

EUROPEAN UNION

DELEGATION OF THE EUROPEAN COMMISSION TO UKRAINE

Community Based Approach to Local Development Project Phase III

Description of the Action

Name of implementer:	The United Nations Development Programme in Ukraine
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LIST OF ABBREVIATIONS

ACMB	Association of co-owners of multi-apartment buildings
ASC	Agricultural Service Cooperative
CBA	Community Based Approach To Local Development Project
CC	City Council
CDP	Community Development Plan
CIDP	Crimea Integration and Development Programme
CO	Community Organisation
CO-MT	Community Organisation Management Team
CRC	Community Resource Centre
CRDP	Chernobyl Recovery and Development Programme
EC	European Commission
EU	European Union
HA	Housing Association (same as ACMB)
HHs	Households
IFI	International Financial Institution
LDF	Local Development Forum
MDF	Municipal Development Forum
MGSDP	Municipal Governance And Sustainable Development Programme
MSU	Municipal Support Unit
OC	Oblast Council
OCC	Oblast Coordination Council
OIU	Oblast Implementation Unit (same as RIU)
RIU	Regional Implementation Unit (same as OIU)
OSA	Oblast State Administration
PMU	Project Management Unit
RC	Rayon Council
RDF	Regional Development Fund
RSA	Rayon State Administration
UADRC	Ukrainian Association of District and Regional Council
VC	Village Council

THE ACTION

DESCRIPTION

Title

COMMUNITY BASED APPROACH TO LOCAL DEVELOPMENT (CBA) Phase III

Location(s)

Ukraine countrywide (24 Regions and Autonomous Republic of Crimea)

Cost of the action and amount requested from the Contracting Authority

Total eligible cost of the action	Amount requested from the Contracting Authority	% of total eligible cost for action
23,725,000EUR	23,000,000 EUR	97.0%

Summary

Total duration of the action	48 months
Objectives of the action	<p><u>Overall objective:</u> To promote sustainable socio-economic development at local level by strengthening participatory governance and encouraging community-based initiatives throughout Ukraine</p> <p><u>Specific objectives:</u></p> <p>1) To promote community based approach to local governance and sustainable development by:</p> <ul style="list-style-type: none"> - strengthening the capacity of local communities, local authorities and universities in applying community led development; - integrating participatory mechanisms for local planning and public service delivery into the day-to-day practices of local governments; - supporting community-based initiatives for sustainable rehabilitation, management and operation of basic social and communal infrastructure; - promoting small farm and non-farm business development in rural areas; <p>(2) To enhance energy efficiency at local level by:</p> <ul style="list-style-type: none"> - building capacity of local communities and local authorities in energy planning and efficient energy use; - supporting innovative community initiatives in efficient energy use; <p>and</p> <ul style="list-style-type: none"> - raising public awareness on energy efficiency based on grassroots level best practices <p>(3) To support the creation of the locally owned and managed repository and network of good practices and knowledge on community mobilization and participatory governance by:</p> <ul style="list-style-type: none"> - documenting and codifying lessons learnt and institutional arrangements established during the CBA implementation - advocating for necessary policy changes towards decentralization and local democracy;

	<p>- establishing a network of knowledge hubs for the creation, analysis, and sharing of innovative approaches to community based development</p> <p>- supporting academia and other educational institutions in curriculum and capacity development for promoting community based approaches to local governance and development</p>
Partner(s)	<p>At local level - community organizations, village councils, city councils.</p> <p>At rayon level - rayon councils and rayon state administrations.</p> <p>At regional level - regional authorities (regional state administrations and regional councils), Autonomous Republic of Crimea Council of Ministers and regional universities.</p> <p>At national level :</p> <ul style="list-style-type: none"> • Administration of the President of Ukraine (APU) • Ministry of Economic Development and Trade, Secretariat of Cabinet of Ministers, relevant ministries (Ministry of Regional Development, Construction and Housing Economy, Ministry of Health, Ministry of Agrarian Policy and Food of Ukraine) • Parliamentary Committee on State Building and Local Self-Governance • Foundation for Local Self-Governance of Ukraine under the President of Ukraine • Ukrainian Association of Local and Regional Authorities of Ukraine, Association of Cities of Ukraine, Association of Small Towns of Ukraine, Association of Village and Settlement Councils
Target group(s) ¹	The direct target group will comprise of 1000 community organizations, 300 ACMBs, 1000 village councils, up to 15 city councils, 200 rayon councils/administrations, 25 regional councils/administrations, and 10 regional universities/training institutions
Final beneficiaries ²	Citizens of at least 1330 communities, local authorities in 200 rayons, up to 15 cities, 25 regions and the Government of Ukraine
Estimated results	<ul style="list-style-type: none"> • 1000 community organizations, 300 ACMBs, 200 Local Development Forums, up to 15 Municipal Support Units and 25 Regional Coordination Councils created/strengthened to ensure appropriate platform for collective actions and joint decision-making at local level • The capacity of 200 community resource centres and 10 municipal resource centres in community-based development strengthened • The curriculum on community led development including the community-based development principles and methodology adopted by at least twenty regional universities/training centres • At least 6,000 rural community members and 2,000 elected/state authorities gained knowledge on how to cooperate with community organisations and local authorities.

¹ “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level.

² “Final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.

	<ul style="list-style-type: none"> • At least 300 officials of ACMBs and 100 executive/elected officials of city councils gained knowledge and skills on institutional management, participatory planning, undertaking of community projects in a sustainable way • At least 800 rural community micro-projects implemented to improve the delivery of basic communal services and to support economic development in rural areas including at least 300 micro-projects on energy saving/renewable sources of energy supported to reduce energy loss and diversify energy sources. • At least 36 multi-functional non-profit agricultural service cooperatives will be developed • At least 300 municipal projects implemented to improve living conditions of urban communities • At least 15 innovative municipal governance practices and tools are introduced to provide information, deliver better public services and foster people's participation • At least 10,000 members of community organizations trained on energy efficiency to ensure increased public awareness at local level on energy saving options • At least 14,000 members of ACMBs trained on how to practically make use of community mobilization approach to improve living conditions in condominia • Support to the formulation and implementation of the decentralization reform provided • Knowledge management hub is functioning and serving as a platform for experience exchange
Main activities	<ol style="list-style-type: none"> 1. Launch of CBA Phase III Project. 2. Establishment of partnerships at local level. 3. Formation of local support structures: community organisations/ ACMBs, local development forums, municipal development forums, regional coordination councils, community resource centres and municipal support units. 4. Implementation of community led micro-projects. 5. Promotion of energy efficiency through innovative technology and renewable energy sources. 6. Promotion of farm and non-farm micro and small business development. 7. Improvement of urban housing through optimal technical solution. 8. Introduction of innovative models and new technologies for municipal governance. 9. Operationalization of knowledge management hub. 10. Building capacities of local stakeholders (community members, civil servants and elected authorities) in community based local development. 11. Providing policy support to the legislative and executive branches (APU, Cabinet of Ministers and Parliamentary Committee on State Building and Local Self-Governance, Ministry of Regional Development, Construction and Housing Economy) and

	<p>supporting advocacy efforts of collective actors (Ukrainian Association of Local and Regional Authorities of Ukraine, Association of Cities of Ukraine, Association of Small Towns of Ukraine, Association of Village and Settlement Councils) to advance the reform agenda in the area of decentralization and local democracy</p> <p>12. Conducting information campaign and raising public awareness.</p> <p>13. Evaluation of the Project implementation.</p>
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Objectives

Overall objective

The overall objective of the project is to promote sustainable socio-economic development at local level by strengthening participatory governance and encouraging community-based initiatives throughout Ukraine.

Specific objectives:

1. To promote community based approach to local governance and sustainable development by:
 - strengthening the capacity of local communities, local authorities and universities in applying community led development;
 - integrating participatory mechanisms for local planning and public service delivery into the day-to-day practices of local governments;
 - supporting community-based initiatives for sustainable rehabilitation, management and operation of basic social and communal infrastructure, and
 - promoting small business development in rural areas.

2. To enhance energy efficiency at local level by:
 - building capacity of local communities and local authorities in energy planning and efficient energy use;
 - supporting innovative community initiatives in efficient energy use; and
 - raising public awareness on energy efficiency based on grassroots level best practices.

3. To support the creation of the locally owned and managed repository and network of good practices and knowledge on community mobilization and participatory governance by:
 - documenting and codifying lessons learnt and institutional arrangements established during the CBA implementation;
 - advocating for necessary policy changes to advance the reform agenda in the area of decentralization and local democracy;
 - establishing a network of knowledge hubs for the creation, analysis, and sharing of innovative approaches to community based development;
 - supporting academia and other educational institutions in curriculum and capacity development for promoting community based approaches to local governance and development.

The project will support community led activities in the following priority areas:

- Health (local health posts network)
- Environment
- Water management
- Improved Management of Housing sector
- Energy efficiency

- Local economic development

Project justification

1.6.1. Context of the proposed project

The recent economic crisis has a spill over effect on all spheres of economic and social life of Ukraine. The negative effects and slow path of recovery are obvious both in rural and urban areas across Ukraine.

According to the Ukraine Human Development Report 2011, rural households have higher risk of exclusion than urban households, which can be attributed to a number of factors. Exclusion of inhabitants of rural areas comes as a result of exclusion from education or employment opportunities, owing to under developed infrastructure in such areas, as well as due to lack of funds for local development. Low incomes, obtained mostly through working on personal landplots and through own agricultural production are often not sufficient even to cover the travel expenses needed to reach the closest town with more developed infrastructure. Absence of opportunities to access adequate jobs, cultural life, healthcare and housing services in rural areas contribute to the emergence among rural inhabitants of feelings of socialisolation, hopelessness and exclusion from public life, arising mainly because of their place of residence.

In rural areas 30% of households lack access to a centralized water supply and sanitation, hot water is available to only 30% of rural households, only 50% of rural households have access to a gas supply. Heat is provided (unreliably) but at an enormous cost in wasted energy. Water leakage rates approaching 20% are common.

Although access to the basic services in urban areas is higher than in rural areas, municipal communities are also facing many social and environmental challenges and lack capacities and models to actively participate in the local development process. The housing and communal sector is one of the key sectors in Ukraine, which has impact on the living conditions of citizens and largely on efficiency of natural and energy resources use. 70% of the housing stock consists of apartments, situated in multi-apartment buildings, housing approximately 34 million people. Likewise in all post totalitarian countries, the privatization process during 90-es of the previous century made over ninety percent of the apartments privately owned. However, lack of awareness of homeowners' responsibilities regarding necessary up-keep and maintenance of the common parts in the buildings in combination with massive impoverishment of the population and lack of sufficient legal obligations and their enforcement lead to severe deterioration of the housing stock. High energy inefficiency is another basic characteristic of the housing and communal sector of Ukraine. According to official statistics³, it consumes 44% of the country energy resources. In addition, it should be noted, that energy efficiency in residential buildings in Ukraine is on average approximately four times lower than that in the Western European countries⁴. Further analysis of the heating losses in the housing sector shows that 42% of the heat is lost through the building envelope (the walls, top floor ceiling and cellar) due to their low thermal characteristics, 16% is lost through the windows, 7% through the roof and 30% through the ventilation system⁵.

The unsatisfactory situation in local development in Ukraine has been driven by a number of factors, key among which are:

Pending decentrisation and administrative-territorial reform

³Source – Sector Program on Energy Efficiency and Energy Savings in the Housing and Communal Sector 2010-2014

⁴UNECE, 2008

⁵ Same source

The implementation of decentralisation reform in Ukraine which is crucial both for the economic recovery of Ukraine's regions and the overall modernisation efforts of the Ukrainian state, has been pending since late 1990s. At present relations between central government and the regions are regulated by Soviet-era legislation that fails to address the modern-day challenges. The administrative geography of Ukraine was formalised between 1917 and 1960, and has remained unaltered to the present day. The current system is not suited to a market economy and fails to address the challenges posed by economic and demographic factors such as emigration or internal migration to cities from rural areas or towns built around large factories.

Over the past two years, Parliament has passed more than twenty laws that have transferred a range of powers from local councils to central government which contributed to further gradual loss of powers by local authorities in Ukraine. The new State Budget Code has not provided local authorities with additional sources of income, but has increased the number of services they need to provide. Consequently, the local level has been delegated with new duties without being offered extra funding to enable local councils to deal with their new responsibilities. As a result the capacity to govern of local and regional authorities is limited and the sources of funding for Ukraine's regions are restricted.

At the same time, in 2012-2013 the government has developed a draft concept of reform of local government and the territorial organisation of power in Ukraine for the period of 2013-2015. The documents details that the reform process will include (1) an administrative-territorial reform, which would help consolidate the fragmented administrative structure, creating larger and more economically self-sufficient administrative units, and (2) local government reform, focusing on creating clearly defined powers for local authorities with a view to securing government funding for specific tasks delegated from central government. The reform will be conducted in two stages: (1) preparatory stage (development of the necessary legislation, standardization of services provided at the local level, public awareness on the reform, and capacity-building of the local officials), and (2) implementation stage.

Dysfunctional representation of community interests

Members of territorial communities play limited role in local development processes. The public is involved in the planning and adoption of policies unsystematically and largely as a formality. On one hand, the nature of the budget process—top-down planning and execution—realistically makes it impossible to reflect the interests of communities in the activities of local government bodies. This is particularly true for the social infrastructure development. On the other hand, workable mechanisms for such participation are limited. The current legislative framework provides options for active engagement local community, such as public hearings, community councils, and local referenda. However, these mechanisms are either too complicated for practical application or not binding on the local government.

Lack of institutional capacities of local governments to effectively and efficiently perform their functions

Local civil servants are responsible for designing local development strategies, allocating resources and reporting to local communities; however, without relevant experience or expertise, there is limited capacity to effectively and efficiently perform newly mandated functions. Most local authorities do not operate according to a defined local development strategy. Local authorities have weak standards and procedures for engaging stakeholders in decision-making processes, thus there are very limited opportunities for citizens to provide input and influence local development planning/budgeting and implementation. Many authorities function on an ad hoc basis, focusing resources on addressing day-to-day problems as they arise. The result is inefficient, non-strategic use of public resources, unaddressed long-term development priorities and deteriorating local infrastructure and living conditions. Furthermore, local authorities – and communities – are often not sensitized to the importance of engaging key stakeholders such as the private sector, civil society and media in local development processes.

The financial dependence of local governments

Despite their major role in allocating spending, local governments have only limited ability to determine spending structure and allocate expenditures within sectors. The intergovernmental fiscal system did undergo positive reforms in 2001/02, but the reform process remains incomplete. Improvement across the key pillars of the intergovernmental fiscal framework is necessary to enable the system to receive and allocate resources more efficiently, facilitating the proper financing of local services and infrastructure provision. Some examples illustrate this situation:

- expenditure responsibilities of different tiers of local governments overlap to some extent, creating inefficiencies and duplication at the local level, and many of the lower-tier government units are too small to deliver basic social services effectively;
- incentives to increase local governments' 'own' tax revenues are limited, as is revenue autonomy, making local governments over-dependent on shared revenues and transfers;
- there is a lack of predictability and transparency combined with negative incentives in intergovernmental transfers that affect the planning horizon of local governments and their predisposition to overcome inefficiencies in service provision.

Uncompleted reform of housing sector

The Ministry of Regional Development, Construction and Housing is primarily responsible for applying the state policy in the area of housing and communal services in Ukraine. As per the existing legislation, the Ministry (in its capacity of a former owner of the privatized housing) is obliged to participate in funding and contributing to the organization of the first capital repair works, along with the local governments and the housing owners⁶. However, due to persistent budgetary constraints, this obligation has been very insufficiently fulfilled.

After the privatisation process of the 90-ties of the previous century, over 90 percent of the apartments in multi-apartment buildings are privately owned. Due to ambiguous and ineffective legal framework, responsibility for the management and maintenance of common parts in the multi-apartment buildings is typically shared between old time municipal specialized housing services organization (ZHEK) and private homeowners. In practice, major repairs are not foreseen and the housing stock is rapidly deteriorating. The level of support, the homeowners receive from municipalities, depends on the initiative of the elected local authorities, as well as economic strength and financial capacities of the municipalities.

Further to the financial problems, analysis show that most of the identified challenges faced in the housing sector are of socio-economic and development nature:

- Lack of awareness of owners' responsibilities and lack of tradition in the joint management of common property through associations of owners;
- Insufficient capacities of the homeowners in the residential buildings to deal with the complex technical intervention;
- Impoverishment of the population during the years of transition and therefore its inability to finance the rehabilitation of the mostly privately owned housing stock, combined with the absence of supporting financial mechanisms

The market of services for managing multi-apartment buildings has not been organized. Establishment of associations of co-owners of multi-apartment buildings is not mandatory in Ukraine, and there is still little common awareness of their necessity, role and benefits for the

⁶ Parts 7 of Article 10 of the Law of Ukraine "On privatization of the State-Owned Housing Stock"

communities. According to official data⁷ there are 78,500 multi-apartment buildings and only 14,651 registered ACMBs, covering 17,415 buildings or approximately 25% of the housing stock. And in addition, the fact is that actively operating are only half of the registered associations of co-owners of multi-apartment buildings (ACMBs) (data for 2012)⁸.

The lack of sufficient awareness of the necessity and advantages of ACMBs, along with their often inadequate capacity to organise management and maintenance in a professional manner pose a big challenge to a large scale renovation of multi-apartment buildings.

The capacity problem has been acknowledged by the Ministry of Regional Development and some positive arrangements have been undertaken in this regard. “Manager of Multi-Apartment Buildings” has been registered in the National Classification of Professions at the initiative of the Ministry. Together with the Ministry of Education further steps are being made regarding the approval of 12 universities, where that profession could be studied.

The paternalistic attitude of the State towards the population is slowly losing its strength. This is triggered by economic factors, i.e. the need to better target support and benefits, but also by the slow recognition that cooperation and partnership between the population and State institutions can be beneficial. Culturally, the population appears to be more adept in changing, gradually understanding and recognizing that the State cannot fulfil all its needs. Experience from UNDP area-based development projects clearly shows that cultural changes among the population occur when people start believing that they can ‘make things happen’. The attitude of local government is, however, slower to change. In this context, changes in attitude have to be triggered by changes in the legislative framework of the country.

CBA I and II – Key findings and Lessons Learnt

Community Based Approach to Local Development (CBA) Project (Phase I: 2007-2011 and Phase II: 2011-2015) aimed to address the problem of low public engagement into decision-making processes, low energy efficiency of public buildings, insufficient quality of public services, including housing services and high unemployment in villages and small towns of Ukraine through promotion of effective participatory local governance and decentralized management mechanisms, innovative technologies and support to local economic development.

By December 2012, the CBA Project has partnered with 24 regional authorities, the Government of Autonomous Republic of Crimea (ARC), 309 rayon authorities and 1797 village/city councils with the population of less than 10,000 people. It mobilized 1830 communities which got organized into 1834 community organisations (COs). With the support provided by the CBA Project, COs and local authorities undertook a joint planning process thus enabling the COs to undertake initiatives addressing basic needs in the area of energy, water supply, public health, environment and school transportation.

A total of 2,045 community projects were supported with the total amount of \$ 33.2 million cost-shared between COs (7.3%), CBA Project (45.4), local authorities (45.8%) and the private sector (1.4%). It is estimated that 1.5 million people benefited from these projects and 20224 community members and 5816 local/regional officials received training in subjects related to institutional development, financial management, participatory planning, community project management, participatory assessment, and decentralization.

⁷ Source- Ministry of Regional Development, Construction, Housing and Communal Economy (MRDCHCH)

⁸ Same source

By December 2012, the Project has completed preparations for full implementation of energy efficiency and rural economic development components. Guidelines were prepared, project staff and representatives of partners were trained, and sites for local actions were identified. Implementation is expected to be mostly accomplished by end of 2013.

In partnership with Ukrainian Association of District and Regional Councils, the Project established knowledge management hub which is expected to become fully operational in 2013. It has already partnered with 20 universities and provided support for introduction of CBA principles and methodology into university curricula. Furthermore, through media events (983), media coverage (6,118) and publications on partners' websites (2,238) project results have been presented to the wider audience countrywide. These activities are essential for the further scaling-up and internalisation of the CBA methodology in Ukraine.

Piloting of replication of CBA methodology was undertaken during second phase at a limited scale. Replication modality implies leading role of local authorities in facilitating community mobilization activities. Under this modality the role of the regional CBA staff is limited to the training and coaching of respective rayon and oblast focal points. The CBA grant for the actual implementation of community micro-project under the replication methodology is reduced to 20% of overall micro-project costs while expected cost-sharing provided from local budgets is growing correspondingly. By December 2012, 60 rayons, 228 village/city councils, 224 communities took initiatives to exercise CBA methodology getting training support and modest grant from CBA. The initial trend shows that local authorities shared 70.2% of the community project cost followed by CBA (20.6%), target community (7.8%) and private sector (1.4%). Partner authorities are highly appreciative of the proposed replication modality and demand for replication increased heavily.

CBA project, as a part of UNDP Ukraine Local Development programme, was included in a global Thematic Evaluation of UNDP's Contribution to Decentralisation and Local Governance (2000-2009) conducted in 2010. The conclusions of evaluation state that: "The Local Development programme of UNDP Ukraine fostered the idea of community mobilisations making it a realistic approach to community development in a context where previously the state did not address these issues." The evaluation concluded also that the project had made a concrete difference to the services delivered in project areas resulting in improvement of the quality and the quantity of services in the project locations. In terms of local self-governance and participation, the co-financing model adopted in the CBA project created a platform for the CO to indulge in dialogue with the Rayon and Municipal authority. This dialogue has resulted in the COs reporting on increased trust and co-operation between the local authority and themselves.

However, overall institutionalisation of participatory governance is not as extensive. The early indications that these forums are being used beyond the scope of the project remit and so becoming part of the institutional framework⁹ of the local authority are, at this stage, examples of good practice and need to be built upon within the project. To ensure that the successes go beyond individual COs and local authorities, creating a wider dialogue at regional and national level on learning and best practices is necessary.

The conclusions of the evaluation as well as analysis of the current local development challenges and opportunities suggest a number of strategic directions for future support.

⁹The law on local self-governance and the law on local state administration is the mechanism by which this approach would be more institutionalised at the local level.

- The project support targeted specifically to rural territories should be expanded to include urban areas.

Municipal communities lack understanding of the role of community in local development and lack of knowledge on how practically to contribute to the improvement of their well-being. The housing sector presents a good entry point to engage citizens into a constructive dialogue with local authorities. Involvement of cities is essential to create successful cases for easier dissemination and multiplication of good practices of community mobilization. In view of the complexity of community mobilization process in cities, a high level of motivation and commitment from beneficiaries is required to ensure success, including availability of municipal financial resources to support communities' initiatives in the housing sector. Allocation of funds for renovation of the housing stock is within the competences and priorities of the medium sized cities.

- Internalization of community-based development practices by local governments requires a particular focus on the replication modality of support.

It foresees a leading role of local officials in bringing community members together for the joint planning and implementation of community-led initiatives aimed to improve local situation. Coupled with reduced financial contribution from the project, the replication modality helps to develop stronger ownership and better understanding of the community-based approach among local governments. It foresees strengthening of the training and capacity development component of the project.

- Institutionalization of community-based approach should be supported by innovative governance practices covering broader range of local life.

In order to build up on the established trust and cooperation between communities and local authorities additional support for the introduction of innovative participatory governance practices will be indispensable. Empowered communities become more demanding for new forms of interactions with respective local governments. Social accountability mechanisms, forms of participatory decision-making, innovative ways to provide and monitor provision of public services to the population, exercised by local governments will help to keep momentum of the change process, therefore ensure sustainability of community-led development. Municipal governments in cities provide better platform to test new ways to engage citizens in the planning, budgeting, implementation and monitoring of local policies. The relatively stronger capacities of cities versus villages give an opportunity to implement innovative governance practices which later could be adapted for the rural context as well.

- Support to small scale farm and non-farm economic initiatives should be expanded to meet growing demand of rural communities.

The economic component of CBA II has offered opportunities for the establishment of cooperatives in the number of villages of selected regions. However, this component could hardly meet the demand from the partner communities. The economic crisis had an extremely negative impact on small entrepreneurs in small cities and rural areas due to their limited survival viability and the absence of conditions of fair competition. More specifically, the small and medium sized enterprises (SME) have suffered inordinately due to highly complicated taxation schemes and myriad government regulations and inspection requirements. Learning opportunities and access to small grants for starting business are highly appreciated by project beneficiaries and proved to be a replicable model to improve economic situation in smaller cities and rural areas.

