended with a view to promoting the economic and social development of Ukraine (hereinafter referred to as "the Exchange of Notes"), the representatives of the Recipient and of the Government of Japan wish to record the following procedural details, as agreed upon between the authorities concerned of the two Governments:

In case the Recipient or its designated authority concludes employment contracts in accordance with sub-paragraph (1) of paragraph 4 of the Exchange of Notes, such contracts shall be concluded, in principle within one year after the date of entry into force of the grant agreement referred to in sub-paragraph (2) of paragraph 1 of the Exchange of Notes, between the Recipient or its designated authority and the agents which are the independent and competent agents referred to in the sub-paragraph (1) of paragraph 4 of the Exchange of Notes.

Kyiv, February 27, 2025

Oleksii KULEBA
Deputy Prime Minister for
Restoration of Ukraine -
Minister for Development
of Communities and
Territories of Ukraine

Masashi NAKAGOME
Ambassador Extraordinary
and Plenipotentiary of
Japan to Ukraine

Record of Discussions

With reference to the Exchange of Notes between the Government of Ukraine (hereinafter referred to as the "Recipient") and the Government of Japan dated February 27, 2025, concerning Japanese economic cooperation to be extended with a view to promoting the economic and social development of Ukraine (hereinafter referred to as "the Exchange of Notes"), the representatives of the Ukrainian Delegation and of the Japanese Delegation wish to record the following:

1. With regard to paragraph 3 of the Exchange of Notes, the representative of the Japanese Delegation stated that the Government of Japan understands that the Recipient will take necessary measures to prevent any offer, gift or payment, consideration or benefit which would be construed as a corrupt practice in the country of the Recipient from being made as an inducement to or reward for the award of the contracts that the independent and competent agents referred to in sub-paragraph (1) of paragraph 4 of the Exchange of Notes will enter into for the purchase of the Products and/or the Services referred to in paragraph 3 of the Exchange of Notes, and/or for the award of the contracts that the Recipient or its designated authority will enter into with Japanese nationals in accordance with sub-paragraph (1) of paragraph 4 of the Exchange of Notes.

2. With regard to sub-paragraph (3) of paragraph 6 of the Exchange of Notes, the representative of the Japanese Delegation stated that the Government of Japan understands that:

(a) necessary information includes information on corrupt practice related to the Programme for Emergency Recovery (Phase 4) referred to in sub-paragraph (1) of paragraph 1 of the Exchange of Notes; and

(b) the Recipient will ensure fair treatment of sources of such information.

3. The representative of the Ukrainian Delegation stated that the Ukrainian Delegation has no objection to the statement by the representative of the Japanese Delegation referred to above.

Kyiv, February 27, 2025



Oleksii KULEBA
Deputy Prime Minister for
Restoration of Ukraine -
Minister for Development
of Communities and
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Masashi NAKAGOME
Ambassador Extraordinary
and Plenipotentiary of
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