

UNDP/CD/2015/67

18 December 2015

Your Excellency,

The United Nations Development Programme (UNDP) in Ukraine presents its compliments to the Embassy of Japan in Ukraine and has an honor to share with you the Progress Report of the "Economic and Social Recovery of Donbas Region" Project, which is under implementation by UNDP thanks to the generous contribution of the people of Japan. The report is attached for your consideration.

We would like to ensure you that achieved results are noticeable and activities of the Project aimed at enhancing the opportunities for employment and entrepreneurship and strengthening local authorities' capacity for creating enabling environments for business have demonstrated significant success. However, a few factors caused delays in the tendering and implementation of construction works. As the key ones, we would like to mention limited interest of construction companies to work in the conflict-affected target areas and seasonal factors.

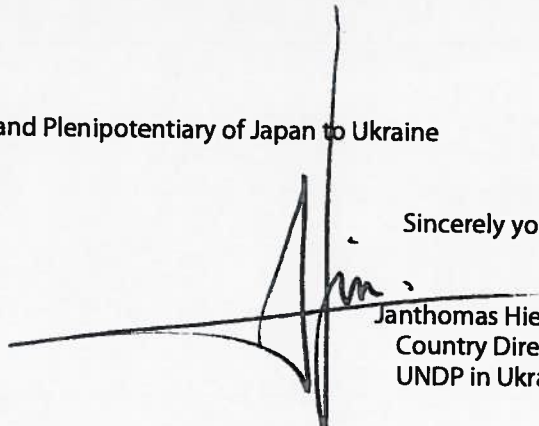
Taking into account the above elaborated, we would like to request a no-cost extension for this Project for a period of six month. We also supplement this request with a matrix describing uncontrollable issues that influenced on the implementation.

The contact person for this issue is Mr. Kunal Dhar, Recovery and Stabilization Advisor (+38 044 253-93-63, ext. 136; kunal.dhar@undp.org).

We avail ourselves to the opportunity to extend to you the assurances of our highest considerations.

His Excellency
Mr. Shigeki Sumi
Ambassador Extraordinary and Plenipotentiary of Japan to Ukraine

Sincerely yours,



Janthomas Hiemstra
Country Director
UNDP in Ukraine

Enclosures:

- 1) Request & Justification For No-Cost Extension
- 2) Project Progress Report;
- 3) Progress in rehabilitation of the economic infrastructure (presentation);
- 4) Provisional financial report.