- Build capacity of the Ukrainian Association of District and Regional Councils as main promoter and lobbyist for the community-led development.

Wider dialogue at regional and national level is necessary to achieve broader policy impact built upon the positive changes at the grass root level. Partnership with the Ukrainian Association of District and Regional Councils (UADRC) proved to be effective in promoting community led development. The Knowledge Management Hub, established jointly with UADRC within the CBA II project is getting appreciation as a practical tool for knowledge exchange between communities, local authorities, experts. It also has been used as a platform for an intensive dialogue on the challenges and ways forward for local self-governance reform. Further advancement of the cooperation with UADRC and strengthening of the policy development angle of the CBA III action would help to establish closer links with the national level policy.

- Build upon the partnership with universities to embed principles of the community-led development into the system of higher education.

During CBA I and CBA II, special attention was given to the establishment of partnership with local educational institutions and academia. Thus, 10 universities in 9 regions of Ukraine included the course “Sustainable Development of the Society” into their curricula. The course was developed with substantial UNDP thematic input where special emphasis was given to the community mobilization principles. Expansion of the cooperation with the educational institutions would ensure sustainability of project results beyond the project implementation cycle.

1.6.2. Relevance of the proposed action

The third phase of the CBA Project (CBA III – 2014-2017) will build on the experience of CBA I and II and other successful area-based development projects in different parts of Ukraine. Through the replication of social mobilization techniques, it will empower citizens of villages and cities to assert themselves as drivers of local development. The CBA III Project includes:

- Focus on the replication of community initiatives with an emphasis on the full institutionalization of community driven local development;
- Extension of project activities to urban areas with a particular focus on the housing sector;
- Building institutional capacity of municipal authorities in applying innovative practices and technologies of citizens’ engagement into local development;
- Expand support to small scale farm and non-farm economic initiatives as per growing demand of rural communities.

The Eastern Partnership (EaP) emphasizes governance and energy security as priority and particularly stresses on stronger energy efficiency and the use of renewables. The intended actions are also consistent with the EU priorities for Ukraine. The National Indicative Programme (NIP) for Ukraine for the year 2011-13 recognizes ‘Sustainable Development’ as one of the three priority areas for EU support to Ukraine. It aims to ensure the social and environmental viability of growth strategies. It includes the following sub-priorities which are also relevant for the CBA III project:

- Energy, Environment and Climate Change and Transport (improvement of energy efficiency).
- Social Cohesion: Regional and Rural Development (enhanced accessibility to public services, transport infrastructure, rural development, e-governance, telecommunications, sanitation, water supply, energy supply, etc.)

The CBA III Project is also aligned with the priorities laid down in the EU-Ukraine Association Agenda, namely:

- Training of central and local administrations on new models of rural development policies for further implementation of programmes for rural communities.
- Exchange of best practices on the renewal and preservation of natural resources to ensure efficient, sustainable and quality agricultural production.

The CBA III will incorporate the new policies inherent in the expected to be adopted Act on Energy efficiency of Buildings, representing harmonization with the European standards. The Act provisions energy audits and energy passportization, as well as, increasing awareness of the public and financial support for implementation of energy efficiency measures.

CBA III complements other EU activities in the energy efficiency area on the national level, namely:

Sector Policy support programme: CBA III will complement the Sector Support with small-scale actions to improve energy efficiency on the local level and enhance capacity development of local communities and local authorities in energy planning and efficient energy use supporting community-based self-help initiatives for the implementation of innovative projects.

Swedish Initiative on Energy Efficiency – E5P Initiative: The Eastern Europe Energy Efficiency and Environment Partnership Initiative was launched in 2009 under the Swedish presidency and E5P Fund was set up in the framework of the EU Program “Eastern Partnership”. The main aim of this initiative is to launch projects that help to reduce energy use in district heating sector. The E5P Fund will provide resources to be used for investment grants and technical assistance. The concrete proposals for financing are developed by the participating IFI (EBRD, EIB, NIB, NEFCO, World Bank Group (IBRD and IFC) together with a Ukrainian partner. The CBA III tested comprehensive and replicable energy efficiency housing renovation model, based on European best practices, will have the potential to further absorb money from International Financial Institutions, and/or directly through the E5P Fund Initiative.

Donor coordination

The EC funded donor mapping study, which included the CBA II project, offers a clear overview of activities undertaken by international partners in the area of local development. The study also recognizes CBA comparative advantage (large geographic coverage) and its advanced methodology (participation of citizens and authorities) which reduces duplication and builds synergies with other donors.

In the housing sector, a number of donor projects have supported the reform in many different aspects: legal, technical and capacity development. USAID, IFC and others have contributed to the drafts of the legislation in the area of energy efficiency and functioning of associations of co-owners of multi-apartment buildings. The drafts are in the pipeline of the Parliament (e.g.: Act on energy efficiency of buildings, amendments to ACMB legislation). A number of micro-projects have been successfully implemented with the support of USAID and GIZ, namely piloting energy saving measures implemented on the basis of recommendation of executed energy audits. Regardless of the fact how successful all those projects have been, the fact remains that there is not yet a functioning model to allow a sustainable process of large scale renovation of multi-apartment buildings.

CBA III will continue taking into consideration ongoing activities of bilateral and multilateral donors to ensure complementarity, to share information, and to support partnerships among international donor organizations and the Ukrainian Government.

1.6.3. Target group/beneficiaries

The groups and entities that will be directly affected by the project are:

- Community organisations established/strengthened under the project that carry out self-help initiatives with support from the project, local authorities and other stakeholders;
- Local authorities in 200 rayons, up to 15 cities and 1300 communities involved in developing an effective system of decentralised and participatory planning, decision-making and implementation mechanism for improved living conditions and relations with citizens.

At least 300 organisations/associations of co-owners of multi-apartment buildings (ACMB) established/strengthened to carry out self-help initiatives in at up to 15 cities and 1000 village councils with support from the project, local authorities and other stakeholders. The beneficiaries, who will indirectly benefit from the project activities in the long-term, are the citizens of the rural and urban areas where community organisations will be established and self-help initiatives will be implemented.

1.6.4 Reasons for the selection of the community based approach. How does the Action contribute to the needs of the target group(s) and final beneficiaries?

The community-based approach has been chosen as the most appropriate approach to achieve the identified project objectives because it ensures civic participation and co-operation not only between the members of the concerned communities but also between them and the local authorities.

Methodology of social mobilisation employs established standards and checklists for assessing community participation and leadership. It ensures inclusion of all segments of the community (men, women, youth and the elderly) and sustainability, based on local ownership of the development process. The social mobilisation process is integral in developing everyday practices of democratic self-governance. It is also a multi-stage process of building local knowledge and capacity needed to improve living conditions. Within the project, each participating community will be guided through the following steps:

In rural areas:

- Informing community members;
- Conducting community self-assessment;
- Creation of community organisations;
- Community development planning process;
- Project identification, prioritisation and implementation;
- Managing and maintaining the results of the implemented projects;
- Establishing follow-up mechanisms (community progress review to enable community members to codify past achievements and build upon them; promotion of dialogue between community organisations and local authorities to align development priorities of individuals and communities with regional and local development planning).

In urban areas:

The methodology of social mobilization supports establishment of practices for inclusion of homeowners in the decision making process for improving the living conditions in multi-apartment buildings through:

- Increasing the awareness of potential benefits for homeowners when organizing the multi-apartment housing management through associations of co-owners. Provision of support for creation of ACMBs as the appropriate tool for proper management of the multi-apartment building;

In the selected cities, Condominia, that have not yet registered ACMBs and/or have registered, but the associations are not yet operational will be targeted. In addition to the information they will receive, the more pro-active ones will be offered grants, as an incentive to organize some priority repair works on their building. The successful implementation of such micro-projects will build capacity and pave the way to sustainable joint management and maintenance of the building in the future.

- Developing and promoting an optimal technical package for housing renovation to ensure safe habitation and sufficient amount of savings to be used for repayment of investment. Assist the ACMBs management to implement the renovation on stages;

Implementing comprehensive technical solutions pose a big challenge to the ACMBs, because it requires even higher competence and more professional expertise. Use of standardised approaches and procedures can facilitate the process. Developed optimal technical package is the used tool for standardization. Trainings and support to use it will receive ACMBs with some previous experience. Eligible to apply can be also those ACMBs, that have already benefited from this project implementation of micro-projects of simple works.

- Developing and testing a financially viable mechanism that will enable homeowners to undertake retrofitting (a combination of grant, loans and targeted support to insolvents).

Implementation of comprehensive technical solution, however, requires a significant amount of funding. A threefold financial mechanism is proposed in order to make it affordable for the homeowners while discontinuing the unsustainable practice of 80 to 90 percent grant support. The proposed financial mechanism takes into consideration the ability of the ACMBs and its members to afford financially comprehensive renovation and includes a combination of:

- Grant support to the community;
- Support to get access to loans in order to match the missing part of ACMBs cost-share contribution, and
- Targeted support to insolvent homeowners.
- Setting up institutional mechanism for sustainability of the results

Lessons learned at the community level will provide the ground for the policy dialogue and policy advice to advance decentralization reform and strengthen local democracy.

The evolving fiscal decentralisation and establishment of democratic local governance in Ukraine provides opportunities and warrants new patterns of co-operation between communities, local authorities, private business and academia. An important element of the Project methodology therefore is to help these local actors to clearly identify the benefits and modalities of effective partnerships. Community mobilisation is only effective if it links communities with other public and private actors in the local and regional context. The community based approach will thus contribute to forging local partnerships.

Description of activities and key results

1.7.1. Details of Project's Activities

The CBA III project activities will be organized in 4 major components:

Component 1: Promoting community based approach to local governance

Component 2: Support to small economic initiatives in rural communities

Component 3. Community-based approach to improve energy efficiency in urban housing

Component 4. Introduction of innovation activities and new technologies at local level

Activity 1- Launching of the CBA Phase III project

Activity 1.1 - Launching of the project at the national level

A national conference is organized to present the experience, achievements and lessons learnt of CBA-II and the implementation modality of CBA III to key governmental stakeholders (relevant ministries, regional state administrations, and the Secretariat of the Cabinet of Ministers), local government associations, district and regional authorities, village and city councils, mayors, local civil society organizations, academia, media and international donor community.

Time frame: Month 1-2 of the Project implementation

Activity 1.2 - Launching of the Project at regional and municipal level

Regional conferences are organized in each region presenting the experience of CBA II on regional level and the implementation modality of CBA III to regional authorities, rayon authorities, mayors, city councils, village councils, chamber of commerce, academia, media and civil society organisations in the region. Focus is placed on: (a) implementation methodology, (b) roles and responsibilities of regional, rayon authorities, city councils and mayors, (c) selection criteria for rayons, city councils, and partner cities within the framework of the housing component.

The responsibilities of regional authorities as project partners include ensuring a firm commitment to provide free of charge office premises for the Project Regional Implementation Unit (RIU), nomination of a senior and a junior staff for coordination and functional support to the CBA III Project implementation, cost-sharing of micro-projects and willingness to replicate the CBA methodology. The required commitments ensure ownership and institutionalization of community based methodology in the region.

The responsibilities of the partner cities within the housing component include provision of free of charge premises for the project municipal support unit (MSU) and nomination of municipal staff to work with the MSU, provision of financial resources, participation in the identification of end beneficiaries, facilitation of the relations between municipal heating companies and the established ACMBs and readiness to support socially vulnerable homeowners.

Timeframe: Month 2-6 of the Project implementation

Activity 1.3 - Establishment of the CBA III Project Management Unit

Availability of sufficient human resources has been recognized as the key to success of the CBA I and CBAII Project. Competent human resources from CBA II are retained and vacant positions are filled through standard UNDP recruitment procedures.

Existing project management unit (PMU) in Kyiv, the 25 regional implementation units and the 15 municipal support units are strengthened with necessary logistics and facilities for efficient implementation of the project. Under the partnership agreement, regional authorities and partner cities provide free of charge office premises for RIUs and MSUs, while operational (utility & minor repairs) costs are covered by the project. Kyiv-RIU is located at the PMU premises.

The total number of envisaged project personal is 113 and additional short term international and national experts are hired for provision of specific technical support if needed. PMU consists of 12 programme and 11 support staff, led by an international project manager. Each RIU has one two

community development officers and a driver. Each MSU has one community development officer, junior municipal staff member assigned to work with CBA staff and one focal person (a senior official) to coordinate between CBA, municipal leadership and other stakeholders in the city and outside. Detailed ToRs of the project personnel are provided in Annex I of the present document.

Existing operational manuals/guidelines developed during CBA II are updated and new manuals/guidelines are developed to meet the requirements of CBA III. New manual/guidelines will be developed to reflect the specifics of Component 3 and Component 4. The newly recruited project personnel receive training on CBA methodology at the beginning of the project implementation on project procedures and technical implementation. Training seminars will be also be organized for the regional and municipal staff from partner institutions involved in project implementation.

Timeframe: Month 2-6 of the Project implementation

Activity 2 – Promoting community based approach to local governance

This activity of the project aims at the following tangible results:

- Increased public monitoring of decision-making structures and procedures at local level;
- Enhanced advocacy and lobbying skill and capacity among (community-based) civil society organisations and local authorities;
- Institutionalised dialogue between relevant players with a view to ensuring sustainable social, economic and environmental development at the local level;
- Improved delivery of key communal services at local level including in the area of health, energy efficiency, water supply and environment.

Due to the strong demand from communities and local authorities for implementation of community based methodology, CBA III is focusing at internalization of community mobilization. Taking this into consideration, replication modality prevails, while standard CBA-led support to local communities is implemented at a smaller scale. Replication modality foresees a stronger role of local authorities in community mobilization process and decreasing CBA share in the total costs of community micro-projects. Technical support is provided to those regional/rayon authorities that would like to apply the community based development methodology outside the CBA project territories.

Activity 2.1 - Partnership with regional governments

Memorandums of understanding (MoUs) are signed with each regional administration/council. MOUs could be either tripartite (Regional State Administrations, Regional Councils, UNDP) or bilateral (Regional Councils-UNDP or Regional State Administrations-UNDP) (see Annex VII). The MoU will highlight replication of CBA methodology and define role of partners accordingly.

Timeframe: Month 3-4 of the Project implementation

Activity 2.2 - Rayon selection and establishment of partnership with rayon authorities

A call for participation of rayons in CBA III is announced in each region of Ukraine. The set of application documents includes:

- Letter of commitment signed by the Head of Rayon State Administration/Head of Rayon Council.
- Application form (see Annex X), which includes official statistical information reflecting the level of rayon development in the project priority areas (health, environment, water management, local economic development, energy efficiency)

The selection of participating rayons is made on the basis of the following criteria: a) level of socio-economic development and access to public services (in line with priority support areas of the project); commitment to provide financial resources (cost-sharing for micro-projects implementation); commitment to provide full time staff to support CBA implementation in the rayon; and b) performance of the rayon during CBA I and CBA II (only for re-applying rayons). The preference is given to the least developed rayons i.e. rayons which are facing most severe problems within the project priority areas. The level of demonstrated commitment to support CBA methodology replication and/or internalisation is taken into consideration for the final selection of rayons.

Total of 200 rayons (an average of 8 rayons per region) will be supported during CBA III. The number of partner rayons varies in each region depending on the size of the region, performance during CBA I & CBA II and commitment of the region to cooperate during CBA III.

The applications of the rayons received from each region are analysed and ranked by the Rayon Selection Committee, comprising of representatives of regional authorities, UNDP and the PMU and headed by an UNDP senior programme manager. The basis for the ranking is the statistical information provided by rayons in their applications. The Committee selects the partner rayons (equal to number of quota for the region) and reserve rayons (up to one third of the quota for the region). Results of the rayon selection are publically announced by the regional authorities in each region.

Seminars are conducted jointly by the regional partners and CBA personnel in each of the selected rayon, presenting the experience of CBA II and implementation modality of CBA III. Among intended participants are the rayon authorities, village councils/village type small towns (with less than 10,000 population), civil society organisations and business communities. Focus is placed on the replication of CBA methodology, terms of partnership with the rayon authorities and local councils, and selection criteria for village councils.

Following the seminar, a tripartite or bilateral MoU are signed between UNDP and rayon authorities (see Annex VIII of the present document). The MoU will highlight replication of CBA methodology and define role of partners accordingly

Timeframe: Month 5-6 of the Project implementation

Activity 2.3 - Selection of village councils and establishment of partnership

In each rayon village councils (including village type small towns) with less than 10,000 people, 4-5 village councils are selected to participate in the CBA III Project. The allocated number includes the CBA II partner village councils, as well as the new ones.

Interested village councils provide information, reflecting its socio-economic situation and quality of public services (see Annex XI). The applications of the potential village councils received from each rayon (in the region) are analysed and ranked by the CBA/RIU based on such criteria as the level of socio-economic development and access to basic public services (in line with the project priority areas), commitment of the village council to cooperate and performance of the village council during CBA II (in case of re-applying village councils only).

Upon review of the ranking by CBA/PMU, the list of partner councils is approved by the village council selection committee, comprising of representatives of regional authorities, rayon authorities and CBA/RIU. The committee is headed by a representative of the regional government. The results of the selection are announced in each rayon by the rayon authorities.

Village council orientation meeting is conducted in each selected village council jointly by the rayon authorities, CBA/RIU and regional authorities (where possible) and with participation of deputies of village council, representatives of communal service entities (school, health post, water

supply, etc), CSOs, businesses and pro-active citizens in the village council. Focus is placed on the CBA implementation methodology, terms of partnership with village council and the selection criteria for local community.

Following the seminar, a bilateral MoU (Annex -) is signed between UNDP and the village council. The responsibilities of the village council as project partners include: support to the CBA III implementation, provision of financial resources, i.e cost sharing for micro-projects (as possible) and ownership over the micro-projects assets as applicable.

Timeframe: Month 5-7 of the Project implementation

Activity 2.4: Formation/grafting¹⁰ of LDF and RCC

In order to introduce participatory decision-making practices at municipality, rayon, regional and ARC level support structures have to be grafted/developed. At the rayon level, a local development forum (LDF) serves as a platform for the dialogue between local communities and rayon authorities. At the regional level and the ARC level, a regional coordination council (RCC) fulfills this function. (See Annex IX for the detailed description of LDF and RCC). It is expected that in the long run the functions of LDF and RCC will become part of the regular meetings of rayon and regional authorities.

In case of new rayons, LDF is formed under the head of rayon administrations/rayon councils with the participation of COs, village councils, local CSOs, local businesses and key rayon departments as members. In old rayons, the existing LDFs continue their functions with the new COs and the new village councils as members. Similarly, existing regional coordination councils will continue functioning, with all LDFs join the activities of respective RCC. Formation/grafting of Cos is a pre-requisite for formation of new LDF.

The partner authorities will be motivated to treat LDF and RCC in longer term perspective and look for rendering them formal/permanent status to the extent possible

Timeframe: Month 6-10 of the Project implementation

Activity 2.5: Establishing/strengthening of community resource centres

To ensure effective implementation of CBA III at the rayon level, rayon community resource centres (RRCs) are established, full time staff, logistics (to the extent possible) and utilities on their own cost. CBA provides equipment and minor logistics to ensure effectiveness of the resource centre. Already established resource centers within CBA II are used with necessary adjustment. Similarly, the established RIUs and ARC-IU under CBA II are expanded to serve as community resource centres for CBA III at the regional level with necessary technical support provided. The partner authorities will be motivated to treat the resource centres in longer term perspective and look for rendering it formal status, if possible in their administrative structure.

The Project will implement its rural component by and large in replication mode. It is feasible and necessary since the local partners have actively taken part in implementation of CBA-I and CBA-II; they are knowledgeable about CBA methodology; they have been already using CBA methodology under 'replication level of CBA support' or for implementing their own 'small grant scheme'. Thus, the activities, henceforth, will require implementation under active involvement of local authorities and CBA staff will assume role of a coach, counsellor and backstopper.

¹⁰. Grafting' is accepting of an existing organisation (rather than forming a new one) upon necessary fine-tuning (through restructuring) to suit the requirement of CBA-III

Timeframe: Month 6-10 of the Project implementation

Activity 2.6: Selection of target communities

With the support of village council officials, CDO/CBA and local active persons, the rayon focal person prepares or updates (in case of existing partner of CBA) profile of village councils including description of communities located on the territory, as well as basic infrastructure and public service delivery problems faced by the communities within the CBA III priority areas of interventions. A ranking of communities in term of hardship is made. A community selection committee comprising of village council head, rayon focal person and Community Development Officer/CBA review the ranking of the communities and select one of the communities to be supported along with one in reserve.

Activity 2.7: Introduction of CBA III Project and preparation of community profile

With support of CDO/CBA where necessary, the rayon focal person visits each selected community and provide information to the people regarding the CBA III project, distribute project brochures, collect basic demographic information, study the service delivery system, the resource endowment and the level of poverty in the community. Based on primary as well secondary information, he/she prepares a community profile. In case the community is already organised under support of CBA, then the team should conduct participatory assessment¹¹ and determine the strength and weaknesses of the existing organisation.

The Community Development Officers, together with rayon focal person, holds the first formal dialogue with the local community in order to motivate citizens to get organised and to introduce concrete steps to be followed in solving community development problems. In case of already organised community, the steps include elements of grafting.

Activity 2.8: Formation of community organisation (CO)¹²

After the first dialogue, community members take some time to reach consensus on the matter described during the first dialogue. Upon reaching consensus, they form a community organisation in order to ensure a successful implementation of community initiatives. The establishment of a community organization requires:

- Full participation: 80% or more of the households are represented in the CO, without excluding low income households. In case of large village settlements, participation will be ensured through formation of informal CO at street level and then forming an association of all informal COs.;
- Formation of CO-management team: 3-9 pro-active members will be selected on a consensus basis to serve as a chairperson, a secretary, a treasurer and representatives of each street;
- Gender balance: At least 50% of the members and the CO-management team are female;
- Accountability: The CO-members are accountable for all the decisions made by the CO and the CO-management team is accountable to the General Assembly of CO;

¹¹Methodology of conducting participatory assessment is given in operational manual

¹²In generic sense, an organisation created by the citizens of a local community to address their common needs is considered as a community organisation (CO). In legal term a CO can take different form as defined by the law of Ukraine e.g. association of co-owners of multi-apartment building (ACMB), housing committee (HC), bodies of self-organisation of population (BSP), cooperative, public organisation/civil society organisation/non-government organisation etc.

- Commitment: CO-members are ready to pay a membership fee, a community development fee and other fees as needed to carry out activities for improvement of the living conditions. The CO-management team is committed to serve the community for several years;
- Transparency: CO-members agree to meet regularly and take decisions and implement community initiatives in a transparent manner.

Activity 2.9 - Training of CO-management team

Under support of RIU, RRC organises a series of training sessions for the CO-management team to strengthen capacity in managing the CO, promoting participatory governance, accounting and financial management, legalisation related with CO, etc. Study tours to successfully functioning Cos are conducted in order to ensure knowledge sharing.

Activity 2.10 - Legalisation of the CO

The CO-management team conducts a series of consultations with the CO-members and prepares a draft statute. General assembly of the CO approves the draft statute with consensus and endorses the CO-management team. CO sends a copy of the statute to Rayon Resource Centre (RRC) and RIU for their record. It presents itself with the village council and gets enrolled. Also the CO gets registered as one of the following legal forms – Body of Self-organisation of population (BSP), NGO, Association of Co-owners of Multi-Apartment Buildings (ACMB), or a cooperative. RRC provides necessary backstopping to facilitate the registration under guidance of OIU.

Timeframe: Month 6-9 of the Project implementation

Activity 2.11 –Training of local/regional authorities

A series of trainings/study tours are organized for officials of partner village councils, rayon authorities, regional authorities and the ARC Government. The training modules are tailored to the needs of existing and new partners and focused on such areas as decentralization, sustainable local development, community based approach, strategic planning, participatory planning process, innovative technology for energy saving, micro-project implementation, and sustainable service delivery.

Timeframe: Month 6-18 of the Project implementation

Activity 2.12 - Participatory planning in target communities

With the help of RIU, RRC holds a dialogue in each CO to facilitate participatory planning and helps them to identify social/economic/environmental challenges faced by the community and the resource required for addressing the needs are estimated.

Often, a community development plan (CDP) emerges based on the individual needs expressed by the majority of the members. Community development plans usually include local priorities for improvement of basic services/physical infrastructures of social (health posts, drinking water, window insulation, heating system, street lighting, etc.), economic (e.g. , micro and small farm and non-farm enterprises) and environmental (e.g drainage/sewerage/sanitation, waste disposal etc.) nature.

