

Ministers, colleagues, dear Ukrainian and international friends.

First of all, I wish to thank UNDP and the Congress of Local and Regional Authorities for inviting me to address you this morning.

I have been Denmark's ambassador since 2020. During the full scale Russian attack I have seen with own eyes the crucial role that local and regional authorities have played as the backbone of local and regional governance under wartime condition.

Local and regional authorities have ensured the survival and functioning of local communities during the Russian aggression under very difficult conditions.

I wish to take this opportunity to thank the mayors and governors present here this morning for your sterling work.

Please convey my warmest thanks to your staff in your communities, municipal workers, nurses, teachers and fire fighters and many others for their hard work to ensure the safety and wellbeing of your citizens during the Russian aggression.

The role of local and regional authorities during the full scale Russian attack is one of Ukraine's success stories. However, it did not happen by itself.

One of the reasons is the visionary decentralization process that took place in 2029, that created bigger communities with their own fiscal powers. Denmark is proud to have supported this through the Local Empowerment, Accountability and Development Program - in short U-LEAD with Europe – a partnership of the Ukrainian government and the European Union and its member states Germany, Poland, Denmark and Slovenia

The experience since the full scale Russian attack has shown that effective, transparent and accountable governance has indeed been achieved. I can say that based on personal experience. Because since April 2022 I have been working closely with the regional and local authorities of the city and the Oblast of Mykolaiv.

As many of you will know, Denmark assumed the patronage for the rebuilding and reconstruction of the city and the oblast of Mykolaiv back in April 2022.

This patronage was suggested by president Zelensky when he spoke on line to the Danish parliament on the 29. March 2022 at one of the darkest moments of the Russian full scale aggression.

In the beginning reactions were mixed. There were voices saying that a regional approach would be risky and that it would be better to support reconstruction nationwide through multilateral institutions.

There were also worries about the risks operating so close to the front line. At that time Mykolaiv was a frontline city under daily shelling.

Last but not least there were worries about corruption. By assuming the patronage of the reconstruction process we would be directly exposed to the risk of corruption. It would be less risky to give the money to multinational institutions and let them assume the risk.

However, when our Prime Minister came to Kyiv in April 2022 a few weeks after president Zelensky's speech to our parliament, and the partnership was sealed.

Work started immediately last summer focusing on winterization of the city and establishment of emergency water supply as the Russians had cut off the water supply from neighboring Kherson Oblast.

It went well thanks to a seamless cooperation with the local, regional and national authorities and Danish and international humanitarian organizations.

We have now moved on to the next phase, focusing on rebuilding social and physical infrastructure and not least restarting economic life by assisting private enterprises getting back in business. That is a big wish in Mykolaiv. It is an enterprising city and region and they prefer to earn their own money.

It turned out to be difficult because no lenders – Ukrainian or international – would lend money to local businesses because of the proximity to the frontline. Denmark had to create a special facility in the Danish Ukraine fund that can issue export credits and loans to enterprises close to the frontline. It has worked well and we have helped a major company in the food and agricultural sector to get back in business. More than 1000 jobs are back. People are getting a salary and they start paying taxes, thus supporting the local economy.

So all in all, the partnership is working well. So far we have committed about 75 million Euro to Mykolaiv. About 60 percent of our civilian reconstruction assistance. And let me underline: we are supporting reconstruction and recovery nationwide, not only in Mykolaiv.

But what about corruption? We are acutely aware that this is a real risk and that it would have devastating consequences for public support in Denmark if there would be corruption cases in Mykolaiv. So we have taken a number of measures to mitigate the risk.

First of all, all procurement is done through international competitive bidding.

Secondly early on in the process Mykolaiv became one the integrity cities supported by EUACI. This involves the application of anti-corruption tools aimed at increased transparency and accountability of the local administration.

Thirdly, to ensure transparency we have established a joint Ukrainian-Danish steering committee with deputy PM Kubrakov and the Danish minister for development cooperation as co-chairs. The mayor, the governor and the head of the regional council are members of the steering committee which approves the projects and that ensures that every are on the same page and the national priorities are reflected.

Fourthly, we have established an embassy office in Mykolaiv to ensure oversight and good contact to the local and regional stakeholders.

So all in all the Denmark-Mykolaiv partnership has been a success. This is also what president Zelensky said when he visited Mykolaiv last Wednesday. The president also expressed the hope that other partnerships like the Denmark-Mykolaiv partnership would be established.

The partnership has demonstrated that you don't need to wait for peace and a big reconstruction plan before reconstruction and recovery can start – even in a frontline city like Mykolaiv.

Danes are proud to be the partners of the City of Heroes and we are happy to share our experience.