Activity 2.13 - Prioritisation of needs

The list of needs identified at community level are debated at the CO level to establish their intensity, technical/social/ economic/environmental feasibility, sustainability and equity and are then prioritised according to the level of their importance. The issue of utmost priority for the CO

is selected for implementation.

Activity 2.14 - Selection of community plans to be implemented

RRC facilitates a planning workshop at a council level with the participation of local authorities, COs, local level development agencies, CSOs, CBA representatives, and representatives of the private sector. Community development plans of the COs and plans of other stakeholders on the territory of the council are presented, debated and approved. This workshop serves as a forum to match the demand and supply of resources to implement prioritised plans. Local authorities and COs indicate commitment to provide resources for the implementation of the prioritised plans.

In case the available resources of village councils cannot meet the financial needs for implementation of the local plans, the village councils take a justifiable lead to present the community plans for discussion at the LDF and get them incorporated into a rayon /regional plan for adequate support in the future.

Aggregated social/economic/environmental plans of all COs are presented at one of the LDF meetings. Village councils and other agencies may also present their own individual plans during this meeting. The plans are reviewed and agreed upon during the meeting. The rayon authorities incorporate the approved plans in their own plan for current/next year funding.

Timeframe: Month 8-30 of the Project implementation

Activity 2.15- Development of detailed technical proposal

A CO, with the help of personnel of technical departments of rayon state administration/municipality, private firms/consultants, RRC and RIU, prepares project's technical document following the requirements such as:

- The necessary technical analysis and design is done with the full involvement of the beneficiaries, and ensuring that feasibility (CO should be able to implement), sustainability (beneficiaries should be able to maintain), equity (at least 80% of the CO-members benefit and the low income households are not left out), productivity (the project directly or indirectly contributes to increase in households income/reduction in households expenditure) and environmental soundness are fully met.
- The project budget is prepared only when the design is endorsed by the CO by consensus;
- Cash and in-kind community contributions are clearly stated and the additional support required from outside agencies is identified in the proposal;
- Operation, maintenance and sustainability mechanism is part of the proposal
- Technical departments of rayons/city councils approve the documents if they meet formal requirements.
- The technical document is approved by concerned approving agency (e.g. investment group) of the government

With the technical documents in hand, the CO prepares a grant proposal. The developed proposals of community projects are agreed at the CO level and with relevant local authorities.

Activity 2.16 - Mobilising resources

The developed proposals of community projects are reviewed and agreed upon at the meetings of LDFs. Representatives of village councils, rayon authorities, CO, businesses, CBA and others present in the meeting commit an amount that they could make available to expedite the proposed

micro-project. Once the needed resources are mobilised, the local authorities issue a commitment letter of support to the CBA project.

CBA offers resources (grants) to COs for the implementation of micro-projects subject to the following considerations:

- For innovative energy efficiency - up to 50% of the cost is contributed by CBA III (limited to € 12,000), up to 45% by local budget and 5% by a beneficiary CO;
- For rural communal infrastructural projects (regular) related with CBA III priority areas, 50% of the cost is contributed by CBA (limited to €7,000), 45% by local budget and 5% by the CO;
- For rural communal infrastructural projects (replication) related to CBA III priority areas, 30% of the costs is contributed by CBA (limited to €4,000), 65% by local budget and 5% by the CO;
- For rural economic initiatives, 50% of the costs is contributed by CBA (limited to €15,000), 30% by local budget and 20% by the CO;
- For COs, which benefited from the CBA project during CBA I and/or CBA II the contribution is at the level of replication/internalisation;

Timeframe: Month 8-36 of the Project implementation

Activity 2.17- Approval of micro-project proposals, grant provision and micro-project implementation

The micro-project proposals submitted by COs through OIUs are reviewed by engineers and other relevant specialists of CBA/PMU and appraised by the CBA III project selection committee. The micro projects that meet the formal criteria are submitted to UNDP for approval. The COs that received a grant funding under the CBA I and/or CBA-II project and wish to apply under CBA III will have to prove the existence of a maintenance mechanism for already completed micro-projects and will have to act as a demonstration site for the rest of the project communities.

CBA III releases its share to the account of the COs which also contains amount shared by the COs. Share of local budget and that from private sponsors is received by COs mostly in form of parallel funding.

Timeframe: Month 9-37 of the Project implementation

Activity 2.18 - Book keeping, monitoring and reporting

The CO management team maintains transparent books of all transactions (cash or kind) related to the micro-project implementation. It also presents the progress report to the CO members on a regular basis. The CO conducts public audit upon completion of the works and reports to CBA III PMU for every tranche utilised by using the reporting template provided by the Project.

Timeframe: Month 9-45 of the Project implementation

Activity 2.20 - Handover of completed micro-projects and ensuring sustainability

Completed micro-projects are handed over to the respective local authorities (village councils, rayon departments) or to the COs (only when the legal structure allows them to own communal property, e.g. association of co-owners of a multi-apartments building, cooperative). To the extent

possible, the Project encourages the legal owners to further manage and maintain the micro-projects.

Through a MoU, the local authority entrusts CO to participate in operation and maintenance of the micro-project. CO explores options and makes a final arrangement for maintaining the micro-project. This can include community health funds for the regular maintenance of health posts, community-based enterprises for the management of water supply systems, and alike.

Timeframe: Month 15-45 of the Project implementation

Activity 2.19- Commissioning of micro-project and public clearance/auditing

Upon completion of a micro-project, the CO management team presents the final progress report to the CO General Assembly meeting. The CO members audit the physical and financial transactions and the quantity and quality of the works done under the micro-project. Upon finding it satisfactory, the CO members grant public clearance for the micro-project. The clearance is reflected in the minutes of the CO meeting signed by the CO members. A summary of the progress report is displayed to the public on information board. The CO submits the final progress report along with a copy of the public clearance to the CBA III PMU for its records.

The partner authorities (village councils, rayon state administrations, etc.) ensure that different micro-project components (e.g. pipes, taps, water reservoirs, water quality at source, housing structures, etc.) satisfy standard technical specifications. Upon finding the result satisfactory, the project is handed over to the concerned authorities (or retained by the CO, if it is eligible) to incorporate in its inventory and make arrangement for operation and maintenance.

Timeframe: Month 15-45 of the Project implementation

Activity 3 – Support to small economic initiatives in rural communities

The Component 2 will further elaborate activities and economic development in rural areas and contribute to the inclusive growth policy as defined by ENPARD principles. Pilot area of CBA II will be further expanded and role/contribution of local authorities will be concretely defined from longer term perspective of cooperation with and support from national programmes on cooperatives. The stakeholders and implementation methods of Component 2 are the same as in Component 1. However, economic initiatives are presented in a separate element, as they require more intensive preparatory activities and should focus more on income generating activities. In this sense, the promotion of organised community cooperatives and other types of associations or groups of small farmers may provide for income generation and employment creation, in order to improve the quality of life and the autonomy of people in rural areas.

Training, advisory services and small grants are provided to rural communities willing to establish cooperatives in order to support small economic initiatives in line with ENPARD provisions on transfer of know-how.

Activity 3.1 – Selection of pilot areas and awareness raising

The experience of CBA II on rural economic development in selected 8 regions will be expanded to half of the regions in Ukraine to demonstrate the effectiveness of CBA type cooperatives in ameliorating the condition of unemployment and poverty in rural Ukraine.

Using three-stage selection technique, 12 regions, 36 rayons (threerayons in each region) and 36 village communities (one community in each rayon) will be selected based on competition. Criteria such as level of agricultural activities, rural unemployment and poverty, level of accessibility to cooperatives, commitment of the authorities to co-finance the activity and facilitate the promotion of cooperative, and performance in implementing CBA methodology (e.g. regular, replication, energy efficiency, rural economic component) during CBA I and CBA II will be used for competition.

In stage I, potential regions will be selected by CBA with 25% regions in reserve. To the extent possible distribution of regions will be uniform across the country such that every pilot region has possibility to demonstrate its lessons to its neighbouring region.

In stage II, a selection committee comprising of representative from UNDP, oblast state administration and oblast council, CBA Project manager and community development specialist of CBA will review the results of competition and select three rayons in a region with at least one reserve.

In stage III, one community per rayon will be selected through open competition, with one reserve. Of them one will come from existing CBA/COs or by grafting of the CBA-II cooperative in the rayon or from a non-CBA community.. The selection of communities will be based on such criteria as (a) level of unemployment and poverty, (b) level of CO/cooperative-members/villagers willing to join cooperative and undertake economic activities, (c) past performance of the CO/cooperatives while working with CBA, (d) commitment of rayon authority and/or village council to facilitate and support cooperative activities financially and/or in kind. A selection committee comprising of representative from CBA Project, oblast authority and rayon authority will review the results of competition and select target communities with at least one reserve.

An awareness raising campaign will be conducted, at each level of intervention, on the potential of forming a community cooperative. It will include launching of the component in the region/rayon, distribution of leaflets, dissemination through local media and sites of the partners. Awareness agenda will include results achieved by CBA II in the 8 piloted regions, information on the possible support that CBA III will provide, potential of improving rural income/employment through cooperation and terms of partnership.

Activity 3.2 – Cooperative development

Community mobilisation will be carried out in the target communities. The population will be sensitised through dialogues and other tools of awareness e.g. leaflet distribution, video film etc. Target households (low income households) that are willing to undertake additional economic activities will be identified through simple household survey. The target households will be mobilised to form multi-functional non-profit agricultural service cooperative (ASC) under the current legislative framework and registration procedure. Among 36 ASCs, at least two will be formed exclusively by youth and another two will be formed exclusively by women. The Project will support ASC members for development of appropriate statute and internal rules; formation of management board and executive body and facilitate the process of registration.

In case the selected community has already an existing multi-functional non-profit type ASC and the target households are willing to continue with it, then a process of grafting will be applied to adopt the existing ASC with introduction of necessary changes such that the adopted ASC will function in line with CBA approach.

Activity 3.3–Capacity building

Various capacity building tools will be utilised to build capacity of the ASC and its members. Training will be organised for board and/or executive members in such area as institutional management, financial management, planning, account keeping, marketing, audit, taxation, reporting and so on. Aspirant ASC-members will be trained in such area business development, skill/apprenticeship to expand their existing activity or run new business of their interest. The Project will utilise outsourcing and linkage strength to avail the training support to cooperative. Project will support ASC with logistic and skill for establishing and managing information centre that will assist ASC-members to receive latest information on (production/processing) technology, marketing etc. Project will facilitate linkage of ASC with village council, rayon authority and relevant private firms (e.g. dairy plant, fruit/vegetable processing plants etc.). Such linkage will enable the ASC to gain additional capacity for mobilising organisational, financial and technical supports in future.

Activity 3.4 –Planning for economic development and resource mobilisation

The Project will assist ASCs in identifying economic activities that would enhance employment/income to the target households directly (through input-output services, off-farm job creation and/or enterprise upscaling) or indirectly (by improving economic infrastructures in the area). The activities should be based on the criteria of productivity, feasibility, sustainability and equity.

In general the ASCs will not be able to implement their plans due to lack of resources and skill. With a purpose to mobilise resources/skills from the sources external the ASC-members, the Project will facilitate mainstreaming of these plans in local development plan of village council and the rayon authorities. It will happen at LDF meeting whereby local authorities, CBA and other donors agree to extend financial support that lie beyond capacity of the ASC-members to afford.

Small grant from CBA for common economic activities will be 50% of the cost (limited to €15,000 per micro-project with subsequent support reduced up to 25% and 10% (limited to €8,000 and €1,500 per micro-project respectively). In each case, the remaining cost sharing must come from local contribution involving ASC-members (contributing 15% or more), local authorities and private sponsors, if any.

Activity 3.5 –Implementation of economic development activities

Each activity will be implemented through functional group set up by the cooperative from among its members competent for specific activity. Under guidance and training provided by the Project, the functional group will develop necessary business plan and technical documentation. ASC will submit micro-project proposal to CBA with prescribed documents and evidence of resource availability. CBA will appraise the proposal and provide funding, if found satisfactory.

CBA will provide grant through direct transfer into account of the ASC whereas support from local authorities and other sponsors may be in the form of parallel funding or direct funding as per the situation. If necessary, local authorities (village council, rayon authority, regional authority) and other donors may opt to join ASC in the capacity of associated member to provide funding from their budget.

ASC will implement the micro-project under the framework of UNDP financial procedures, It will select vendor/service provider through transparent bidding process and get the work done under contractual arrangement. Quality supervision committee will be established to monitor the implementation process.

The ASC will ensure proper donor visibility. At the outset of micro-project implementation, the ASC will establish temporary visibility while a permanent visibility will be made upon completion of the micro-project

Activity 3.6 – Commissioning, handover and sustainability arrangement

Public audit and commissioning of the micro-project will be conducted by the ASC to ensure clearance of the task from the general members and local authorities. In most of the cases, the micro-project will create new object. The resulting object will be included in the inventory of the ASC or handed over to the balance of concerned local authority (if it is related with local government).

Sustainability mechanism will be put in place by ASC to ensure proper operation and maintenance of the resulting object/service system. It will include service charge paid by the beneficiary members to cover such cost as depreciation, operation, maintenance and risk.

Timeframe: Month 8-30 of the Project implementation

Activity 4 - Community-based approach to improve energy efficiency in urban housing

Improvement of the condition of the municipal housing stock is acknowledged as a necessity by Government, donor community and the Ukrainian people. The intermittent efforts of the Government to tackle the problem can be seen in its attempts for some improvements in the legal framework and initiation of small scale refurbishment programs for the multi-apartment buildings. The ineffectiveness of such a policy, however, is becoming more visible with the increasing number of batches of insulation appearing on individual apartment walls in multi-apartment buildings as attempts to address the issue with the low energy efficiency. The Project's assistance under this component is offered specifically to urban communities aiming at the following tangible results:

- Established and strengthened homeowners associations capacities as the self-governance bodies to jointly maintain the common parts of the multi-apartments buildings ;

- Comprehensive technical solutions developed and applied in the area of municipal housing;
- Replicable community mobilisation model for building retrofitting developed and tested in practice.

CBA methodology, which has been successfully applied in the rural areas, is offered to trigger community led development in urban areas as well. Utilising the experience of MGSDP, community mobilization process is applied around housing services, while promotion of the progressive form of joint management of multi-apartment buildings, association of co-owners of multi-apartment buildings (ACMBs), is the priority of project support. CBA III helps communities of multi-apartment buildings to get organized in the ACMBs or develop existing associations, elaborate development plans and get grants to actually implement community micro-projects.

The value added of the component will be the comprehensive approach that will enable sustainable introduction of deep retrofitting measures in the multi-apartment buildings, bringing them up to EU standards for energy efficiency (e.g. EU Directive 2010/31) and improving living conditions of a large group of the Ukrainian population. This will be ensured through the implementation of a package of measures, recommended by an energy audit, carried out for each particular building to be renovated. Energy audits will be executed in line with the national rules and procedures as well as good international practices. Once the draft law “On energy efficiency of residential and public buildings” (passed the 1st reading in January 2012) is adapted, the project will provide support the Ministry of Regional Development, Construction and Housing Economy to implement it effectively.

Grants are available for two general types of micro-projects: 1) simple renovation, and 2) comprehensive technical solutions (deep retrofitting for energy efficiency in combination with measures for necessary capital repairs), both on the conditions of cost-sharing. For simple renovation up to 50% of the cost will be contributed by CBA III (limited to € 12,000). Grants for comprehensive technical solutions will be provided on the following conditions- up to 80% of the cost is contributed by CBA III (limited to €144,000), if the optimal technical package¹³ of measures is applied. The optimal technical package will aim at finding the cost-benefit balance between improved living conditions, extended life of the building, improved safety of habitation and increased energy efficiency. CBA III provides institutional and technical support to partner ACMBs.

Activity 4.1: Selection of partner cities and establishing partnerships with local governments

A call for participation of cities in CBA III is announced of Ukraine. Up to fifteen cities will be selected for participation in the urban component of CBA III. Criteria for the selection include:

- Cities with population up to 150,000;
- Commitments to provide financial resources;
- Commitments to actively participate in the information campaigns and the identification of end beneficiaries – ACMBs;
- Commitments to facilitate the relations between municipal heating and other utility companies and ACMB;
- Willingness to support socially vulnerable homeowners;
- Commitment to ensure project sustainability results: establishment of Municipal Development Forum and Municipal Support Unit, assignment of 2 municipal staff as focal point, dissemination of results and overtaking the MSU functions beyond the project end, etc.

¹³ Simultaneously or at stages. The optimal technical package is defined as “cost-optimal levels of minimum energy performance requirements for buildings” (EU Delegated Regulation No. 244/2012)

- Willingness to join the Covenant of Mayors and commitment to develop a Sustainable Energy Action Plan. Preference will be given to cities, already participating in the Covenant of Mayors and especially to those which have already developed Sustainable Energy Action Plan.

Since implementation of this activity includes not only energy efficiency actions but also capital repairs in multi-apartment buildings, preference will be given to those cities which implement reform programs of housing and communal services in their municipalities.

In order to avoid qualifying and participation of only financially strong cities, municipalities are encouraged to seek partnership and financial support from private sector for ensuring required cost-share contribution. Therefore, submission of applications from cities with signed commitments for support from private sector will be considered an advantage.

The rationale for proposing medium size cities includes:

- Concentration of multi-apartment buildings in those cities, therefore easier dissemination and multiplication of results;
- The experience of other donors shows that interventions in the housing sector are more relevant for medium-sized cities as the deterioration of the housing stock is more acute than in small cities, hence the bigger need for assistance;
- The decision about allocation of funds for renovation of the housing stock is entirely within the competences of the local authorities as those cities have independent municipal budgets.

The received applications from the cities will be analyzed and ranked by a Selection Committee. The committee will select up to 15 partner cities and 3 reserve cities. Results of the selection will be publicly announced.

A funding quota will be allocated to each city, which is expected to be matched by municipal funding. Depending on the absorption capacity of each of the selected cities, reallocations may be done after the second year of implementation, or new cities from the reserve list will be included. Upon selection of partner cities, UNDP and city authorities will sign MOU (Annex -) defining responsibilities of each party. Each partner city will establish a Municipal Development Forum (MDF). It will be chaired by the city mayor/deputy mayor in charge of the municipal finances and/or housing and communal sector. The MDF will also include representatives of the municipal council and municipal utility companies. The ACMB will be invited to attend the meetings of the MDF as observers. Representatives of UNDP will also participate as observers. The MDF will have the following responsibilities:

- Joint decision making, including approval of applications submitted by ACMBs;
- review implementation progress, discuss related problems and approve correction measures;
- monitor and support interactions between ACMBs and utility companies;
- coordination of resource mobilization, including considerations on establishment of local policies on targeted support to insolvent owners;
- other relevant issues, as necessary.

Timeframe: Month 3-12 of the Project implementation

Activity 4.2: Development of Operations Manual /Guidelines

The Operation Manual for the implementation of the housing component of CBAIII will include comprehensive technical solutions, financial mechanism, etc. It will include explicit and detailed guidelines on the implementation process cycle, namely:

Community mobilisation phase

1. Organization of information campaigns for identification of end-beneficiaries;
2. Consultations and support for the establishment of ACMBs;
3. Identification of comprehensive technical solutions for particular types of buildings, estimation and selection of most appropriate division on implementation stages;
4. Explanation of financial incentives to the ACMBs and its management, evaluation of the financial status and optional bottleneck solution;
5. Signature of MOUs and contracts;

Implementation phase

6. Implementation of energy audits; production of technical documentation;
7. Selection of contractors;
8. Implementation of renovation work;
9. Control and technical supervision.

Comprehensive technical solutions are developed as an optimal package of measures both for the simple renovation and energy efficiency retrofitting. The suggested package aims at finding the cost-benefit balance between improved living conditions, extended life of the building, improved safety of habitation and increased energy efficiency. The non-exhaustive list of measures will include two types of measures, as follows:

- 1) Measures related to improved energy efficiency of the buildings:
 - New automatic heating substation;
 - Thermostatic valves on the radiators (where possible from technical point of view);
 - High efficiency or condensing gas boilers on building level (for buildings, not connected to the District Heating System)
 - Insulation of walls, basement and roofs;
 - New energy efficient windows
 - Replacement of lighting
- 2) Accompanying measures, necessary to improve safe habitation and avoid compromising of applied EE measures:
 - Replacement of old piping systems;
 - Roof capital repair;
 - Constructive measures;
 - Others, as necessary.

Detailed technical explanation, justifying the scope of measures and their necessity will be provided in the OM. The implementation of complete optimal package of measures is offered or the energy efficiency retrofitting, as it is of paramount importance to both heat energy savings and to repair building envelope (roof and façade) damage. The advantages of heat energy saving measures on a full scale are undeniably evident:

- Reducing energy consumption by at least 30:50 % as planned with the energy audit of the building
- A thermally insulated façade results in dry, warm exterior walls which halt initial weather damage to the building construction skeleton. Residents experience more warmth and lower heating costs, in addition thermally insulated exterior walls are no longer risk mould or mildew growth.

The Operations manual will include information on the specific measures and correspondent savings on heating costs will be provided to the residents, so that they can take an informed decision on the implementation of specific energy-saving measures. The project will produce a

preliminary expert estimation of the energy-saving package, as well as an optimal (from the cost-benefit point of view) package with retrofitting measures to be further used by ACMBs. The retrofitting of the entire building via implementation of comprehensive technical solutions will only be implemented on the basis of energy audits as a part of the proposed package. The proposed package of energy efficiency measures should allow repayment of the investment mostly through savings on the energy bills. At the same time, the investment itself should be within affordable limits for households.

Implementation of the complete optimal package is necessary to prove results from the application of comprehensive technical solutions. However, applying full optimal package of measures might be seen as financially unaffordable for the majority of ACMBs and their members, therefore it is envisaged, that the optimal package could be applied in stages. The ACMBs that are choosing this option will receive guidance on how it could be practically done.

Financial model is designed for the sustainable and replicable retrofitting of housing stock taking into consideration average households budgets, best international models and practices tailored to the Ukrainian realities and needs.

A financially viable model includes:

- System of financial incentives for the homeowners (grants).

The level of proposed grants has to provide a sufficient motivation to homeowners, while at the same time be justifiable from the cost-effectiveness point of view.

- Targeted additional grants to insolvent owners are considered.

The availability of targeted support for low-income households will allow them to afford refurbishments. A few options are developed and tested in practice.

Timeframe: Month 2-6 of the Project implementation

Activity 4.3: Information campaign to promote ACMB as a progressive form of management of multi-apartment buildings

In each partner city, information campaigns are held to promote improvement of urban housing through community mobilization. They are designed and coordinated by the PMU and organized by the MSU with the support of the city administration.

The information campaigns will raise awareness on the scope of the problems in housing sector, help to boost motivation of homeowners to renovate their buildings, provide information about opportunities provided by project and the requirements which the community must meet to take part in the project activities.

Project will apply different channels of communication, including town hall meetings with Managers of ACMBs and other active homeowners of the multi-apartment building, in which ACMBs are not registered yet; publications in mass media and on web-sites; dedicated local TV programmes.

Consultations are given on a daily basis to the interested potential applicants in the premises of MSU. Information and promotion materials are developed and produced to offer comprehensive explanation to the potential beneficiaries of the needs, benefits and requirements for participation and the support they can receive.

Timeframe: Month 5-13 of the Project implementation

Activity 4.4: Identification of project beneficiaries

The MSU receives applications from interested ACMBs/ Communities from multi-apartment buildings. The applications are reviewed by the MSU and discussed at the MDF before submitting them for approval to the PMU.

Applications will be accepted from both groups: 1) from Communities that do not have a registered ACMB, and 2) from ACMBs with some previous experience of participation in other government or donor programs. Special consideration will be given to avoid double financing. Applications will be accompanied with a Decision from the General Assembly of the Communities, taken with a quorum of at least 75% of the homeowners. Additional criteria for eligibility of applicants will be set forth in the Operations Manual.

The community mobilization approach is applied differently for each of the groups:

1. The first group receives basic trainings: legal framework, accounting and financial management, technical issues related to up-keep and development of plans for repairs and renovations, energy efficiency, etc. As a result of the capacity development activities it is expected that ACMBs are established, capable to lead a small scale renovation work in their multi-apartment blocks.
2. Second group receives technical and management training, as well as training on how to access financial mechanisms. It is expected that selected ACMBs will undertake more complex projects on the implementation of optimal package of renovation measures, resulting in substantial improvement of energy efficiency of the building. Implementation of such projects is important to create successful cases indispensable for the scaling up and promotion of proposed model.

Timeframe: Month 5-18 of the Project implementation

Activity 4.5: Support to the establishment of ACMBs

City housing officers support community members in the multi-apartment buildings to reach agreement, establish and register ACMBs as per the requirements of the current legislation.

A series of training sessions are organized for the ACMB management team. The training curriculum focuses on the proper functioning of ACMBs as a mechanism for organizing renovation activities of the multi-apartment buildings:

- Energy efficient housing renovation – needs, opportunities, benefits, scope of measures to improve energy efficiency, new technical standards, necessary preparatory activities, (energy assessments and audits), preparation of necessary technical documentation, selection of contractors, technical monitoring of works, energy performance certificates (as per directive 2010/31) etc.
- Financial issues– how to address the problem to ensure consensus and participation of all homeowners in the renovation of the building.

Study tours to successfully functioning ACMBs are organized to promote peer to peer knowledge sharing within Ukraine.

Timeframe: Month 7-24 of the Project implementation

Activity 4.6 Identification of micro-projects to be implemented with the project support

For the first group of ACMBs that applies small scale renovation: energy audit conducted, a list of needs is identified, debated at the ACMBs level to identify their strength and technical feasibility. The homeowners choose from the menu of eligible activities, as defined in the Operational Manual.

The list of needs will be then prioritized according to their importance and economical feasibility. The micro-project of utmost priority, as well as affordable from financial point of view will be selected for the implementation.

For the second group of ACMBs that applies the optimum technical package: a list of comprehensive technical solutions is preset (as defined in the Operational Manual). Project specialists help to identify the optimal technical package for the implementation. Also, some

preliminary estimations of the cost of renovation work are made in order to establish the share of each homeowner in the total required costs. Concrete information on the expected savings on heating costs is available to the homeowners to inform their decision.

An assessment of the financial affordability of proposed measures for the ACMBs and each member is made in order to identify risks and challenges in the collection of the expected cost-share contribution from the ACMBs. The results of this assessment will be used as a basis for defining which of the two optional scenarios for implementing the renovation are more suitable for each particular case:

- To apply the optimal package of measures simultaneously, or
- To apply the optimal package in stages.

The CBA project staff works with the ACMB members to reach consensus on the matters described. The range of solutions regarding the access to loans and problems of insolvent neighbours is developed and discussed with members of ACMBs.

Timeframe: Month 9-45 of the Project implementation

Activity 4.7: Approval of identified micro-projects

The identified micro-projects, when agreed by the members of ACMBs, are presented, reviewed and approved at the MDF meetings. The city councils incorporate the approved micro-projects in their own plans for current/next year funding.

Second level of approval follows at the PMU and relevant MOUs are signed afterwards.

Timeframe: Month 9-45 of the Project implementation

Activity 4.8: Development of technical documentation

The ACMBs are responsible for the preparation of the technical documentation. In this, they will be supported by the PMU, specialists of technical departments of the municipal administration, and external experts if needed.

For the more technically complicated micro-projects, where optimal package is applied and therefore energy audits are necessary, professional services from specialized private firms/consultants are used. Procurement of those services is organized with the support of PMU, following UNDP rules and procedures. The TOR for those services is prepared by the project staff.

Timeframe: Month 9-45 of the Project implementation

Activity 4.9: Mobilization of resources

CBA III offers grants to ACMBs for the implementation of micro-projects, subject to the following considerations:

The selected ACMBs and the local authorities contribute to the implementation of the initiative by providing indicatively up to 50% co-financing in case of simple housing renovation micro-projects and up to 80% for comprehensive technical solutions. The distribution of the remaining amount between the relevant local authority and ACMB follows the following approach: the highest percentage is received by ACMB that implements activities from the optimal package simultaneously, less is received by those implementing the optimal package on stages and the smallest incentive is received by ACMBs which implement only small scale and partial renovation activities.

- For simple housing renovation micro-projects up to 50% of the cost is contributed by CBA III (limited to € 12,000)

- For projects when the optimal technical package is applied - up to 80% of the cost is contributed by CBA III (limited to €144,000)

The ACMBs will be supported to access existing and available credit schemes. The ACMBs will be also supported to resolve issues with insolvent owners.

Timeframe: Month 9-45 of the Project implementation

Activity 4.10: Approval of micro-project proposals, grant provision and micro-project implementation

The micro-project proposals submitted by ACMBs are reviewed by the engineers and the community mobilization specialists, as well as by the specialists of CBA PMU and appraised by the CBA III project selection committee. Throughout the project implementation ACMBs receive technical and advisory support for the renovation work (technical/energy assessments, technical documentation, agreements with utility companies, support for the competitive selection of contractors and supervision contractors, quality control for achieving technical standards, elaboration of technical and energy passport of the building, etc.); support to the financing scheme implementation; mediation between ACMBs and other institutions involved in the process – local authorities, utility companies, banks, construction companies, etc.

The project, with the support of the local governments will ensure that ACMBs reach agreements with utility companies 1) to install metering and regulating devices, 2) to pay for energy consumed as per the meter. This will help to monitor the financial savings occurred as a result of the retrofitting.

Implementation, monitoring and control of sub-contractors is guided and supported by CBA project staff, including: contracting of consultants/firms to prepare the audits, the designs and the technical specification for tender dossier energy audit, specifications/bills for the tender documentation. Selection of work contractors is carried out following UNDP rules and procedures. For contracts under € 25,000 procurement is organized by ACMB under the quality oversight of the PMU and in accordance with the detailed procurement guidance provided by the PMU. For contracts above € 25,000 procurement is organized by PMU as per UNDP rules and procedures.

At the end of each micro-project the final monitoring will be conducted (on individual or building level) to collect data about savings obtained.

Timeframe: Month 10-45 of the Project implementation

Activity 4.11: Building capacities of the project stakeholders

Throughout the project implementation the local municipal staff and the local authorities are part of the decision making process. Thus, the “learning by doing” approach is expected to contribute to establishing sustainable practices of housing renovation through community mobilization approach.

In order to streamline the CBA methodology for multi-apartment housing renovation into the Ukrainian policies and practices, the project needs to further invest in involving the universities in the teaching of theoretical and practical aspects of multi-apartment buildings management. Support is provided for:

- Further curriculum development for teaching “Manager of Multi-apartment buildings”;
- Incentives in the form of internships will be provided to those students that are willing to provide services to the ACMBs.

Other forms of cooperation will be discussed and analyzed, taking into consideration needs and opportunities of urban communities.

Activity 4.12 – issue of post-completion activity such as commissioning, handover, sustainability mechanism should be mentioned. Since, the object is expected to remain/go to the balance of ACMB, there should be strict arrangement for sustainability.

Timeframe: Month 8-45 of the Project implementation

Activity 5 –Introduction of innovation activities and new technologies at local level

This activity of the project aims at the following tangible results:

- Increased public awareness on the potential of innovation activities and new technologies at local level;
- Enhanced skill and capacity among local communities and local authorities to identify and use innovation activities and new technologies to increase the living standards of the population;
- Improved innovation activities and new technologies use in public sector institutions and community services on the local level;
- Policy recommendations on efficient use of innovation activities and new technologies based on practical experience at the grassroots and at local government level.

Efforts to promote community-led development in cities are further enhanced by additional support provided to municipal governments. Municipal councils and administrations get an exposure to the best innovative governance practices and technologies. Social accountability mechanisms, forms of the participatory decision-making, innovative ways to provide and monitor provision of public services to the population exercised by local governments will help to ensure sustainability of community-led development. Information about innovative models of municipal governance is provided to all participating municipalities. Following information campaigns and a number of trainings, call for proposals from municipalities is announced to support the implementation of innovative governance practices. The call for proposal will offer to cities with different level of advancement in governance practices the possibility to apply innovative models and technologies relevant to the city context. Selected cities receive additional training and advisory support for a step-by step introduction of the proposed practices and seed grants. The condition of cost-sharing will be applied as one of the mandatory selection criteria. Based on the analysis of lessons learned, guidelines are elaborated to provide basis for wider dissemination and national level scaling up. An analysis of obstacles and problems with the introduction of innovative governance practices in cities provides the ground for formulating policy recommendations in related fields to be submitted to the central government. Partnership with Association of Small Cities and Association of Local and Regional Authorities will be reinforced to jointly lobby for the necessary policy reforms.

Activity 5.1 – Stock-tacking of the innovative practices and technologies applicable in the context of cities

Existing smart practices of innovative governance in selected municipalities are collected, analysed and documented. The major focus of the study is placed on advanced models and technologies supporting governmental institutions at local level to provide information, deliver better public services and foster people’s participation in governance and policy-making processes, especially to the most vulnerable. The formal mapping (analysis of the current municipal legislation regulating activities as well as public services provision) and the references to the existing global practices of the advanced municipal governance provide the basis for further elaboration of training modules for the partner municipalities.

The analysis includes, but is not limited to, the smart practices developed as a part of the “Civil Society Development Programme” of UNDP, “Measuring the Rule of Law in Public Administration”, “School of Public Control” and “Social Innovations for Raising Transparency of the Municipalities”.

Timeframe: Month 2-5 of the Project implementation

Activity 5.2 – Initial information campaign and capacity development package

Based on the above-mentioned stock of smart practices of innovative governance in selected municipalities, the information package is elaborated covering issues of e-governance, application of modern technologies in city administrations, best European and global practices of citizens’ engagement in the oversight and monitoring of local public services provision, participatory planning and decision making.

Information package is provided for all partner-municipalities through oblast and rayon community recourse centres. At the municipal level the project works with the three major groups of cities:

- 1) cities with limited experience in citizens’ engagement practices, but with a general positive notion of innovation and commitment to improve provision of public services based on the citizens’ demand and expectations;
- 2) cities with existing basic innovations in municipal governance in place, willing to build upon and further improve the public service delivery by introducing advanced innovative tools and mechanisms (delivering public services online, electronic billing systems for municipal services, m-government initiatives, etc.)
- 3) “model cities” with advanced municipal participatory governance practices in place, willing to further improve their public service delivery to serve as demonstration sites for knowledge sharing.

The network and capacities of the Association of Small Cities as well as the Association of Local and Regional Authorities is utilized to ensure broad outreach. Initial training is available for municipalities which are expressing interest to introduce innovative governance practices and new technologies. Based on the information received and following the round of trainings, municipalities develop their own innovative governance action plans.

Timeframe: Month 5-10 of the Project implementation

Activity 5.3 – Selection of municipal projects on innovative governance

The project supports detailed development and implementation of innovative governance practices in selected municipalities. Following information dissemination and basic trainings, call for proposals among partner municipalities is announced.

Support is provided to municipal initiatives aiming to further institutionalize community mobilization approach and increase the efficiency, transparency and accountability of local institutions; enhance information access and provision of basic services to the overall population, in particular to the poor and most vulnerable; promote people’s participation, particularly of the poor, women and youth in decision and policy making processes.

In particular, CBA III offers support to municipal projects related to:

- 1) access to ICT and connectivity: ICT investments in public information infrastructure, connectivity and equipment to foster wider use by people. Examples include telecenters or public internet access points;
- 2) access to information: promotion of digitalization and dissemination of public information among the population, - interactive maps;

- 3) e-administration: municipal projects involving ICTs and mobile technologies to foster transparency and accountability within local public institutions, to improve their functioning and effectiveness, incl. publication of municipal budgets, information about public tenders on official municipal web-sites, etc.
- 4) e-service delivery: municipal projects involving ICTs and mobile technologies to foster the delivery of public services to all. Examples include introduction of the internet based billing system for housing services, provision of administrative services with involvement of internet and mobile technologies, etc.
- 5) e-participation: municipal projects fostering interaction between public institutions and citizens to promote better policies, services and public operations. This has three levels: information provision to citizens, consultation with citizens, and dialogue between government and citizens. Examples include interactive platforms for the public debates over strategic priorities of municipal development, feedback mechanisms to assess citizens' satisfaction by the quality of services provision

The project will not cover any hardware or recurrent costs.

Introduction of innovations in municipal governance in 3 groups of cities is provided based on the assessment of the following aspects: 1) magnitude of the problem that the innovation intends to solve; 2) relevance of the proposed solution; 3) involvement of the stakeholders into design, implementation and assessing the innovation; 4) durability of the innovation results; 5) impact on the inclusion of vulnerable groups of population; 6) understanding of the challenges that may occur in designing and implementing the innovation and ways to overcome them; 7) proper sequencing of design and implementation of the innovation; 8) monitoring and impact assessment of the innovation implementation 9) replicability to other cities.

Municipalities demonstrating strong linkages with the implemented community initiatives in the housing sector will get priority support.

Timeframe: Month 8-20 of the Project implementation

Activity 5.4 – Implementation of innovative governance projects

Upon selection of municipalities in each of the three groups, initial coaching and technical support is provided along with the seed grant for the actual implementation of the project. Monitoring and impact assessment will be integrated in the design of the innovative governance micro-projects.

Timeframe: Month 9-36 of the Project implementation

Activity 5.5 – Consolidation of lessons learned and knowledge sharing

Experiences and good practices are collected, analysed and consolidated for further dissemination and replication. Network of Association of Small Cities and Knowledge Management Hub established jointly with Association of Local and Regional Authorities ensures broad outreach of the component results. Publications in local and national media and seminars/conferences are carried out.

Timeframe: Month 10-46 of the Project implementation

Activity 5.6 – Policy advice and advocacy

The purpose of the policy level activities is to build a shared understanding among governance actors of the innovative policies and strategies, practices and tools that the municipalities of Ukraine can adopt to enhance citizens' participation in the decision-making at local level and to

promote effective, transparent, accountable, participatory and citizen-centric public administration.

At the policy level, the project promotes development of the local e-governance (in partnership with the State Department on Communication and Informatisation, and the National Centre of E-Governance); and contribute to the local self-government reform (in partnership with the relevant Committee of Verkhovna Rada).

Timeframe: Month 36-45 of the Project implementation

Activity 6–Documenting project good practices to advocate for reform agenda

To ensure continuation of project activities after the closure of the project and to support establishment of conducive environment for people-centred development, the following activities at the national policy level as well as the following exist strategies will be implemented: 1) strengthening the Knowledge Management Hub as a mean of knowledge exchange, platform for broader policy discussions and involvement of all stakeholders into the policy dialogue; 2) documentation and dissemination of the lessons learned; 3) development of policy recommendations on the reform of local self-governance and decentralization.

Activity 6.1 – Strengthening of the knowledge hub

The knowledge hub, established at the Ukrainian Association of District and Regional Councils (UADRC) during CBA II, will be furthered strengthened. A local governance and development knowledge network, linking practitioners, professionals and policy makers in the field of participatory governance and community based development is established under this national level Hub. The Hub will facilitate virtual and face-to-face knowledge sharing between community members, community organisations, local/rayon/regional and central authorities, development organisations, civil societies, academia, donors, etc. Regional level knowledge hubs are established/strengthened at the regional community resource centre or/at regional branches of UADRC. These regional hubs will feed the national hub with information received from the grassroots level, especially from rayon and municipal resource centres. Experience of other similar works will be utilised where possible including e-library on regional development established by CIDP in ARC and knowledge hub established at NAPA with support of MGSDP

Experience of successful knowledge hubs from other countries is sought to make the network effective and meaningful. Information, post queries, solutions and good practices are exchanged between the network members. Discussions are moderated, compiled, summarised and shared with network members and also retained for institutional memory. The CBA III project provides technical and financial support for smooth functioning of the knowledge hubs and their network.

The capacity of UADRC and other local actors' associations as lobbyists for local governance reform will be developed and supported through trainings, and expert support. Special emphasis will be put on the development of the networking capacities of the Association and its ability to engage local stakeholders in the process of policy development. Platform of Knowledge Management Hub will be used to initiate discussions around specific legal acts related to decentralisation and local governance as well as to collect and aggregate the recommendations from local stakeholders (local governments and communities).

Timeframe: Month 2-45 of the Project implementation

Activity 6.2 - Documenting good practices and lessons learned

Collection of documents on community based approach is prepared and maintained as an e-library. Initial supply of such documents will come from UNDP-led projects namely CBA I, CBA-II, the Municipal Governance and Sustainable Development Programme, the Chernobyl Recovery and Development Programme (archive) and the Crimea Integration and Development Programme (archive). Documents are also collected from projects of other donors and national agencies in Ukraine that have experience in applying community participation approaches in local development. The global knowledge management system (e.g. teamworks, community of practices etc.) of UNDP will also be used.

Regional and national documentation is collected throughout CBA III implementation to further advance practical standards and relevant procedures for community based local development, e.g. replication and internalisation of CBA methodology, energy efficiency, co-funding mechanisms between community (citizens' resources), public authorities (state budget resources) and donors (development aid resources), etc.

Timeframe: Month 24-45 of the Project implementation

Activity 6.3 - Knowledge sharing

To the extent possible, experiences and good practices are disseminated to network members, non-member target groups and other interested parties. Publications in local and national media and seminars/conferences are carried out. Through organized visits, regional and national level media is familiarised with community based methodology and its actual contribution to improving living condition of the people. Regular reports and briefs are provided to EU as per agreed schedule.

Timeframe: Month 10-46 of the Project implementation

Activity 6.4 - Developing policy recommendations and advocating for decentralisation reform agenda

Based on the documented project good practices and challenges to be addressed in the area of local governance and decentralisation, an advocacy and policy support work will be conducted with the main actors at the national level: Administration of the President of Ukraine, Parliamentary Committee on State Building and Local Governance, Ministry of Regional Development.

National roundtable to discuss the course of the reform and present policy recommendations to the national and regional policy-makers will be organised annually to keep issues of local governance and decentralisation high on the national agenda.

Exposure visits will be organised for parliamentarians, senior civil servants and policy makers to new member states to learn about different aspects of local governance and decentralisation process.

Timeframe: Month 2-44 of the Project implementation

Activity 7 - Conducting information campaign and raising public awareness on crosscutting issues

To ensure visibility of EU and UNDP, communication activities are carried out under the framework of the 'Joint Visibility Guidelines for EC-UNDP Actions in the Field'¹⁴. The visibility

¹⁴http://ec.europa.eu/europeaid/work/procedures/implementation/international_organisations/other_documents_related_united_nations/document/joint_visibility_guidelines.pdf

and communications strategy, developed and applied during the CBA II project, is re-visited and updated. Communication materials are produced and disseminated among stakeholders at all level. Donors, media and partners are provided with up to date information on project activities through periodic progress reports and newsletters. The CBA project website is maintained to give partners an easy access to resource materials and information on the project activities. Additionally, information campaign is undertaken to raise community awareness on cross-cutting issues including gender, climate change, and good governance.

Timeframe: Month 1-46 of the Project implementation

1.7.2. Expected results

The key results expected through the implementation of the proposed project are:

- 1000 community organizations, 200 Local Development Forums, 15 Municipal Development Forums and 25 Regional Coordination Councils created/strengthened to ensure appropriate platform for collective actions and joint decision-making at local level
- The capacity of 210 community resource centres in community-based development strengthened
- 300 ACMBs created/strengthened in up to 15 municipalities
- The curriculum on community led development including the community-based development principles and methodology adopted by at least ten regional universities/training centres;
- At least 6,000 community members and 2,000 elected/state authorities trained on how to cooperate with community organisations and local authorities;
- At least Has-members and local officials will be trained in improving energy efficiency in urban housing
- At least local officials will be trained in introducing activities and technologies to improve e-governance
- At least 800 community micro-projects implemented to improve the delivery of basic communal services and to support economic development in rural areas. At least 300 community projects on energy saving/renewable sources of energy supported to reduce energy loss and diversify energy sources;
- At least 36 community cooperatives will be grafted/set up and 42 micro-projects will be supported to raise employment and income in rural areas;
- At least 300 micro-projects implemented to improve living conditions of urban communities;
- At least 15 innovative municipal governance models are introduced to provide information, deliver better public services and foster people's participation;
- At least 10,000 members of community organizations trained on energy efficiency to ensure increased public awareness at local level on energy saving options;
- At least 14,000 members of ACMBs trained on how to practically make use of community mobilization approach to improve living conditions in condominiums
- Support to the formulation and implementation of the decentralization reform provided
- Knowledge management hub is functioning and serving as a platform for experience exchange

Methodology

1.8.1. Method of implementation and reasons for choosing proposed methodology

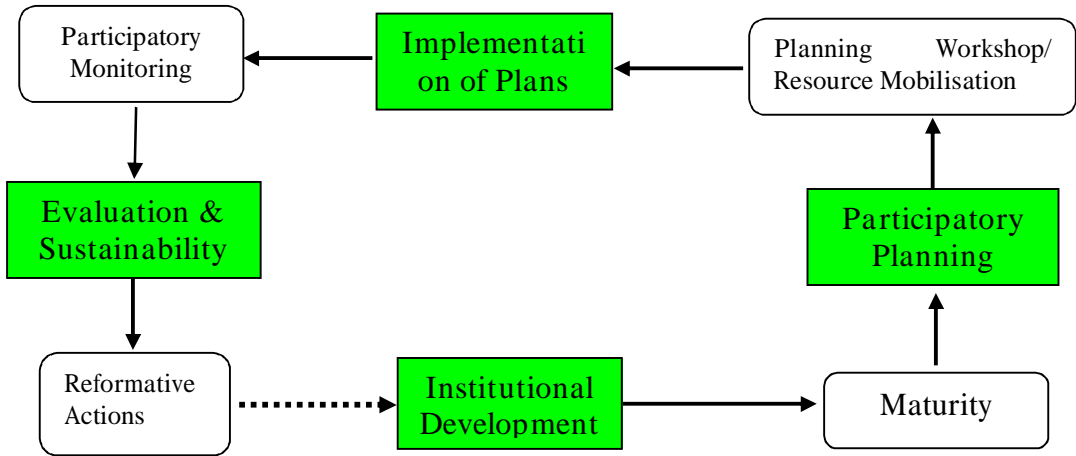
Social mobilisation is a dynamic process which harnesses the people's potential for self-help initiatives. The underlying assumption is that people are willing and have potential to do many

things themselves for their own wellbeing, their families and their community. They often need social/technical guidance in order to get motivated and organized. Such guidance includes help to:

- Identify genuine activists from among themselves;
- Identify and prioritise what people are willing to undertake in terms of opportunities and needs;
- Undertake a feasibility study of identified opportunities and needs in light of peoples’ capacity, equity, sustainability and availability of resources from within and outside;
- Arrange, secure and facilitate the flow of required resources to the community, and
- Monitor, lobby, and establish linkages between communities, local authorities, CSOs, private sector and donors.

The above actions are accomplished in 4 stages: institutional development; bottom-up planning; implementation of plans; and operations/maintenance (flow chart – I). Each stage promotes/strengthens governance in one way or the other.

Flow-Chart – 1: Stages of Community Mobilisation Cycle



Central to the Project implementation strategy is the “Community-Based Approach” which applies bottom-up, participatory planning and community mobilisation process in order to encourage the formation of self-governing community organisations which undertake self-help initiatives in partnership with local authorities. Most commonly, the self-help initiatives include renovation of basic social and communal infrastructure and provision of better public service delivery with the ultimate goal to improve living conditions. The implementation of community led initiatives results in a critical mass of practical experiences of participatory local governance and improved relations between local authorities and citizens thus providing inputs for the ongoing debate on administrative and fiscal decentralisation and further democratisation of society.

The identified challenges of the municipal housing are of socio-economic and development nature, hence community mobilization will be the most suitable approach to address them. Only a holistic approach to the multi-apartment housing renovation problems can ensure sustainable solutions. The project implementation and achievements are expected to generate public support for the enforcement of some otherwise difficult political decisions. Any improvements in the legislation incurred meanwhile will be welcome and the Project will contribute to their enforcement and information dissemination. The proposed project will take advantage of all the previous experiences and on-going initiatives in the sector. The value added of the project will be the comprehensive approach that will enable sustainable introduction of deep retrofitting measures in the multi-apartment buildings, bringing them up to the EU standards for energy efficiency and improving living conditions of a large group of the Ukrainian population.

The CBA III project will be implemented by the United Nations Development Programme in Ukraine under the framework of a contribution agreement signed between EU and UNDP, following the procedures of the 'Joint Management with International Organization' and the Financial and Administrative Framework Agreement between the European Community and the United Nations. UNDP Ukraine will implement the CBA III project by utilising its established capacity and experience obtained in community-based approach development interventions.

The Project will be implemented through Direct Implementation Modality in accordance with the UNDP 'Programme and Operations Policy and Procedure' (POPP), the UNDP office in Ukraine will be responsible for project implementation, including for: provision of expertise in all areas related to the project, organising implementation of project activities, recruitment of project personnel and consultants, and contracting services for the procurement of equipment. UNDP Ukraine will build on its previous experience with relevant governmental and non-governmental partners and will tap into its global knowledge networks to mobilise complementary international expertise in order to achieve optimal results.

Tenders for procurement of equipment will follow the UNDP procurement rules according to Art. 6.1 of the Financial and Administrative Framework Agreement between the European Community and the United Nations.

UNDP Ukraine will closely cooperate with and inform the Delegation of European Union to Ukraine at all stages of project implementation. All reports will be submitted in hard copy and in electronic version. Reports will be developed and presented as per the standard requirements set in article 2 of the General Conditions and the Joint Guidelines on Reporting Obligations under the FAFA¹⁵.

Regular coordination and review meetings between UNDP and the EU Delegation will be conducted to monitor the project's progress and agree upon on the major issues related to the CBA project implementation.

The main project partner will be the Secretariat of Cabinet of Ministers. The Steering Committee of CBAII will be maintained with its further expansion as necessary. The Project Steering Committee provides advice and guidance on project implementation. The CBA III International Project Manager is in charge of the daily management of the project and facilitates a proper functioning of the Steering Committee. Terms of Reference (ToR) of the Steering Committee is provided in Annex II.

1.8.2. Capitalizing upon the success of previous actions

The proposed action is capitalising upon the success of the CBA I and CBA II. It builds upon the work carried out under CBA II in terms of utilising the manuals/guidelines, services of project staff, established partnerships and the lessons learned.

1.8.3. Procedures for follow up and internal/external evaluation

An external evaluation of the project implementation will be commissioned by EU and the cost of this evaluation is going to be covered directly by the EU Delegation (outside the budget of the specific contribution agreement).

The Action will be subject to standard monitoring and evaluation procedures of UNDP. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and achievement of project objectives. Using the internal monitoring system developed during CBA II, quarterly reports will be produced by the Project focusing on

¹⁵http://ec.europa.eu/europeaid/work/procedures/financing/international_organisations/other_documents_related_united_nations/document/joint_guidelines_reporting_2011_en.pdf

analysis of progress against planned activities. Annual reports will be drafted and submitted to UNDP and EU no later than two months following the end of year. These reports will contain an in-depth analysis of the results and outcomes achieved during the year. In addition, annual presentations to present the Project key deliverables to the Steering Committee will be carried out.

1.8.4. Audit

The project shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules and Directives of UNDP. A copy of the audited financial statements of UNDP issued by its external auditors shall be submitted to the European Union by UNDP, as per the provisions of the Article 16. 2 of the General Conditions.

1.8.5. The role and participation in the action of various actors (local partner, target groups, local authorities, etc.)

At Central Level, the main focal agency for the project will be the Secretariat of the Cabinet of Ministers of Ukraine. As the main counterpart of the project, it will:

- Coordinate and facilitate the involvement and participation of line ministries and other relevant government agencies;
- Ensure that regional and local authorities are duly informed about the project and fully authorised to participate; and
- Provide recommendations and support for project implementation

At Regional Level, the main counterparts are the regional state administrations and Regional Councils (in case of ARC, the Office of the Chairperson of the Council of Ministers of the ARC.) They will:

- Facilitate the function of the Regional Implementation Unit and its expansion into a resource centre;
- Provide office space for RIU/resource centre;
- Appoint regional state administration staff to join CBA team in project implementation and to coordinate with oblast/local authorities;
- Facilitate the work of project regional coordination council;
- Assist in the selection of target rayons and village councils;
- Review and integrate rayon development plans (based on community development plans) into the regional development plans; and
- Make available budgetary resources to the extent possible

At municipal level, the main counterparts will be the municipalities which will:

- Provide office space for the Project municipal support unit (MSU);
- Appoint municipal staff to work with the MSU in project implementation and coordinate with municipal partners;
- Participate in the identification of end beneficiaries;
- Facilitate relations between municipal heating companies and the established ACMBs;
- Made available budgetary resources to the extent possible;
- Provide support to socially vulnerable homeowners,

At Rayon Level, the main counterparts are the rayon state administrations and rayon councils. They will:

- Appoint focal persons for working closely with the RIU/oblast focal persons;
- Assist in the selection of village councils and target communities;

- Establish and chair the Local Development Forum (LDF) and represent LDF in regional coordination council and coordinate with oblast authorities for effective implementation of the project;
- Establish a rayon community resource centre/ and maintain the existing rayon community resource centre to support CBA as well as non-CBA communities;
- Integrate community development plans approved at LDF into the rayon development plan;
- Provide technical expertise and other support to COs in designing of community led micro-projects;
- Allocate resources for community initiatives approved by local development forum;
- Support implementation of community projects by observing tenders and by participating in the supervision of micro-project implementation;
- Facilitate hand over and support establishment of sustainability mechanisms for completed micro-projects

At Local Level, the main partners are local authorities (village and city councils). They will, among other:

- Support RIU in establishing and strengthening self-governing COs;
- Support MSU in establishing and strengthening ACMBs
- Review community development plans, recommend approved plans at local development forum meetings;
- Participate in the design and implementation of micro-projects and mobilise internal resources;
- Participate in the design and establishment of effective sustainability mechanisms for completed sub-projects;
- Coordinate with rayon authorities for effective implementation of CBA activities

At Community Level, the selected target communities are the main partners at community level. They, among other:

- Form and maintain an inclusive self-governing CO (ACMBs in cases of cities) founded on the principles of good governance;
- Select active persons and CO-MT to carry out the functions of COs (ACMBs in cases of cities);
- Prepare community development plans and debate/approve them at local level planning workshops;
- Contribute in cash/kind to maintain the CO (ACMBs in cases of cities) and implement micro-projects;
- Serve as a watch-dog to ensure accountability of CO-management team and the CO-members;
- Support sustainability of micro-projects and the services derived from them.

1.8.6 Team proposed for the implementation of the action

The CBA-II will maintain two levels of project teams set up during CBA-I to carry out the functions as follows:

At Central Level the current project management unit (PMU) tasks will be:

- Overall management of Project implementation;
- Coordination with stakeholders and project partners;
- Strategic, technical and methodological backstopping to Regional Implementation Units;
- Final endorsement of community projects for grant award;
- Monitoring of project implementation and quality assurance; and
- Knowledge management, reporting and visibility

The PMU will consist of:

- International Project Manager

- 2 Community Development Specialists
- Urban Development Specialist
-
- 5 Engineers (3 to support community project related activities in villages, and 2 engineer on urban housing);
-
- Monitoring and Communications Specialist;
- Administrative Officer;
- Finance Specialist;
- 9 project assistants (4 finance, 3 community development (2 rural, 1 urban), 1 monitoring, 1 administration); and
- 2 Drivers

At Regional Level the main tasks of the OIU will be:

- Overall management of field component of the project;
- Community mobilization;
- Creation/strengthening of support structures at rayon/regional level;
- Creation/strengthening of community resource centres;
- Human resource development at local/rayon/regional level;
- Establishment/continuation of bottom-up participatory planning process;
- Implementation and sustainability of community projects; and
- Experienced documentation, dissemination and visibility.

In each region, the CBA III project will have up to three project staff (2 community development officers and 1 driver) depending upon level of activity. In high activity regions there will be 3 staffs (2 CDOs and one driver) while in low activity regions there will be two staffs (one CDO and one driver)..

At municipal level, CBA III will have up to 15 community development officers (one CDO per partner city). They will be associated with their respective MSU to ensure fulfilment of main tasks of MSU, mentioned below -

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Selection and recruitment of project staff (see Annex - I for TOR of staff members of the present document) will be done by UNDP in framework of its standard policy and procedures.

Main means proposed for the implementation of the action

- Office premises, office furniture and equipment for PMU, 25 RIUs and up to 15 MSUs. Furniture and equipment of CBA II will be utilised during CBA III as well. Replacement or addition will be made as necessary to ensure effective implementation.
- 2 vehicles for the PMU and 1 vehicle for each RIU. Current vehicles will be checked for their suitability for CBA III period and replacement will be made for those which will prove unsuitable. The rejected vehicles will be disposed off.

Treatment of all vehicles, equipment and supplies will be done in accordance with the provisions of article 7.3 of the General Conditions.

Duration and indicative action plan for implementing the action

The duration of the action will be 46 months.

Activity #	Key Activity	Year - 1												Responsible Body
		Semester 1						Semester 2						
		1	2	3	4	5	6	7	8	9	10	11	12	
1	Launch of CBA Phase III Project													UNDP, EU, CBA Team
2	Establishment of partnerships on local level													UNDP, CBA Team
3	Formation of local support structures: local development forums, regional coordination councils. Establishing/strengthening community resource centres													CBA/OIU, RSA/RC, OSA/OC
4	Community mobilization , capacity building and micro-projects implementation													RSA/RC, CBA/OIU
5	Promotion of energy efficiency on local level													COs, local authorities, CBA Team, UNDP
6	Introduction of innovative models and new technologies for municipal governance													ACMBs, municipal authorities, CBA Team, UNDP
7	Improvement of urban housing through community mobilization													COs, municipal authorities, CBA Team, UNDP
8	Promotion of farm and non-farm micro and small business development													COs, local authorities, CBA Team, UNDP
9	Operationalization of knowledge management hub													CBA Team UADRC
10	Building capacities of local stakeholders (community members, civil servants and elected authorities) in community based local development													CBA Team, academia
11	Providing policy support to the legislative and executive branches and supporting advocacy efforts of collective actors (UADRC, ACU etc.) to advance the reform agenda in the area of decentralization and local democracy													CBA Team, UNDP
12	Conducting information campaign and raising public awareness on crosscutting issues													CBA team
	Key Activity	Year - 2												Responsible Body
		Semester 3						Semester 4						

		13	14	15	16	17	18	19	20	21	22	23	24	
1	Community mobilization and micro-projects implementation													COs, local authorities, CBA Team, UNDP
2	Promoting energy efficiency on the local level													COs, local authorities, CBA Team, UNDP
3	Promotion of farm and non-farm micro and small business development													CBA Team,
4	Introduction of innovativemodels and new technologies for municipal governance													COs, municipal authorities, CBA Team, UNDP
5	Improvement of urban housing through community mobilization													ACMBs, municipal authorities, CBA Team, UNDP
6	Establishment of knowledge management system													CBA Team, UADRC
7	Methodology internalisation ???????													COs, OIU, local/regional authorities
8	Teaching students, training civil servants and elected authorities													CBA team; academia
9	Providing policy support to the legislative and executive branches and supporting advocacy efforts of collective actors (UADRC, ACU etc.) to advance the reform agenda in the area of decentralization and local democracy													CBA Team, UNDP
10	Conducting information campaign and raising public awareness on crosscutting issues													CBA team
11	Evaluation of the Project implementation													UNDP
Activity #	Key Activity	Year - 3											Responsible Body	

		Semester 5						Semester 6							
		25	26	27	28	29	30	31	32	33	34	35	36		
1	Community mobilisation, capacity building and micro-projects implementation														COs, local authorities, CBA Team,
2	Promotion of energy efficiency on local level														COs, local authorities, CBA Team,
3	Promotion of farm and non-farm micro and small business development														CBA Team
4	Introduction of innovative models and new technologies for municipal governance														COs, municipal authorities, CBA Team,
5	Improvement of urban housing through community mobilization														ACMBs, municipal authorities, CBA Team,
6	Knowledge sharing and establishment of knowledge management hub														CBA Team, UADRC
7	Building capacities of central and local project stakeholders														COs, OIU, local/regional authorities
8	Providing policy support to the legislative and executive branches and supporting advocacy efforts of collective actors (UADRC, ACU etc.) to advance the reform agenda in the area of decentralization and local democracy														CBA Team, UNDP
9	Conducting information campaign and raising public awareness on crosscutting issues														CBA team
10	Evaluation of Project implementation														UNDP
Activity #	Key Activity	Year - 4												Responsible Body	
		Semester 7						Semester 8							
		37	38	39	40	41	42	43	44	45	46				
1	Community mobilisation, capacity building and micro-projects implementation														COs, local authorities, CBA Team,
2	Promotion of energy efficiency on local level														COs, local authorities, CBA Team,
3	Introduction of innovative models and new technologies for municipal governance														COs, municipal authorities, CBA Team,
4	Improvement of urban housing through community mobilization														ACMBs, local authorities, CBA Team,
5	Knowledge sharing and establishment of knowledge management hub														CBA Team
6	Building capacities of central and local project stakeholders														COs, OIU, local/regional authorities
7	Providing policy support to the legislative and executive branches and supporting advocacy efforts of collective actors (UADRC, ACU etc.) to advance the reform agenda in the area of decentralization and local democracy														CBA Team, UNDP
8	Conducting information campaign and raising public awareness on crosscutting issues														CBA team
9	Evaluation of Project implementation														UNDP

A detailed Gantt chart of the project implementation is presented in Annex - III.

Sustainability

1.11.1. Risks analysis and assumptions

In view of the trust established with CBA I partners, the demonstration of CBA methodology during CBA II, no major risks are foreseen for CBA III. However, there risks and assumptions listed below should be taken into consideration:

Assumptions:

Ukraine pursues its development objective in line with the spirit of the European Charter on Local Self-government;

The Government continues cooperation with the European Union in order to improve energy efficiency.

Risks:

Changed elected/government officials are not open to adopt CBA methodologies and are inclined toward greater centralization;

Low interest of households / land owners to unite in cooperatives

Low interest of homeowners to create ACMBs;

Lack of interest of ACMBs to apply and implement comprehensive technical solutions;

Failure to achieve 100 % participation of homeowners in the retrofitting;

Regional strategies on energy efficiency are considered by local partners as a formality, hence with actual low interest and limited resources to implement relevant measures;

Recovery from national or global financial crisis affects the revenue collection of budgets at all levels, thus limiting local co-financing possibilities.

Risks can be mitigated through:

- Share success stories of CBA I and II, promotion of direct contacts between communities (highlighting the CBA I and II best practices, peer-to-peer learning, effective functioning of LDFs and RCCs);
- Intensify cooperation with local authorities on regional level as well as involve members of the Steering Committee representing central structures at national level;
- Conduct public awareness campaign on the benefits of a) community cooperatives for economic activities, and b) management of common property through ACMBs, and on the importance of energy-saving measures;
- Careful design of proposed packages – attractive and affordable, well organized information campaigns;
- Project staff will work on a case by case basis with unwilling owners; a waiting list of participants will be prepared;
- Review co-financing arrangements for micro-grants, if necessary

1.11.2 Financial and institutional sustainability of the action

The financial aspect (how will activities be financed when the Project ends?)

The micro-projects to be implemented through seed-grants will be designed with a clear and realistic management, operation and maintenance plan. Cost sharing contributions and participation in all stages of the sub-project cycle by the COs and local authorities, will help develop a sense of “ownership” of results and ensure sustainability. Some regional and rayon authorities are expected to replicate the CBA methodology in additional territories using the support structures in place.

The financial sustainability of the implemented urban housing renovation is ensured through a carefully designed, established and tested financial mechanism consisting of 3 complementary components: grants, access to loans and support to insolvent homeowners. The suggested model based on diversified sources of funding between the central, local government and the ACMBs with demonstrate good and replicable practices involving gradual decrease of public financial support, thus ensuring the financial viability of the model. It is expected that the Government will continue to commit national budget resources which are now used for first capital repair and energy efficiency retrofitting in the form of direct subsidies. The project will explore the option of transforming currently allocated funds by local governments for direct subsidy support to ACMBs for housing renovation purposes into a targeted support for low income households. Financing energy efficiency renovation of multi-apartment buildings through loans is a common European practice. Access to loans will be facilitated to support and encourage homeowners' associations to successfully use this mechanism for financing renovation of the common parts of their buildings. The support to the ACMBs to get access to loans will also contribute to the sustainability of the model. By diversifying the support, the project will mainstream available government and private resources for achieving long-term sustainable impact. An important contribution to the financial sustainability of this Action will be the expected involvement of the private sector companies in the area of urban housing. The public-private partnership will allow financially less strong cities to take part in the Action, while at the same showing good practices that can be replicated in the future.

Institutional aspect (Will structures allowing the activities to continue be in place at the end of the action? Will there be local "ownership" of action outcomes?)

The Regional Implementation Units are established in each region of Ukraine with an understanding that they will be converted into Regional Community Resource Centre. The focal person from the regional government, the operational guidelines and project documentation will provide institutional memory to continue the functioning of the centre. The established Regional Coordination Councils and the linkages with the network members under the Knowledge Management Hub will further support the continuity of resource centres.

The rayon resource centres established by rayon authorities and managed by the focal person (delegated) from the regional state administration will continue functioning at the cost of rayon and will keep supporting local communities. The logistical support (furniture, equipment) provided by the Project to the resource centres will become property of the regional state administrations/councils allocated to the resource centres.

The municipal support units's functions will be absorbed by the municipalities after the project end and will continue to support municipal housing programmes. Expectations are, that those will be maintained by the local authorities upon end of project activities as municipal resource centers to liaise with ACMBs and in support to implementation of housing policy on city level. Municipal staffs(s) working together with CBA staff in MSU will have developed skill to continue implementation of the model, municipal technical personnel, administrative and treasury officials well aware about the model will be able to support MSU. In each ACMBs there are minimum people trained to manage ACMB and its activities will sustain the resulting object and the institution.

Municipalities will have improved capacity in developing programs for comprehensive energy efficiency improvements in multiapartment buildings, eligible to be financed from international financial institutions, including EP5.

The establishment of inclusive self-governing community organisations, local development forums, oblast coordination councils and Resource Centres will provide an institutional framework and platform at the grass-roots level. These structures will facilitate and further expand participatory planning, decision-making and implementation of activities addressing local

development needs and priorities, as well as promote improved dialogue and effective partnerships between local authorities and citizens, even after CBAIII ends. Moreover, community leaders who were involved in CBA projects are increasingly elected into the village/rayon councils, thereby replicating the bottom-up community-based approach in the system of public administration and civil society. ACMBs will have developed their association to deliver services and sustain the resulting object and mechanism (needs elaboration, if valid!)

A substantial part of the allocated funding to the housing component is planned to be used for raising awareness, community mobilization and support for organising simple renovation works in common part of the multi-apartment buildings. This will increase the interest among homeowners, hence the social base and potential for future implementation of programs of similar type.

Furthermore, the introduction of CBA methodology into university curricula and development of training modules for civil servants and elected authorities will contribute to building capacity in participatory governance and community based approach to local development. This will also contribute to the continuity of methodology implementation after the project ends.

Other national funding agencies (such as Fund for Local Self-governance under President of Ukraine) operating in Ukrainian cities will have undertaken model propagated by CBA to utilise its resources to address urban housing problems in partnership with municipalities and ACMBs. Similarly, Ministry of Regional Development might consider adoption of CBA methodology to and require regional authorities to implement their 'small grant programmes' using structure and methodology promoted by CBA. It is likely because most of the regions and large number of CBA-rayons have already developed short-medium term socio-economic programme under the scope of CBA methodology.

Policy level where applicable (What structural impact will the action have - e.g. will it lead to improved legislation, codes of conduct, methods, etc?)

The Project will help create practical experiences in participatory local governance that can subsequently contribute to on-going debates and reforms on administrative and fiscal decentralisation and lead to further democratisation of society.

As mentioned in Section 1.7 under Activity 10, during the entire process of project implementation, good practices and lessons learned will be documented and discussed at the local development forums for sharing information and knowledge among all stakeholders. These policy recommendations will be further analysed and compiled by the Local Governance and Development Knowledge Network – the Hub (section – 8) and brought to the attention of policy makers.

With the developed and tested comprehensive technical solutions and established financial mechanism for implementing a scalable model for urban housing renovation, the project will provide a sustainable platform for launching a future larger scale Government program for energy efficiency in the housing sector. With the tendency of escalation of tariffs for housing and utilities (heating, gas, water, electricity, maintenance), the homeowners will encounter more difficulties to finance their expenses and will be more willing and motivated to explore energy savings' options and propositions for solutions.

Annexes

The Logical Framework for the Project is presented in Annex-IV of the present document.

The Budget of the Action is provided in Annex III of the present EU-UNDP contribution agreement.

Expected sources of Funding are shown Annex V

Annex - I Terms of Reference of CBA III Staff

1. International Project Manager (PM)

The Project Manager shall be responsible for the overall management of CBA project activities, developing and implementing a results-based work plan for the project. He/she shall be responsible for all substantive, managerial and financial reports from the project. He/she will provide overall supervision for all CBA staff in field stations and in the project management unit in Kyiv as well as guiding and supervising all policy-based relations between the project and the Government of Ukraine. The Project Manager will have the following specific duties:

Policy Analysis and Advisory Services:

- Monitor and analyze key economic, social and political developments in the country which affect regional / local or national development; through this process, identify development needs and potential solutions relevant to project activities;
- Analyze Ukrainian policy in the area of local / community development. Identify challenges and recommend policy changes that will facilitate community development and expansion of the model of effective cooperation between local citizens and authorities.
- Contribute to policy dialogue on the issues of communities engagement in the decision-making process on the local level with the Government, donors, civil society, private sector.
- Create platforms for dialogue at regional (oblast) and district (rayon) level, between local authorities and community organizations. Support creation of local development forums and provide assistance to their functioning.
- Advocate, promote awareness and understanding of local sustainable development issues in the context of MDGs, climate change and European integration processes.
- Engage with senior government officials at the national, regional and local level to promote expansion of community-based development programming.
- Establish and maintain dialogue with government officials, both local and national, NGOs, partners, donors and communities to provide knowledge and understanding, ensuring accurate interpretation of the program's mission;
- Engage with senior EU and UN officials to demonstrate effectiveness of technical assistance to local communities in Ukraine.
- Lead and effectively manage the CBA project team comprising of up to 90 individuals. Ensure proper training, guidance and coaching opportunities for all CBA personnel and local leaders assisted by the project.

Programme Services:

- Manage the CBA project financial and human resources
- Create systems for effective financial, administrative and logistical processes to facilitate community-level work
- Ensure proper operational, financial and administrative management in the project, as well as adherence to all UNDP rules and procedures;
- Ensure full transparency and access to information about activities of CBA for local and national stakeholders;
- Ensure effective monitoring of community component of the CBA
- Facilitate learning for local CBA community development officers, provide guidance and coaching opportunities to ensure high efficiency of project support by CBA offices in oblast centres.
- Ensure that CBA objectives and activities are well coordinated with plans and activities of local partners;
- Ensure proper monitoring and evaluation procedures are instituted in all project activities;
- Co-ordinate and oversee the preparation of the substantive and operational reports from the Programme;
- Prepare and oversee the development of Terms of Reference for consultants and contractors;
- Monitor project inventory, attendance records, filing system. Assure correct personnel management and procurement of goods/services;

- Participate in communication (PR) and media activities. Ensure project web-site updates. Coordinate distribution of the project related information. Ensure visibility of the Donor and Implementing Partner in all project outputs.
- Implement the project in accordance with UNDP Financial Rules and Regulations and the Internal Control Framework for UNDP Ukraine.
- Prepare input to official project implementation reports to the EC
- Participate in preparation of budgets and workplans for the extension of the CBA project

Knowledge Management and Experience Sharing:

- Implement the Social Mobilization concept throughout all components of CBA;
- Prepare knowledge products, document the community-based development methodology.
- Facilitate learning and experience sharing for government officials, local community leaders and experts
- Create an electronic platform for the exchange of information, best practices and experience within CBA
- Contribute to national and global knowledge networks and contribute to policy discussions in UNDP and the EU systems, for proper inclusion of the CBA experience in institutional best practices and policies
- Maintain relationships with donors and present a clear analysis of how their financial support has contributed to the results they had requested and promote the programme to new donors;
- Participate in regional and global meetings of development practitioners working in the area of social mobilization and local development
- Contribute articles and analytical work to be published in specialized media
- Perform other duties as required

Skills and Experience Required:

- Master's degree in Business Administration, Economics, Finance or equivalent disciplines
- 7 years of relevant experience in development in a governmental, multilateral or civil society organization in a multi-cultural setting
- 3 or more years of senior-level management responsibilities of similar size and complexity.
- At least five years experience at a senior project management level;
- Mature judgment combined with a proactive, energetic approach to problem solving; excellent interpersonal and communication skills; strong organizational and time management skills,
- Ability to work with a wide cross-section of partners: Government, NGO's, communities, media and international donors;
- Experience in planning and managing international technical assistance programs, including direct responsibilities for administering of project's budget;
- Excellent knowledge of English, knowledge of Ukrainian and/or Russian would be an asset ;
- Knowledge of and complete comfort with computer applications is essential (including organization of public presentations on PowerPoint).

2. Community Development Specialist

Under the direct supervision of Project Manager, the incumbent will perform the following functions:

- Contribute towards strengthening of participatory governance in the Project area by introducing and nurturing the mechanism of wide citizens' participation in decision-making process;
- Implement social mobilization to demonstrate effectiveness of community based approach to sustainable local development in Project area in line with the framework of the Project;
- Work to expand partnership and cooperation between COs and levels of government for the implementation of community level micro projects and to have local needs, priorities and initiatives integrated into higher level of development planning in the region;
- Provide support to scaling up of experimentation on local level strategic planning in the Project area;

- Provide professional mentorship, training and support to community development officers and local authorities.
- Work to establish networking of CBA-partners at local, rayon and regional level;
- Coordinate CBA implementation on knowledge management, linking academia with grassroots level activities;
- Support scaling up of experimentation on rural economic development and innovative energy efficient technologies;
- Supervise and monitor the work of Community Development Officers in half of the regions covered by Project. Support them in regional experience documentation;
- Support in internalization/replication of the successful practices by the local authorities including through development fund;
- Develop/support in development of necessary training materials and implementation guidelines for local communities and local authorities;
- Support in development/strengthening of resource centres and demonstration sites relevant to the Project approach;
- Report on progress in the areas of responsibility and, advise for effective project policies and procedures;
- Undertake measures required for timely achievement of Project results;
- Ensure that profiles of local/regional partners and information related with activities of the unit are maintained and updated on website

Skills and Experience Required:

- Masters degree in science, sociology, economics, engineering, or related field with five years of working experience with local communities for development activities;
- Experience in working with all level of governments and non-government organizations
- Sound knowledge on concept of social mobilisation, decentralisation and sustainable development
- Excellent interpersonal/communication skill with sound knowledge of English;
- Sound knowledge on computer application

3. Monitoring and Communication Specialist

Under the direct supervision of project manager the incumbent will be responsible for monitoring, reporting, experience dissemination and public relations on activities of the Project. Specifically, he/she will:

- Design, agree and implement communication/information strategy for the Project, ensuring sound visibility of EU and UNDP;
- Develop and maintain system of monitoring and reporting of Project activities;
- Maintain project media relations for reaching main donors, partners and general public audiences.
- Liaise with governmental/non-governmental institutions, academia, and communication officials of EU, UNDP and their projects;
- Develop, produce and disseminate project experience/promotional materials such as leaflets, brochures, articles, audio-video, success stories, etc. or manage/support such activities;
- Organize events including donor/partner visits and support field offices in holding such visits;
- Ensure regular updating of CBA Project website and submit regular updates on the project for EU and UNDP Ukraine web-site;
- Manage activities of Communications and Monitoring Unit of PMU, supervise activities of junior staffs in the Unit and ensure security of inventory related with the Unit
- Co-supervise Community Development Officers in 25 regions to ensure smooth implementation of monitoring, communication and visibility related activities;
- Serve as resource person at trainings for CBA stakeholders on communication, monitoring and visibility;
- Support research, documentation, assessment studies and policy activities related with CBA Project;
- Assist universities in introducing CBA experience in their curriculum;
- Ensure effective functioning of knowledge hub and its contribution to policy matters Prepare ad hoc information materials about the Project;

- Bring out periodicals based on field experiences and study reports;

Skills and Experience Required:

- Masters degree in communications, journalism or social science
- Four year experience in the field of communication, monitoring and reporting;
- Excellent writing, communication and organization skills;
- Professional fluency in English (spoken and written), Ukrainian and Russian;
- Excellent computer skills (including Adobe Acrobat, PhotoShop)
- Knowledge about conducting/managing research in social science would be an asset
- Strong knowledge/use of modern information technologies including photography, video-making and website.

4. Engineer

Under the direct supervision of Community Development Specialist the incumbent should be responsible for:

- Providing technical and methodological backstopping to community projects
- Appraising micro-project proposals received from regional offices from technical perspective including working drawings and cost estimates etc.;
- Monitoring of technical aspects of implementation of community projects
- Supporting hand-over of completed micro-projects
- Serving as a trainer/resource person in the training on community planning, micro-project proposal development, community project implementation etc. organized by the Project at local/regional level involving communities and local authorities;
- Build capacity of the local partners for efficient implementation of the projects under standard technical norms/specifications and standard practices of budget expenditures as established by UNDP;
- Assist beneficiary communities in developing appropriate mechanism for operation and maintenance of completed projects;
- Document the process and develop quality standards and practical guidelines based on the lessons learned from the Programme activities;
- Maintain files and electronic data related with community projects

Skills and Experience Required:

- University degree in civil engineering or equivalent
- 4 years experience in engineering, planning, designing, construction, operation and maintenance of standard public works in the context of communal infrastructures and construction supervision
- Experience in working with local government and non-government organizations
- Knowledge of Ukrainian construction standards; mature judgment; excellent interpersonal and communication skills;
- Strong organizational and time management skills; ability to work under pressure.
- Knowledge of Ukrainian and Russian. Knowledge of English is an asset

5. Urban Development Specialist

Under direct supervision of CBA project manager, the incumbent will perform the following functions:

- Monitor and analyze key economic, social and political developments in the country which affect housing sector; through this process, identify development needs and potential solutions relevant to project activities;
- Analyze Ukrainian policy in the area of housing reform and energy efficiency. Identify challenges and recommend policy changes that will facilitate introduction of PPP scheme between state, municipalities, financial institutions and homeowners associations.
- Contribute to policy dialogue on the issues of housing reform and introduction of EE measures in housing sector with the Government, donors, civil society, private sector.
- Implement social mobilization to support involvement of HAs in the implementation of EE measures in multi-apartment buildings in line with the framework of the Project;

- Create systems for effective financial, administrative and logistical processes to facilitate national and municipal level work;
- Manage the development of the comprehensive methodology of project implementation, including criteria and procedures for the selection of partner municipalities and HAs;
- Provide guidance and coaching opportunities to ensure high efficiency of project support by CBA III staff;
- Ensure that CBA III objectives and activities are well coordinated with plans and activities of the Ministry of Regional Development, Construction and Housing Economy and local partners;
- Prepare input to official project implementation reports to the Ministry;
- Prepare and oversee the development of Terms of Reference for consultants and contractors;
- Participate in communication (PR) and media activities. Coordinate distribution of the project related information. Ensure visibility of the Donor and Implementing Partner in all project outputs;
- Prepare knowledge products, document the applied methodology;
- Facilitate learning and experience sharing for government officials, local partners and experts;
- Perform other duties as required.

Skills and Experience Required:

- Master's degree in Business Administration, Economics, Finance or equivalent disciplines;
- 5 years of relevant experience in development in a governmental, multilateral or civil society organization in a multi-cultural setting;
- Mature judgment combined with a proactive, energetic approach to problem solving; excellent interpersonal and communication skills; strong organizational and time management skills;
- Ability to work with a wide cross-section of partners: Government, NGO's, communities, media and international donors;
- Experience in planning and managing international technical assistance programs, including direct responsibilities for administering of project's budget;
- Excellent knowledge of English, fluency in Ukrainian and/or Russian;
- Knowledge of and complete comfort with computer applications is essential (including organization of public presentations on PowerPoint).

6. Engineer (Urban Housing)

Under the direct supervision of Urban Development Specialist the incumbent should be responsible for:

- Supervise, provide quality control and contribute to the development of the comprehensive technical package for the implementation of EE measures in multi-apartment buildings;
- Contribute to the development of the comprehensive methodology of project implementation, including technical criteria and procedures for the selection of partner municipalities and HAs;
- Manage the process of all technical aspects of the project, including elaboration of designs, technical and energy surveys, implementation of works, supervision;
- Prepare technical sections of the tender dossiers in line with the rules set out for the project and participate in the evaluation;
- Support identification of end beneficiaries of the project in line with the project rules;
- Prepare and oversee the development of Terms of Reference for consultants and contractors;
- Organize elaboration of the preliminary estimates for all project sites;
- Provide technical and methodological backstopping to the renovation projects undertaken by HAs
- Review and appraise technical documentation received from participating HAs from technical perspective including working drawings and cost estimates etc.;
- Monitor technical aspects of implementation of renovation projects;
- Ensure that all optimal energy saving measures and capital repairs are included for the respective site as per the adopted project strategy;
- Scrutinize all preliminary estimates prepared at local level;

- Check all documentation concerning the technical activities carried on project sites, carrying out on-the-spot checks;
- Ensure smooth and timely process of implementation of the works and checking the relevant documentation;
- Build capacity of the local partners for efficient implementation of the projects under standard technical norms/specifications and standard practices of budget expenditures as established by UNDP and Ministry;
- Assist beneficiary HAs in developing appropriate mechanism for operation and maintenance of completed projects;
- Document the process and develop mechanism of implementation of proposed PPP scheme for the further institutionalization based on the lessons learned from the UEEMB project activities;
- Establish the complete reference library of all resource documents relating to the contractual matters.

Skills and Experience Required:

- University degree in civil engineering or equivalent;
- 4 years experience in engineering, planning, designing, construction, operation and maintenance of standard public works in the context of communal infrastructures and construction supervision;
- Experience in working with central government in the area of housing reform and HAs;
- Knowledge of Ukrainian construction and energy efficiency standards and norms and related legislation; mature judgment; excellent interpersonal and communication skills;
- Strong organizational and time management skills; ability to work under pressure;
- Knowledge of Ukrainian and Russian. Knowledge of English is an asset.

7. Urban Governance Officer

Under the direct supervision of the Project Manager, the Urban Governance Officer will be responsible for the following key tasks:

- Establish network of project-partners at municipal, regional and national levels and provide professional platform for further networking and partnership building between the government, local authorities, civil society, and other development organizations in the subject area to achieve progress in project implementation;
- Work directly with the municipal authorities to promote innovative governance practices at the municipal level;
- Facilitate the work of engaged consultants/experts to prepare the collection of the best practices of the project and information communication materials;
- Support in internalization/replication of the successful practices by municipalities and adoption of the public recommendations by the local authorities;
- Provide support in development of necessary training materials and implementation guidelines for municipal authorities;
- Provide support to the development of web-page devoted to the collection of the best practices of public monitoring on administrative service delivery;
- Organize special visibility events within the scope of Project activities;
- Report on progress in the areas of responsibility and provide advice on effective project policies and procedures;
- Promote project through stories, articles and other PR activities, ensure implementation of UNDP and EU visibility strategy;
- Assist with donor visits, provides services of donor guide during donor visits and events;
- Maintain files and folders related to activities of the monitoring by non-state actors on administrative service provision.

Skills and Experience Required:

- Masters degree in science, sociology, economics, engineering, or related field with four years of working experience in the area of decentralisation and monitoring of public service delivery;
- Experience in working with all level of governments and non-government organizations
- Sound knowledge on concept of social mobilisation, decentralisation and sustainable development ;

- Sound knowledge in using IT and social media, ISO and other tools for monitoring of local development and public services
- Excellent interpersonal/communication skill with sound knowledge of English;
- Sound knowledge on computer application

8. Finance Specialist

Under the supervision of Project Manager, the incumbent will ensure execution of transparent and efficient financial and procurement services and processes, undertaken during project implementation. He/she will work in close collaboration with other project staff for resolving complex financial and procurement-related issues and ensures full compliance of CBA procurement activities with UNDP rules and regulations. More specifically, the Finance Specialist will be responsible for:

- Liaising with UNDP Kiev on procurement and finance related issues.
- Supervising finance/procurement assistants of the project
- Updating regularly the IPM and project staffs with financial progress and payment process
- Developing, establishing and updating proper financial MIS from field to PMU level
- Preparing financial reports to EU and UNDP management
- Reviewing regularly community organizations procurement and finance practices and processes and making recommendations for improving their effectiveness and efficiency
- Developing/updating finance/procurement related guidelines for community organisations and building capacity of the project staffs to serve as resource persons in this subject
- Keeping abreast of UNDP corporate rules and regulations as well as best practices in the area of procurement and finance
- Assisting PM in preparing workplan, budgeting and making budget revisions and monitoring of budget utilization
- Establishing and ensuring maintenance of proper filing of documents from audit point of view; facilitating project audit
- Ensuring that finance related processing and payment information are updated on website for stakeholders
- Co-supervise Community Development Officers in 25 regions to ensure smooth implementation of finance related activities;

Skills and Experience Required:

- Masters degree in accounting/auditing/finance, economics or equivalent
- 5 years of proven experience in finance management
- Experience in technical assistance projects would be an asset
- Experience in the usage of computers, office software packages (MS Word, Excel, etc) and finance related software packages. Knowledge in internet-based financial management will be a strong asset
- Fluency in English and Ukrainian
- Excellent interpersonal and task management skills and a client-oriented service orientation; ability to work under pressure, with strong delivery orientation.

9. Administration Officer

Under the supervision of Project Manager (IPM), the incumbent will ensure execution of transparent and efficient administration system undertaken during project implementation. The Administration Officer will work in close collaboration with other project staff for resolving administration-related issues and ensures full compliance of CBA administration with UNDP rules and regulations. More specifically, the Administrative Officer will:

- Carry out activities related with human resources (recruitment process, contractual arrangement, salary and allowances, skill development, attendance etc.)
- Liaise with UNDP Kiev on administration related issues. Regularly report IPM on such matters
- Ensure proper safety and maintenance of the inventory. Carry out regular verification and reporting on this matter
- Supervise project assistants (admin) and project drivers and co-supervise Community Development Officers in 25 regions to ensure smooth implementation of administration related activities;

- Ensure quality vehicle use and maintenance
- Ensure optimal working environment in the project office in terms of logistics, supplies, hospitalities etc.
- Serve as the security focal point for CBA. Ensure office security as per the UNDP guidelines. Familiarize the project staffs with rules and regulations on this subject;
- Facilitate in organisation of meetings, missions and roundtables related with the project;
- Undertake preparation of payment documents pertaining to service providers; Establish and ensure maintenance of proper filing (storage) of documents from audit point of view. Facilitate auditing of the Project
- Assist PM in preparing workplan, budgeting and making budget revisions
- Keep abreast of UNDP corporate rules and regulations as well as best practices in the area of administration
- Familiarize project staffs about UNDP corporate rules and regulations as well as best practices in the area of project administration

Skills and Experience Required:

- Master degree in management, social science or equivalent; specialized training in administration/management would be an asset.
- 5 years of progressively responsible administration experience
- Experience in technical assistance projects would be an asset
- Experience in the usage of computers, office software packages (MS Word, Excel, etc)
- Fluency in English and Ukrainian
- Excellent interpersonal and task management skills and a client-oriented service orientation; ability to work under pressure, with strong delivery orientation.

10. Community Development Officer

A) Rural

Under the supervision of Community Development Specialist and overall supervision of project management team the incumbent will perform the following functions:

- Co-manage regional implementation unit (community resource centre) and coordinate with local and regional stakeholders for achieving objective of the Project.
- Mobilise local communities, develop and nurture community organisations to enable them to serve as development partners in local development;
- Work directly with communities of the region to promote community led development including preparation and prioritization of community development plans for local improvement.
- Work directly with community organisation (CO) members to facilitate the implementation of community projects and design of sustainable strategies for operation and maintenance of resulting object and/or services.
- Work to expand partnerships and cooperation between COs and levels of government of the region for the implementation of local community projects and to have local needs, priorities and initiatives integrated into higher level of development planning in the region.
- Work on conducting community based experimentation in the areas of alternative energy, energy efficiency, environment improvement and SME development in the Project area;
- Work with CO-members to initiate social and economic/environmental development strategies in community sites of the region.
- Work as a trainer and resource person in the training organized for the communities and other partners in the region.
- Support establishment/strengthening of rayon/regional level networks in the CBA project area.
- Prepare progress reports, and other reports as per required by the organization.
- Promote project through stories, articles and other PR activities, ensure implementation of EU visibility strategy;
- Organize special events based on key UN days or UN/UNDP themes in particular region;
- Assist with donor visits, provides services of donor guide during donor visits and events;

B) Urban

Under the supervision of Urban Development Specialist and overall supervision of project management team the incumbent will perform the following functions:

- Co-manage municipal support unit and coordinate with local and regional stakeholders for achieving objective of the Project;
- Mobilise local communities (residents of multi-apartment buildings), develop and nurture housing associations (HAs) to enable them to serve as development partners in local development;
- Work directly with HAs to promote community led development including preparation and prioritization of community development plans for local improvement.
- Work directly with HAs-members to facilitate the implementation of community projects and design of sustainable strategies for operation and maintenance of resulting object and/or services.
- Work to expand partnerships and cooperation between HAs and the city councils for the implementation of local community projects and to have local needs, priorities and initiatives integrated into development planning of the city council.
- Work on conducting community based experimentation in the areas of alternative energy, energy efficiency, environment improvement and other priority areas of the Project;
- Work as a trainer and resource person in the training organized for the communities and other partners in the region.
- Support establishment/strengthening of rayon/regional level networks in the CBA project area.
- Prepare progress reports, and other reports as per required by the organization.
- Promote project through stories, articles and other PR activities, ensure implementation of EU visibility strategy;
- Organize special events based on key UN days or UN/UNDP themes in particular region;
- Assist with donor visits, provides services of donor guide during donor visits and events;

Skills and Experience Required:

- University degree in social science, environmental science or equivalent
- Three years working experience with communities for development activities
- Experience in working with local government and non-government organizations
- Excellent interpersonal and conceptual skills for promotion of economic and social development
- Knowledge of English is an asset

11. Finance Assistant

Under the direct supervision of Finance Specialist, the incumbent ensures execution of transparent and efficient financial and procurement services and processes, undertaken during project implementation.

More specifically, the Finance Assistant will be responsible for:

- Monitoring and reviewing reporting documents from community organizations of 12 selected oblasts of Ukraine
- Maintaining and regularly updating the procurement and finance filing system, related to the project activities in 12 selected oblasts
- Creating vendors, requisitions and purchase orders; budget checking, dispatching and closing purchase orders for CBA in compliance with UNDP procurement and financial procedures and taking timely corrective actions on purchase orders with budget check errors and other problems
- Maintaining data on processing and payments and assisting in web-based information dissemination

Skills and Experience Required:

- University degree in accounting, auditing, financial management, economics or equivalent; specialized training in finance and procurement would be an asset.
- 3 years of experience in finance.
- Experience in the usage of computers and office software packages (MS Word, Excel, etc) related to accounting and finance. Experience in internet-based financial management systems will be a strong asset
- Experience with international technical assistance projects would be an asset
- Fluency in Ukrainian, Russian and English is a must
- Excellent interpersonal and task management skills and a client-oriented service orientation; ability to work under pressure, with strong delivery orientation.

12. Procurement Assistant (Finance)

Under the supervision of Finance Specialist and overall supervision of project management, the incumbent will perform the following functions:

- Liaising with UNDP Procurement Unit on procurement related issues;
- Preparation of Purchase orders and Requisitions in the Atlas system, preparation of Recurring Purchase orders for contracting of services, vendor creation in Atlas, maintenance of the filing system;
- Implementation of the internal control system which ensures that Purchase orders are duly prepared and dispatched;
- Timely corrective actions on POs with budget check errors and other problems;
- Support to organization of procurement processes including preparation of RFPs documents;
- Maintain data on processing and payments and assist in web-based information dissemination

Skills and Experience Required:

- University degree in the area of accounting/finance/auditing or related field;
- 3 years of procurement/finance experience;
- Experience in working with government and non-government organizations;
- Sound experience in the usage of computers and office software packages (MS Word, Excel, etc). Knowledge in internet-based financial management will be a strong asset;
- Excellent interpersonal and task management skills.
- Fluency in Ukrainian, Russian and English is a must.

13. Community Development Assistant

Under the supervision of Community/Urban Development Specialist, the incumbent will perform the following functions:

- Prepare documents related with partnership agreement and small grant agreement;
- Maintain files and folders related with activities of the community development unit;
- Assist in preparing appraisal and documentation of community project proposals;
- Support in oral and written translation of documents;
- Maintain correspondence related with field activities of the Project;
- Assist in preparation of documents for disbursement of community project tranches;
- Provide support in organizing and conducting of official events and visits;
- Maintain data on profile of partners, communities and community related activities and assist in web-based information dissemination
- Provide other administrative support to Community/Urban Development Unit.

Skills and Experience Required:

- University degree in social science or equivalent;
- Knowledgeable about local development in participation of local communities;
- Experience in working with government and non-government organizations;
- Sound experience in the usage of computers and office software packages (MS Word, Excel, etc);
- Excellent interpersonal and task management skills.
- Fluency in Ukrainian, Russian and English is a must.

14 Monitoring Assistant

Under overall supervision of Monitoring and Communication Specialist, the incumbent should perform the following functions:

- Assist in improving the monitoring and evaluation system for the Project activities;
- Collect and maintain core data and relevant information related with monitoring and evaluation of the Project activities. Liaise with relevant stakeholders for this purpose;
- Assist in processing and analysis of data/information received from various sources;
- Support preparation of periodic and ad hoc reports on the project progress;
- Ensure proper documentation and filing of the information received/sent;

- Contribute to effective e-documentation by maintaining quality ‘project server’;
- Assist in designing assessment tools, conducting assessment surveys, information processing and analysis. Support in preparation of assessment report;
- Serve as resource person during training of community members, project staffs and other stakeholders on subject of monitoring and evaluation;
- Support activities related with communication and visibility;
- Advise project manager in the context of monitoring of project activities;

Skills and Experience Required:

- University degree in statistics or mathematics or social science with statistics/econometrics as one of the major courses;
- Three years of practical experience in the field of project monitoring and/or analytical research;
- Excellent knowledge of computer applications (including Microsoft words, XLs, PowerPoint and statistical packages)
- Strong organizational and time management skills;
- Fluency in Ukrainian, Russian and English is a must;
- Excellent communication and report writing skills;

15. Administrative Assistant

Under the guidance and supervision of Administrative Officer, Administrative Assistant provides administrative support to Project Management Unit (central office) and Regional Implementation Units (field offices) for efficient and consistent service delivery. More specifically, Administrative Assistant will be responsible for:

- Provision of front-desk service and telephone communications services;
- Receive, register and transmit official correspondence;
- Update and maintain administration related information in well organized and user friendly manner;
- Provide oral and written translations from English into Ukrainian or Russian and vice versa as required by the project;
- Assist during monitoring, evaluation and auditing of the project;
- Receive visitors and provide them direction, information and hospitality;
- Assist in missions of project staff and external experts through providing necessary logistic support;
- Assist in procurement and delivery of goods and services;
- Assist in recruitment and personnel management (including attendance records);
- Keep updated project inventory adhering UNDP regulations on use, storage and proper maintenance (including vehicle log);
- Facilitate project related training/visit activities;
- Maintain consolidated activity/event plans of the project on website
- Support updating of project related information on CBA website
- Perform other appropriate functions/tasks assigned by the Administrative Officer.

Skills and Experience Required:

- University degree in foreign languages, management or economics
- At least 3 years of experience in administration or related
- Excellent interpersonal and task management skills and a client-oriented service orientation
- Ability to work under pressure, with strong delivery and deadline orientation
- Ability to work in multi-cultural, multi-gender, multi-religion, multi-race and international environment
- Strong oral and written communication skills
- field
- Excellent fluency (both oral and written) in the English, Russian and Ukrainian languages
- Experience with technical assistance projects is an asset
- Proficient user of computers and office software packages (MS Word, Excel, etc.).

16. Driver

Under the guidance Administration Officer, the driver will be responsible for -

- Timely and safe driving of project employees, consultants, project guests, project visitors, UNDP staff in the project official vehicles at the authorization from the project management;
- Performing tasks related to the daily maintenance of the vehicle;
- Maintaining daily vehicle logs (mileage, fuel consumption, travel routes) and submitting logs to the project administrative assistant on a timely basis;
- Ensuring that repair and maintenance services are done on project vehicles in time;
- Ensuring that all instructions regulating safe driving behavior and Rules of the Road are in hand and strictly followed;
- Ensuring that the vehicle has valid insurance;
- Driving the project's vehicle for delivery and collection of mails, documents, pouches, equipment and other administrative tasks as required under the project
- Performing other duties as required

Skills and Experience Required:

- Secondary education
- At least 3 years of professional driving experience;
- Valid Ukrainian driving license (minimum category B, preferable - all);
- Technical proficiency in vehicle maintenance;
- Excellent knowledge of the Ukrainian Rules of the Road;
- Fluency in Ukrainian/Russian language, knowledge of English would be an asset;
- Good interpersonal skills,
- Punctuality

17) Short Term Consultants

1) Energy Expert

Under the supervision of Project Manager and in close coordination with community development specialist, the incumbent will develop energy efficiency strategy for the use of regional and local authorities of Ukraine. Specially, he/she will –

- Carry out literature review on experience and policy related with energy efficiency and on-going strategies in Ukraine and Europe;
- Make assessment of on-going practice on energy efficiency strategy and effectiveness of such strategies at regional and local level in Ukraine;
- Develop manuals/guidelines suitable for regional/local level strategy development in the area of energy efficiency
- Provide technical backstopping to selected regional/local authorities in developing/updating their energy efficiency strategy

Skills and Experience Required:

- Masters in environmental science, engineering or equivalent with at least five years of proven experience in the field of energy planning and production
- Professionally sound in English (spoken and written);
- Excellent computer skills
- Knowledge about conducting/managing research in energy sector would be an asset
- Experienced in working with the local/regional/national authorities and community based development approach would be an asset.

Outputs: Review report, Assessment report, manual/guidelines, new/updated strategy documents

2) Agro-Business Expert

Reporting to project manager and working in close coordination with community development specialists, the Agro-Business Expert will be responsible for strengthening the capacity of agricultural service cooperatives and their association in selected regions of Ukraine; increasing their bargaining power; upgrading the skills of cooperative members and management; advising them on diversifying and broadening services and products with the aim to raise economic level of rural citizens. Specifically, the tasks include -

- Assessing the capacity of and updating information on existing ASCs in Ukraine related to rural economic development with a focus on CIDP experiment on this subject;
- Developing strategy to address priorities related to income generation, employment creation, micro-businesses and small & medium enterprise, micro-finance in rural Ukrainian context;
- Promoting concept and methodology of cooperative-based processing and marketing of agricultural products (through seminars, workshops) at different levels of governments (regional, districts and village/city councils) and within the rural community;
- Assessing training needs of ASCs and developing training modules/materials;
- Consulting national/regional association of ASCs on agrarian, technological, and marketing issues;
- Working out the concept of developing agricultural marketing cooperatives;
- Assisting in establishing pilot projects of agricultural marketing cooperatives;
- Providing technical backstopping to project staffs in managing project interventions on the subject;
- Monitoring agricultural service cooperatives' projects and preparing set of recommendations for effective implementation

Skills and Experience Required:

- Master's degree in cooperative development, agriculture, (rural) economics, finance and/or other related fields.
- At least five years of practical experience in the sphere of cooperatives development and agricultural business, creation of income generation activities, preferably at the community level.
- Capacity to introduce cooperative principles, motivate people and build relationships with partners, authorities and other stakeholders
- Familiar with the concept of social mobilisation, participatory planning and "bottom-up" approaches.
- Sound analytical and management skills on conducting training and workshops/seminars.
- Good command of Ukrainian and Russian (English is an asset) languages and of word processing, spreadsheet and other computer programmes.
- Good communication skills and ability to work effectively in a multi-cultural team

Outputs: Review report, strategy paper, Manual/guidelines, training assessment report, monitoring report

Annex – II
Terms of Reference for Steering Committee

The Steering Committee of the CBA Project is established in accordance with the “Project Document for CBA-III” as per Agreement between European Union and UNDP.

1. The Committee will be formed by representatives of the following institutions:

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- Presidential Administration
- The Ministry of Economic Development and Trade of Ukraine
- Secretariat of Cabinet of Ministers of Ukraine
- The Ministry of Regional Development, Construction and Housing of Ukraine
- The Ministry of Social Policy of Ukraine
- The Ministry of Agrarian Policy and Food of Ukraine (Department of Rural Development)
- The Ministry of Transport and Communications of Ukraine
- The Ministry of Health of Ukraine
- The Ministry of Environment and Natural Resources of Ukraine
- The Ministry of Education, Youth and Sport of Ukraine
- The Ministry of Energy and Coal Industry of Ukraine
- The State Fund of Local Self-Governance of Ukraine
- The Ukrainian Association of Local and Regional Authorities of Ukraine
- The Association of Cities of Ukraine
- The Association of Small Towns of Ukraine
- The Association of Village and Settlement Councils
- Parliamentary Committee on State Building and Local Self-Governance
- United Nations Development Programme, Ukraine
- European Union Delegation Office, Ukraine

Should the need arise, representatives of other institutions, organizations and enterprises can be invited to participate in the CBA Steering Committee.

2. In compliance with main goal of CBA II, the Steering Committee will:

- Advise and provide guidance on project implementation;
- Provide advice on ways to correlate Project activities with relevant state policies so as to tackle local development challenges;
- Review Project progress and ensure consistency and coordination of measures supported under the Project
- Endorse Annual Work Plans of the Project;
- Coordinate and facilitate the participation of line ministries, relevant government and non-government agencies
- Ensure that regional and local authorities are duly informed about the Project and fully authorized to participate.
- Assist in elaboration of draft legislation and other documents related to Project implementation and its coordination with relevant state programmes; preliminarily reviews such documents.

3. The Steering Committee is entitled to:

- Review regular reports on Project implementation;
- Give endorsement to Annual Work Plans of the Project;
- Provide recommendations for improvement of Project implementation;
- Charge its members with assignments related to drafting of relevant legislation;
- Involve experts from governmental agencies and local authorities, upon consent of their superiors;
- Issue recommendations to local executive and elected institution as per implementation of the Project.

4. The Steering Committee is co-chaired by a Chairperson who is appointed by the Delegation of the European Union and UNDP in Ukraine on a rotation basis.

5. Regular meetings of Steering Committee are held as frequently as needed and at least once a year.

6. Meetings are chaired by Chairperson.

7. Decisions of Steering Committee taken within the limits of its competences have a nature of a recommendation and are obligatory for the review by local governments, as well as other enterprises, institutions and organizations.

8. Organizational, information, technical and financial support to the activities of Project Steering Committee is provided by the CBA Project. Project Management Unit acts as Secretariat of the Steering Committee.

Annex – III Detailed Gantt Chart of the CBA III Project Implementation

Year / Month	Year - I										Year - 2										Year - 3										Year - 4																																											
Key Activity	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12																										
1. Launching of phase III of Project																																																																										
1.1 National launching of Project																																																																										
• Meeting with Ukrainian Government to ensure understanding of the Project																																																																										
• Organising launching conference																																																																										
1.2 Regional launching of Project																																																																										
• Preparing materials & scheduling dates with regional authorities																																																																										
• Organising seminar in 25 regions																																																																										
1.3 Finalising operational set up for the CBA III																																																																										
• Vacancy announcement/recruitment																																																																										
• Preparation & updating of operational manuals and guidelines																																																																										
• Organise trainings & exposure visits for CBA team																																																																										
2. Establishing partnership with local governments																																																																										
2.1 Partnership with regional authorities																																																																										
• Hold meeting with 25 regional authorities on MoU																																																																										

Year / Month	Year - I									Year - 2									Year - 3									Year - 4																							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48			
• Get MoUs signed by UNDP & regional authorities				■	■	■	■																																												
2.2 Rayon selection and establishment of partnership with rayon authorities																																																			
• Competition announcement and collection of applications			■	■																																															
• Ranking of rayons and joint selection				■	■																																														
• Selection information and MoU clearance				■	■	■																																													
• Holding of (200) rayon seminars and signing of MoUs				■	■	■	■																																												
2.3 Selection of village/city councils and establishment of partnership																																																			
• Competition announcement and collection of applications				■	■	■																																													
• Ranking of VCs/CCs and making joint selection				■	■	■																																													
• Selection information and MoU clearance				■	■	■	■																																												
• Holding of (1000) village/city council seminars and signing of MoUs				■	■	■	■																																												
3 Formation/grafting of LDF & OCC																																																			
• Form LDF in new rayons					■	■	■	■																																											

Year / Month	Year - I												Year - 2												Year - 3												Year - 4													
Key Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48		
• Redefine membership & initiate old LDFs and OCCs																																																		
4 Establishing/strengthening of CRCs																																																		
• Establish RCRCs in new rayons																																																		
• Conduct competition & identify eligible CRCS																																																		
• Provide technical support to RCRCs																																																		
5 Community mobilization, capacity building and micro-project implementation																																																		
5.1 Selection of the target communities																																																		
5.2 Introduction of CBA and community profile preparation																																																		
5.3 Formation /grafting of community organisation																																																		
5.4 Organising formal training for CO																																																		
5.5 Formalisation of CO																																																		
5.6 Gaining maturity & institutional growth																																																		
5.7 Training of community executives and local/regional authorities																																																		
• Conduct training need assessment																																																		
• Develop training materials																																																		

Annex – IV

EU/UNDP – CBA Phase III Project
LOGICAL FRAMEWORK

	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
Overall objectives	What are the overall broader objectives to which the action will contribute?	What are the key indicators related to the overall objectives?	What are the sources of information for these indicators?	
	To promote sustainable socio-economic development at local level by strengthening participatory governance and community-based initiatives throughout Ukraine.	<ul style="list-style-type: none"> - Policy framework on community based approach to local sustainable development adopted in the number of selected oblasts and municipalities, general policy framework is presented to and discussed among national stakeholders 	<ul style="list-style-type: none"> - National policy reports - Proceedings/resolutions of the workshops/roundtables organised by the project 	
Specific objective (Purpose)	What specific objective is the action intended to achieve to contribute to the overall objectives?	Which indicators clearly show that the objective of the action has been achieved?	What are the sources of information that exist or can be collected? What are the methods required to get this information?	Which factors and conditions outside the Beneficiary's responsibility are necessary to achieve that objective? (external conditions) Which risks should be taken into consideration?
1	<p>Community based approach to local governance and sustainable development is promoted by</p> <p>strengthening the capacity of local communities, local authorities and universities in applying community led development;</p> <ul style="list-style-type: none"> - integrating participatory mechanisms for local planning and public service delivery into the day-to-day practices of local governments; - supporting community-based initiatives for sustainable rehabilitation, management and operation of basic social and communal infrastructure; and 	<ul style="list-style-type: none"> • Sustainable management and operation of basic social and communal infrastructure and services demonstrated by 300 community organisations • Memorandums of Understanding signed with 25 universities • 200 partnership agreements (120 old rayons and 80 new rayons) are signed • 600 new COs formed and 400 old COs grafted • 80 new Local Development Forums (LDFs) formed and 120 old LDFs strengthened 	<p>§ Independent Assessment Report on change in quality of service delivery and living condition of beneficiaries (assessment commissioned jointly by EU and UNDP)</p> <p>§ Media reports reflecting experience and opinions of the stakeholders (collected by media search technique)</p> <p>§ Financial reports from Community Organisations (COs) and homeowners associations; Post project completion reports from COs/local authorities</p>	§ Local authorities are supportive to community-based public service delivery

	<p>- promoting small farm and non-farm business development in rural areas.</p>	<ul style="list-style-type: none"> • Grant released for community project implementation <ul style="list-style-type: none"> – Euro10,499,000 equivalent • At least 2000 officials of COs and 200 officials of local/regional authorities are trained in various aspects of community-based approach • At least 6000 community-members are trained in various aspects of community-based approach • Local authorities and local communities together cover at least 50% of the costs • At least 15 partner cities selected on a competitive basis (and involved) in project implementation. • Awareness raising campaigns on multi-apartment retrofitting and energy saving carried out in at least 15 partner cities, at least 75 council meetings organised (5 in each city), information materials produced and distributed among stakeholder communities. • Min 300 HAs created/strengthened to undertake retrofitting of multi-apartment buildings through training. • Financial Incentive System (FIS) developed and introduced, including provision of micro-grants to HAs for the renovation costs. 		
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		<ul style="list-style-type: none"> • At least 250 HAs received micro-grants and support for retrofitting. • A replicable community mobilization model for building retrofitting developed and tested in practice. 		
2	<p>To enhance energy efficiency at local level by -</p> <ul style="list-style-type: none"> - building capacity of local communities and local authorities in energy planning and efficient energy use; - supporting innovative community initiatives in efficient energy use; and - raising public awareness on energy efficiency based on grassroots level best practices 	<ul style="list-style-type: none"> § At least 1/3 of the total number of community initiatives supported are related to the improved energy efficiency, including innovative approaches toward energy use/energy sources § Incorporation of community plans in the local plans on the improving of energy efficiency at least in 300 village/city councils of 60 rayons. § Policy recommendations on efficient energy use and participatory approach are developed and discussed with the major local and national stakeholders § 50 events/trainings on public awareness on energy saving options are conducted § 100 media events and 300 media coverage recorded related to the effective usage of energy 	<ul style="list-style-type: none"> § Protocols of LDF meetings in each of targeted rayons § Resolutions of village/city/rayon councils on incorporation of communities' plans and/or allocation of budget for such plans § Administrative and financial documents of the COs § Annual reports of village/city/rayon councils; CBA project reports § Reports from the round-tables/seminars § Media-reports § Reports from the training events 	<ul style="list-style-type: none"> § Adequate budget available with local authorities to meet cost sharing § Funding/procurement procedures of the concerned agency of the government remains stable § Political will/openness of local authorities for discussions with the project team and local population
3	<p>To support the creation of the locally owned and managed repository and network of good practices and knowledge on community mobilization and participatory governance by:</p> <ul style="list-style-type: none"> - providing support to the implementation of innovative activities and new technologies at local level; 	<ul style="list-style-type: none"> • At least 100 innovative initiatives to improve local governance are supported in selected municipalities • At least 10 exchange visits between municipalities for the best practices review are supported 	§	§

	<p>- documenting and codifying lessons learnt and institutional arrangements established during the CBA implementation</p> <p>- establishing a network of knowledge hubs for the creation, analysis, and sharing of innovative approaches to community based development</p> <p>- supporting academia and other educational institutions in curriculum and capacity development for promoting community based approaches to local governance and development</p>	<ul style="list-style-type: none"> • At least 20 universities/training institutes teach courses on CBA methodology by 2016 • At least 500 CO-members/officials and local/regional authorities from non-CBA communities participated in trainings exposure visits roundtables state their understanding of and their intention to adopt participatory approaches in all relevant spheres of local governance • A national level knowledge management hub established with linkage to regional level hubs • At least 5 national roundtables held to discuss and advocate for required policy changes to ensure full fledged participatory decision making at the local level. 		
Expected results	The results are the outputs envisaged to achieve the specific objective. What are the expected results? (enumerate them)	What are the indicators to measure whether and to what extent the action achieves the expected results?	What are the sources of information for these indicators	What external conditions must be met to obtain the expected results on schedule?
1	Support structures created/strengthened for collective action and joint decision-making	§ 600 new COs developed and 400 CBA II COs strengthened; 300 HAs are created; 80 LDFs established and 120 CBA II LDFs strengthened; 24 Oblast Coordination Councils (OCCs) and ARC-CC taken over from CBA II;	§ Reports of the CRCs/CBA; § CBA website	Oblast authorities supportive and committed to: § provide office premises with utilities and operational support; § depute full time staff to support day to day activity of the CRC § institutionalise the CRC within its structure, after the CBA project completion
2	Enhanced skill and capacity among (community-based) civil society organisations and local authorities	§ 200 community resource centres strengthened; at least 15 municipal support units are created	§ CO-registration certificates § HAs registration certificate § Progress reports of CRC/CBA	§ Legal form COs, appropriate for sustainable management and operation of completed project is available and acceptable to all stakeholders (unclear statement)

		<ul style="list-style-type: none"> § knowledge management centre established; at least 20 universities adopt curriculum § 6,000 CO-executives and 2000 elected/state authorities trained 		<ul style="list-style-type: none"> § Registration process is short and simple §
3	Improved delivery of basic communal services at local and municipal level including in the area of health, water supply, environment, and retrofitting of multi-apartment buildings.	<ul style="list-style-type: none"> § At least 1000 community projects implemented § At least ??? micro-projects on retrofitting of multi-apartment buildings are implemented § At least 100 initiatives to improve local governance are supported in selected municipalities § At least 200,000 inhabitants get benefit from improved public service delivery 	<ul style="list-style-type: none"> § Reports of CRCs/CBA on activities of LDFs § Resolutions of the councils/roundtables 	<ul style="list-style-type: none"> § Council members and officials of local authorities demonstrate open mind set to adopt the participatory approach within the framework of their polities and procedures
4	Increased public awareness at local level on energy saving options	<ul style="list-style-type: none"> § 10,000 CO-members trained on efficient energy use and various crosscutting issues § 50 events/trainings on public awareness on energy saving options are conducted § 100 media events and 300 media coverage recorded related to the effective usage of energy 	<ul style="list-style-type: none"> § Reports from the training/seminars § Media-reports 	<ul style="list-style-type: none"> § Local authorities and community members demonstrate an interest in energy efficiency agenda
5	Reduced energy loss and expanded source of energy ensured	<ul style="list-style-type: none"> § At least 150 community projects on energy saving/alternative energy sources 	<ul style="list-style-type: none"> § Project completion/handover reports from COs § Reports from CRCs/CBA § Reports from local authorities 	<ul style="list-style-type: none"> § Availability of competent contractors at local level § Tendering process and regulations remains stable § Market forces for supply of goods and services remain stable (i.e. inflation is within tolerable level) § CO-members are committed to pay full charge for the services they receive

	Policy recommendations on efficient energy use and participatory governance based on practical experience at the grassroots	§ At least one set of policy recommendations developed and discussed with local and national stakeholders	§ Policy document § Report from the seminar-presentation	§ Energy efficiency issues are among priorities in a national policy agenda
Activities	What are the key activities to be carried out and in what sequence in order to produce the expected results? (group the activities by result)	Means: What are the means required to implement these activities, e. g. personnel, equipment, training, studies, supplies, operational facilities, etc.	What are the sources of information about action progress? Costs What are the action costs? How are they classified? (breakdown in the Budget for the Action)	What pre-conditions are required before the action starts? What conditions outside the Beneficiary's direct control have to be met for the implementation of the planned activities?
	Result – 1: Formation/strengthening of support structures			
1	- Conduct pre-launching discussion on CBA Project Phase II among donors and government bodies	Conference hall, support staff, stationary, visibility materials	Source - Minute of the meeting Cost – external	No pre-condition
2	- Roundtables at regional and local level to familiarise with CBA II, its modality and terms of partnership;	Conference hall, support staff, stationary, visibility materials	§ Source – a) Conference proceeding; (b) Conference resolution. § Cost – Internal	Pre-launching discussion
	Result – 2: Selection of target areas (rayon, village/city councils, communities)			
7	- Select target raiyons and sign Partnership Agreements with raiyon authorities; - Select target municipalities and sign Partnership Agreements with municipal authorities;	Announcing competition; Analysis of information; consultations with project stakeholders	§ Source – (a) minute of rayon selection; minutes of municipalities selection; Progress report of the Project; § Cost – Travel, Seminar facilities, Visibility-	§ Signing of partnership agreement with oblast authorities; § General interest among the local authorities for the Project and timely response from them
8	- Select target communities	Announcing competition; Analysis of information; consultations with project stakeholders	§ Source – (a) minute of community selection; Progress report of the Project; § Cost – Travel, Seminar facilities, Visibility	§ Signing of partnership with rayon authorities; § Signing partnership agreement with municipal authorities; § General interest among the local councils and local population for objectives and activities of the Project

9	- Carry out community mobilisation process to organise local communities - Carry out community mobilisation process in municipalities to organise homeowners associations	Project team (PMU, OIU) and focal persons from oblast/rayon offices and village/city councils, local transport	§ Source – (a) minute of CO/HAs formation; (b) Progress report of the Project; § Cost – Travel, brochures	Willingness of the local population to adopt objectives and activities of the project
10	- Organise trainings for building capacity of community organisations	Project team (PMU, OIU, MSU), trainers, local transport, exposure visits; CO/HAs registration	§ Source – (a) Data from OIU, MSU; (b) Progress report of the Project; § Cost – Travel, Legal services, Brochures	
Result – 3: Establish mechanism for public private partnership				
11	- Establish Local Development Forums (LDF) in 80 new raiyons and strengthen 120 old LDFs; - Establish Municipal Development Forum in 15 cities	Project management team (PMU, OIU, MSU), with the support of local administrations, local councils and COs/HAs	§ Source – (a) minute of LDF/MDF meetings; (b) Progress report of the Project; § Cost – Travel, Seminar cost	Commitment of local authorities and local communities are interested to work together on solving local problems,
12	- Assist COs/HAs in preparation of community development plans outlining local needs and priorities	Project management team (PMU,MSUs, OIUs); local transport and vehicles	§ Source – (a) Data from OIUs, MSUs; (b) Progress report of the Project; § Cost – Travel, Training -	§ Commitment of community members to work jointly
13	- Develop mechanism for joint review/approval of community development plans and priority projects and define implementation arrangements and local contributions	Project management team (PMU, OIUs, MSUs); COs, target councils, rayon authorities. local transport and vehicles	§ Source – (a) Data from OIUs, MSUs; (b) Progress report of the Project; § Cost – Travel, Training -	§ Local authorities carry general interest to adopt the mechanism of community based development
Result – 4: Living Condition Improved				
14	- Assist COs in making detailed technical design of selected priority projects, including sustainable mechanisms for management, operation and maintenance - Assist HAs in making detailed technical design of selected priority projects, including sustainable mechanisms for management, operation and maintenance	Project management team (PMU, OIUs); local transport and vehicles; support from technical departments	§ Source – (a) Data from OIUs; (b) Progress report of the Project; § Cost – Travel, Training -	§ Availability of competent technical personnel from the local authorities; § Availability of competent private companies in the area

15	- Support COs/HAs in implementation of priority projects and joint monitoring by community organisations, local authorities and CBA staff	Support to local communities is provided by Project management team (PMU, OIUs; MSUs); technical departments/ local authorities; seed grants to community projects; local trips	§ Source – (a) Data from OIUs, MSUs; (b) Progress report of the Project; § Cost – Travel, Training, Seed grant	§ Timely availability of cost sharing from all partners; § Competent contractors/vendors § Commitment of local authorities; § Commitment of CO-members
16	- Assist COs/HAs in handing over of completed projects and establishing of sustainable management, operation and maintenance mechanisms	Support is provided by project team: (PMU,OIUs; MSUs) and local authorities (including technical departments); local transportation; legal advice	§ Source – (a) Data from OIUs, MSUs; (b) Progress report of the Project; § Cost – Travel, Training –	§ Commitment of communities § Commitment of local authorities
17	- Conduct evaluation/documentation of lessons learned	Project team: PMU and OIUs, MSUs; assessment studies; policy studies	§ Source – (a) Progress report of the Project; (b) Assessment report; (c) policy paper § Cost – Travel, Consultancy cost –	§ Availability of competent consultants
18	- Disseminate the findings of the assessment/policies study through publication, roundtables, etc.	Project team: PMU; media events; roundtables	§ Source – (a) Progress report of the Project; (b) Data from OIUs, MSUs; (c) Reports from local authorities; (d) Resolutions of the roundtables § Cost – Travel, Media, Roundtables/ Workshops	- General interest of the national partners/stakeholders
	Result 5: Reduced energy loss ensured			
19	- Organise trainings for building capacity of relevant local authorities and community organisations on the issues of efficient energy use	Project team (PMU, OIU), trainers, local transport, exposure visits; CO registration	§ Source – (a) Data from OIU; (b) Progress report of the Project; § Cost – Travel, Legal services, Brochures	-
20	- Assist COs in making detailed technical design of energy efficient projects and implementation of innovative initiatives in the area of energy efficiency, including sustainable mechanisms for management, operation and maintenance	Project management team (PMU, OIUs); local transport and vehicles; support from technical departments	§ Source – (a) Data from OIUs; (b) Progress report of the Project; § Cost – Travel, Training -	§ Availability of competent technical personnel from the local authorities; § Availability of competent private companies in the area
21	- Support COs in implementation of projects aimed on energy efficiency improvement and joint monitoring by community organisations, local authorities and CBA staff	Support to local communities is provided by Project management team (PMU, OIUs); technical departments/ local authorities; seed grants to community projects; local trips	§ Source – (a) Data from OIUs; (b) Progress report of the Project; § Cost – Travel, Training, Seed grant	§ Timely availability of cost sharing from all partners; § Competent contractors/vendors § Commitment of local authorities;

				§ Commitment of CO-members
22	- Assist COs in handing over of completed projects and establishing of sustainable management, operation and maintenance mechanisms	Support is provided by project team: (PMU,OIUs) and local authorities (including technical departments); local transportation; legal advice	§ Source – (a) Data from OIUs; (b) Progress report of the Project; § Cost – Travel, Training –	§ Commitment of communities § Commitment of local authorities
23	- Conduct evaluation/documentation of lessons learned	Project team: PMU and OIUs; assessment studies; policy studies	§ Source – (a) Progress report of the Project; (b) Assessment report; (c) policy paper § Cost – Travel, Consultancy cost –	§ Availability of competent consultants
24	- Disseminate the findings of the assessment/policies study through publication, roundtables, etc.	Project team: PMU; media events; roundtables	§ Source – (a) Progress report of the Project; (b) Data from OIUs; (c) Reports from local authorities; (d) Resolutions of the roundtables § Cost – Travel, Media, Roundtables/ Workshops	- General interest of the national partners/stakeholders

Annex-V (B)
Source of Funding

		Amount EUR	Percentage of total (%)
Applicant's financial contribution			
- UNDP Ukraine		725,040.00	3,0 %
Commission/EDF contribution sought in this application		23,000,000.00	97 %
Contribution(s) from other European Institutions or EU Member States			
Name	Conditions		
Contributions from other organizations:			
Name	Conditions		
TOTAL CONTRIBUTIONS		23,725,040.00	100.00%
Direct revenue from the Action			
(to be inserted if allowed by the guidelines: in kind contribution)			
OVERALL TOTAL		23,725,040.00	100.00 %

Alessandra Tisot

Annex VI

PARTNERSHIP AGREEMENT

Between

XXXX Oblast State Administration, XXX Oblast Council and United Nations Development Programme

This Agreement (hereinafter referred to as the "Agreement") has been made between XXXXX Oblast State Administration, represented by Mrs/Mr. XXXXX., the Head of the Oblast State Administration (hereinafter referred to as Oblast State Administration), which based on the Law of Ukraine "About local state administrations", XXXX Oblast Council represented by Mrs./Mr XXXXX., the Head of the Oblast Council (hereinafter referred to as Oblast Council), which based on the Law of Ukraine "About local self-government" and United Nations Development Programme, represented by Mr. Olivier Adam, UN Resident Coordinator/ UNDP Resident Representative in Ukraine, acting in line with agreement between UN and the Government of Ukraine on Establishment of UNDP Representative Office of 06.10.92, in line with agreement between UNDP and the Government of Ukraine of 18.06.93, as well as in line with the European Union Contribution Agreement with the United Nations Development Programme dated 3 June 2011 (hereinafter referred to as "UNDP").

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WHEREAS Oblast State Administration, Oblast Council and UNDP agree that difficulties are encountered in the process of sustainable social, economic and environmental development of oblast.

NOW the Oblast State Administration, Oblast Council and UNDP (Partners) hereby express their desire and willingness to cooperate within the project "Community Based Approach to Local Development Phase-II" funded by the European Union for Ukraine and co-financed and implemented by UNDP (hereinafter referred as "CBA Project") for the purpose of:

- promoting community based approach to local governance and sustainable development;
• enhancing energy efficiency at local level;
• supporting the creation of the locally owned and managed repository and network of good practices and knowledge on community mobilization and participatory governance

NOW, therefore, the Partners hereto agree as follows:

1. Responsibilities of the Oblast State Administration:

- 1.1. To assist in development of self-governing community organizations (COs) in the rural/urban settlements and to encourage them to participate in the decision-making process regarding development problems that affect their life
- 1.2. To mobilize the elected authorities, rayon state administrations, non-government organization, government agencies and others to support community based local sustainable development initiatives in the oblast.
- 1.3. To facilitate effective functioning of the Project's 'Oblast Co-ordination Council', Chaired by the Deputy Head of Oblast State Administration/Oblast Council for monitoring of CBA project implementation and achieving the goals outlined in the introduction section above.
- 1.4. To facilitate the formation of the Local Development Forums in pilot rayons for designing, implementation and monitoring of community projects.
- 1.5. To identify priorities for the regional development together with the local communities.
- 1.6. To prepare and provide, when necessary, technical documentation and information for the projects implemented in the region according to the law of Ukraine.
- 1.7. To avail necessary space and premises for the operational and logistical needs of the project as well as for the smooth operation of the community resource centre.
- 1.8. To ensure that the structures constructed/ rehabilitated in the framework of CBA Project will be transferred to the relevant territorial communities / community based organizations for further operation and maintenance, according to the legislation in force.
- 1.9. To incorporate community based development initiatives to programs of the oblast and facilitate adoption of CBA methodology in its rayons.
- 1.10. To provide staff(s) of the oblast state administration, to coordinate and work closely with the Community Resource Center staff appointed by UNDP.

2. Responsibilities of the Oblast Council: 2. , :
- 2.1. To foresee in the Oblast social-economic-environmental programs the development and realization of joint initiatives in the framework of CBA Project. 2.1. -
- 2.2 To consider programs on social-economic-environmental development of the region with involvement of local communities in bottom-up planning process. 2.2. -
- 2.3. To allocate office space for the Community Resource Centre to carry out the activities that enhance community-based development in the region. 2.3. .
3. Obligations of UNDP: 3. , :
- 3.1.To provide support in mobilizing and organizing members of the target communities in the selected local councils to plan, manage and implement development initiatives within the scope of CBA project. 3.1. ,
- 3.2. To provide advisory and technical assistance within the scope of CBA project in support of activities of Oblast State Administration aimed to achieve sustainable development in the region. 3.2. ,
- 3.3. To provide support to the members of the target communities, the elected authorities and the rayon administrations in mobilizing local resources and external support for implementation of sustainable development initiatives. 3.3. ,
- 3.4 To provide relevant institutional support within the scope of CBA project to the Oblast and Rayon state administrations in for promotion of sustainable development. 3.4. .
- 3.5 To provide institutional capacity building at the community, village/city council, rayon and oblast levels, through training and organizational development within the scope of CBA project. 3.5. , /
- 3.6 To provide support to development of the region through participatory and decentralized planning process. 3.6. .
- 3.7 To encourage the involvement of civil society into the development process and technical assistance projects. 3.7. .
- 3.8 To facilitate promotion of community based micro-level renewable/alternative energy sources and small businesses in pilot rayons of the oblast within the scope of CBA project. 3.8. /
- 3.9 To appoint CBA staff members for CRC to work together with relevant staff members of oblast state administration 3.9. .

and oblast council, specifically nominated for the purpose to implement development initiatives in the oblast.

- 4. Duration: 4. :
- 4.1 This Agreement is valid from the moment of its signing until 31 May 2015. It can be extended, if necessary, by an amendment signed by all parties. 4.1 31 2015 .
- 5. Correspondence: 5. :
- 5.1 All further correspondence regarding the implementation of this Agreement should be addressed to: 5.1. :
 For the Oblast State Administration and Oblast Council: :
 XXXXXXXX XXXXXXXXXXXX
 XXXXXXXXXXXX XXXXXXXXXXXX
 XXXXXXXXXXXXX XXXXXXXXXXXXX

 For UNDP: :
 1 Klovsky Uzviz, Kyiv, 01024, Ukraine , 01024, , 1
- 6. General Conditions: 6. :
- 6.1 List of priorities and technical assistance projects will be developed and approved jointly by the Partners in the form of the working cooperation plan. 6.1
- 6.2 Any amendments or additions to the present Terms, elimination of any of its articles or addition of new ones can be agreed upon by the Partners in written form and comes into action after they had been signed by the authorized representatives of the Partners. 6.2 - -
- 6.3 The Partners agree to attract the other parties to the implementation of joint technical assistance projects. 6.3
- 6.4 Either Party before completion of the Agreement may terminate this Agreement by giving thirty (30) days written notice to the other party. 6.4 - , 30 () .
- 6.5 Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. 6.5 - , , (UNCITRAL).
- 6.6 The present Agreement is signed in three copies each being equally authentic in English and Ukrainian language. In case of discrepancies in translation, priority is given to English language version. 6.6 , ,

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the Parties have in person signed the present Agreement on the dates indicated below their respective signatures.

On behalf of UNDP:
UNDP Resident Representative,
and Resident Coordinator of the UN
system in Ukraine
Alessandra Tisot

On behalf of
Oblast State Administration:
XXXXXX of the XXXX Oblast State
Administration
XXXXXX X.X.

On behalf of Oblast Council:
XXXXXX of the XXXXXX Oblast Council
XXXXXX X.X

:
,

XXXXXX XXXXXX
XXXXXX X.X.

:
:

XXXXXX XXXXXX
XXXXXX X.X

(signature/)

Date/ 2014

(signature/)

Date/ 2014

(signature/)

Date/ 2014

Annex VII

<p style="text-align: center;">PARTNERSHIP AGREEMENT between United Nations Development Programme And xxxx Rayon State Administration And xxxx Rayon Council of xxxx Oblast</p>	<p style="text-align: center;">xxxx xxxx xxxx</p>
<p>This Agreement (hereinafter referred to as the “Agreement”) has been made between the United Nations Development Programme, represented by Ms. Ricarda Rieger, UNDP Country Director, acting in line with</p> <ul style="list-style-type: none"> • agreement between UN and the Government of Ukraine of 06.10.1992; • agreement between UNDP and the Government of Ukraine of 18.06.1993; • the European Union Contribution Agreement with the United Nations Development Programme dated 3 June 2011 (hereinafter referred to as “UNDP”); • agreement between UNDP and xxxxx Oblast State Administration and xxxx Oblast Council dated xxxxx 201X <p>And xxxx Rayon State Administration, represented by xxxx, the xxxx of the Rayon State Administration (hereinafter referred to as Rayon State Administration) and xxxx Rayon Council of xxxx oblast represented by xxxx, the xxxx of the Rayon Council (hereinafter referred to as Rayon Council).</p>	<p style="text-align: center;">()</p> <ul style="list-style-type: none"> • 06.10.1992; • 18.06.1993; • - • 3 2011 . () ; • , xxxx <p>xxxx 201X</p> <p>xxxx . xxxx, xxxx () xxxx . xxxx, xxxx ()</p>
<p>WHEREAS UNDP and Rayon Administration and Rayon Council desire to support implementation of community initiatives, in context of the project "Community Based Approach to Local Development Phase-II" (hereinafter referred as "CBA Project"), funded by the European Union for Ukraine and to engage the services of the community organizations (COs) by contracting them for realization of community-based projects,</p>	<p style="text-align: center;">« II» (), ()</p>
<p>and</p> <p>WHEREAS the Rayon State Administration and Rayon Council (partners) agree that UNDP signs the contract with the COs for the engagement of their services to implement the community projects.</p>	<p style="text-align: center;">() ,</p>
<p>NOW, therefore, the parties hereto agree as follows:</p>	<p style="text-align: center;">:</p>
<p>Objectives of Agreement</p>	

	<ul style="list-style-type: none"> The overall objective of agreement on the level of Rayon Administration is assistance in improving basic services delivery. 		
	<ul style="list-style-type: none"> Assisting residents to form Community Organizations for development and resolving socio-economic challenges in communities. 		
	<ul style="list-style-type: none"> Enhancement of local governance at local self-governing bodies, creation of effective decentralized institutional system, which would allow residents to participate in resolving socio-economic problems in communities where they reside. 		
	<ul style="list-style-type: none"> Improvement of the local budgeting system, mobilizing financial resources for implementing programs and projects, aimed at establishment of social equality and partnership in communities. 		
	<ul style="list-style-type: none"> Encouraging the community organizations (COs) to participate in the decision-making process, implementation, and operation and maintenance of the projects that affects their life. 		
NOW, therefore, the partners hereto agree as follows:			
1	Responsibilities of Rayon Administration	1	
1.1	In collaboration with the Oblast State Administration, Rayon Administration will provide assistance in creation/development and registration of Community Organizations in the Programme's target areas.	1.1	
1.2	To assist in development of decentralized planning and governance.	1.2	
1.3	To contribute from the budget of the Rayon for realization of community-based projects through community organizations.	1.3	
1.4	To provide necessary administrative and technical assistance to community organizations to design and implement the joint projects ensuring their sustainability.	1.4	
1.5	To facilitate capacity building of small entrepreneurs in the pilot communities of the rayon for economic activities.	1.5	
2	Responsibilities of the Rayon Council:	2	
2.1	To facilitate allocation of land and communal objects, used for benefits of the local	2.1	

	communities, for implementation of the technical assistance projects.		
2.2	To approve rayon budget with allocation of funds for local communities' technical assistance projects implementation.	2.2	
2.3	To consider programs on social-economic-environmental development of the rayon in participation of local communities through participatory planning process and community-based implementation.	2.3	/
2.4	To include development plans proposed by Community Organizations into the local development plan with support of rayon administration.	2.4	
2.5	To set up a community resource centre and provide a staff-member, funded by the rayon council, to serve as a focal point, to manage the resource centre and to work on a day to day basis with the oblast implementation unit (community resource centre) to carry out the activities that enhance community-based development in the rayon as per Annex – I.	2.5	PP, () 1.
2.6	To facilitate creation and functioning of the Local Development Forum in the rayon for designing, monitoring and sustainability of community projects.	2.6	
2.7	To ensure that the structures constructed/rehabilitated in the framework of the CBA project will be included into the inventory of a relevant maintenance & operation organization, according to the legislation in force.	2.7	/
3	Responsibilities of UNDP:	3	:
	UNDP agrees to -		-
3.1	provide technical support to community organizations to implement community initiatives within the framework of the CBA project.	3.1	
3.2	assist, in cooperation with Rayon Administration, village/city councils and community residents, in creating Community Organizations with the purpose of resolving socio-economic-environmental problems.	3.2	/

3.3	provide consultative services of national and international experts to the Rayon Administration.	3.3	
3.4	organize trainings on planning, programming and local governance for deputies of Rayon Council, local councils and members of community organizations.	3.4	
3.5	support realization of joint projects, aimed at resolving socio-economic-environmental problems in communities, provided that corresponding contributions are provided from the Rayon Administration and village/city council.	3.5	
4	Duration	4	:
4.1	The Present Agreement will come into force from the moment it is signed until 31 May 2015. It can be extended, if necessary, by an amendment signed by both parties.	4.1	31 2015.
5	Correspondence	5	:
5.1	All further correspondence regarding the implementation of this Agreement should be addressed to: For UNDP: 1 Klovisky Uzviz, Kyiv, 01024, Ukraine For the Rayon Administration: xxxxst., xxxxCity, xxxxxRayon, xxxxOblast, Ukraine For the Rayon Council: xxxxxSt., xxxxxx, xxxxxOblast Ukraine	5.1	: : , 01024, , 1 : . xxxx xxxx xxxx xxxx : . xxxx xxxxxx xxxxxx
6	General Provisions	6	:
6.1	Partners (Rayon Administration, Rayon Council and UNDP) agree to enter into agreement with community organizations (COs) for implementation of community-based projects on the territory of the Rayon.	6.1	(,) ()

6.2	The agreements signed between UNDP and the COs will be the integral part of this Agreement.	6.2	
6.3	Partners agree to attract other parties for realization of joint projects through competitive bidding process.	6.3	
6.4	The Rayon Administration and Rayon Council acknowledges that UNDP and its representatives have made no actual or implied promise of funding except for the amounts specified in the contracts signed with COs for implementation of agreed community-based projects.	6.4	
6.5	No modification of or change in this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforced unless previously approved in writing and duly signed by the Partners herein.	6.5	
6.6	Either Party before completion of the Agreement may terminate this Agreement by giving thirty (30) days written notice to the other party.	6.6	
6.7	Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force.	6.7	(UNCITRAL).
6.8	The present Agreement is signed in three copies each being equally authentic in English and Ukrainian language. In case of discrepancies in translation, priority is given to English language version	6.8	
<p>JIN WITNESS WHEREOF, the undersigned, duly appointed representatives of the parties have in person signed the present Agreement on the dates indicated below their respective signatures.</p>			
<p>On behalf of UNDP: UNDP Country Director Ricarda Rieger</p>	<p>On behalf of Rayon State Administration: xxxx of the xxxx Rayon State Administration xxxx</p>	<p>On behalf of Rayon Council: xxxx of the xxxx Rayon Council xxxx</p>	
:	xxxx	xxxx	:
	:	xxxx	xxxx

	XXXX	
Date/ XXXXX 2014	Date/ XXXXX 2014	Date/ 2014

Annex I

Focal Person in Rayon Administration

1

With a view to ensure institutional memory of the Oblast Implementation Unit/Community Resource Centres (OIU/CRC) in due course, official deputed by rayon state administration, will work on a day to day basis with the OIU/CRC staff members appointed by UNDP to carry out the activities that enhance integration and development in the region.

Under the supervision of Rayons State Administration and Community Development Officer and overall supervision of project management team the Focal Person will perform the following functions:

- Work to expand partnerships and cooperation between COs and levels of government of particular region (i.e. village/city council; rayon council; rayon state administration) for the implementation of local improvement projects and to have local needs, priorities and initiatives integrated into higher level of development planning in the region;
- Work with COs members to initiate social/economic/environmental development strategies in community sites of the rayon;
- Assist in establishment/functioning of Local Development Forum and in its effective of functioning;
- Assist in organizing special events on UN days and key EU/UNDP thematic events applicable to the rayon;
- Assist with donor visits, provides services of donor guide during donor visits and events;
- Liaise between the project and rayon council/state administration;
- Participate in training and knowledge exchange exercises;
- Perform other functions and duties as required by project management team.

The main spheres of the supervision of the Focal Person

- Selection of target communities
- Local Development Forums
- Community development plans and projects and their place at the development plans of rayon and village/city councils
- Technical expertise and other support in the design of community projects
- Resources mobilisation for community initiatives
- Implementation of community initiatives in terms of participating in the selection of contractors, providing permits and compliance with regulations, etc.

- Handover and sustainability of the completed micro-projects •

PARTNERSHIP AGREEMENT
between

United Nations Development Programme And
XXXX Village/City Council of XXX Rayon of
XXXX Oblast

XXXXX /
XXXX
()

This Agreement (hereinafter referred to as the
“Agreement”) has been made between the United
Nations Development Programme, represented
by Ms. Ricarda Rieger, UNDP Country Director,
acting in line with

- agreement between UN and the Government of Ukraine of 06.10.1992;
- agreement between UNDP and the Government of Ukraine of 18.06.1993;
- the European Union Contribution Agreement with the United Nations Development Programme dated 3 June 2011 (hereinafter referred to as “UNDP”);
- agreement between UNDP and XXXX Oblast State Administration and XXXXX Oblast Council dated XXXXXX;
- agreement between UNDP and XXXX Rayon State Administration and XXXX Rayon Council dated XXXX

- 06.10.1992;
- 18.06.1993;
- -
- 3 2011 . ()
- ;
- ;

And XXXX Village/City Council of XXX rayon, represented by Mr./Ms. . . , the Head of the Village/City Council (hereinafter referred to as Village/City Council) of XXXXX oblast.

XXXXX / XXXXX
. . . , XXXX XXXX
(/).

WHEREAS UNDP and Village/City Council desire to support implementation of community initiatives, in context of the project "Community Based Approach to Local Development Phase-II" (hereinafter referred as "CBA Project"), funded by the European Union for Ukraine and to engage the services of the community organizations (COs) by contracting them for realization of community-based projects, and

, /
, «
- II» ()
()

WHEREAS the Village/City Council (partner) agrees that UNDP signs the contract with the COs for the engagement of their services to implement the community projects.

, / ()

NOW, therefore, the partners hereto agree as follows:

, :

Objectives of Agreement

- The overall objective of agreement on the level of Rayon Administration is assistance in improving basic services delivery through replication of CBA methodology.
- Assisting residents to form Community Organizations for development and resolving socio-economic challenges in communities.
- Enhancement of local governance at local self-governing bodies, creation of effective decentralized institutional system, which would allow residents to participate in resolving socio-economic problems in communities where they reside.
- Improvement of the local budgeting system, mobilizing financial resources for implementing programs and projects, aimed at establishment of social equality and partnership in communities.
- Encouraging the community organizations (COs) to participate in the decision-making process, implementation, and operation and maintenance of the projects that affects their life.

NOW, therefore, the partners hereto agree as follows:

- | | | |
|-----|---|-----|
| 1 | Responsibilities of Village/City Council | 1 |
| | In collaboration with the Oblast and Rayon State Administration, the Village/City Council will: | |
| 1.1 | Provide assistance in creation/development and registration of Community Organizations in the Programme’s target areas. | 1.1 |
| 1.2 | Assist in development of decentralized planning and governance. | 1.2 |
| 1.3 | Include development plans proposed by Community Organizations into the local development plan. | 1.3 |
| 1.4 | Contribute from the budget of the Village/City Council for realization of community-based projects through community organizations. | 1.4 |
| 1.5 | Participate in creation and functioning of the Local Development Forum in the rayon for | 1.5 |

designing, monitoring and sustainability of community projects.

- 1.6 Provide necessary assistance to community organizations to design and implement the joint projects ensuring their sustainability. 1.6
- 1.7 Ensure that the structures constructed/rehabilitated in the framework of the CBA project will be included into the inventory of a relevant maintenance & operation organization, according to the legislation in force. 1.7
- 1.8 Facilitate allocation of land and communal objects, used for benefits of the local communities, for implementation of the technical assistance projects. 1.8

- 2 Responsibilities of UNDP: 2
UNDP agrees to –
- 2.1 Provide technical support to community organizations to implement community initiatives within the framework of the CBA project. 2.1
- 2.2 Assist, in cooperation with Rayon Administration, village/city councils and community residents, in creating Community Organizations with the purpose of resolving socio-economic-environmental problems. 2.2
- 2.3 Provide consultative services of national and international experts to the Village/City Council. 2.3
- 2.4 Organize trainings on planning, programming and local governance for deputies of Village/City Council and members of community organizations. 2.4
- 2.5 Support realization of joint projects, aimed at resolving socio-economic-environmental problems in communities, provided that corresponding contributions are provided from the Rayon Administration and village/city council. 2.5

- 3 Duration 3
- 3.1 The Present Agreement will come into force from the moment it is signed until 31 May 2015. It can be extended, if necessary, by an amendment signed by both parties. 3.1

- 4 Correspondence 4 :
- 4.1 All further correspondence regarding the 4.1 implementation of this Agreement should be addressed to: :
- For UNDP: ,01024, ,1
- 1 KlovskyUzviz, Kyiv, ,1
- 01024, Ukraine
- For the Village/City Council: .XXXXXXXXXXXXXXXXXX. / XXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXst., / XXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXX village, XXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXX Rayon, XXXXXXXXXXXXXXXXXXXX
- XXXXXXXXXXXXXXXXXXXX Oblast, XXXXXXXXXXXXXXXXXXXX
- Ukraine
- 5 GeneralProvisions 5 :
- 5.1 Partners (Village/CityCouncilandUNDP) 5.1 (/))
- agreetoenterintoagreement with community organizations (COs) for implementation of community-based projects on the territory of the Council. ()
- 5.2 The agreements signed between UNDP and the 5.2 COs will be the integral part of this Agreement. , .
- 5.3 Partners agree to attract other parties for 5.3 realization of joint projects through competitive bidding process. .
- 5.4 The Village/City Council acknowledges that 5.4 UNDP and its representatives have made no actual or implied promise of funding except for the amounts specified in the contracts signed with COs for implementation of agreed community-based projects. / , , , .
- 5.5 No modification of or change in this Agreement, 5.5 waiver of any of its provisions or additional contractual provisions shall be valid or enforced unless previously approved in writing and duly signed by the Partners herein. - , .
- 5.6 Either Party before completion of the 5.6 Agreement may terminate this Agreement by giving thirty (30) days written notice to the other Party. - , 30 () .
- 5.7 Any controversy or claim arising out of, or in 5.7 accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the , , .

UNCITRAL Arbitration Rules as at present in force.

(UNCITRAL).

5.8 The present Agreement is signed in two copies each being equally authentic in English and Ukrainian language. In case of discrepancies in translation, priority is given to English language version

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the parties have in person signed the present Agreement on the dates indicated below their respective signatures.

On behalf of UNDP:
UNDP Country Director
Ricarda Rieger

On behalf of Village/City Council:
Head of the XXXX Village/City Council
XXXXX.X.

:

/

:

XXXXX.X.

Date/ xxxxxxxxxxxx 2014

Date/ xxxxxxxxxxxx 2014

Annex – IX
Local Development Forum (LDF)

A Local Development Forum (LDF) is set up at the Rayon State Administrations to facilitate dialogue, coordination, planning and decision-making at local level between the oblast and rayon authorities and communities for promoting integration and development.

CBA, through the CRC, provides technical assistance to the LDFs and functions as its secretariat. Rayon State Administration provides office space for CRC and for meeting of the Forum. Normally, the meeting of LDF is held once in every two months.

Objectives of establishing the LDF are –

- (1) To promote social, environmental and economic development at local level through participatory consensus-based planning and decision-making and a more effective allocation of financial resources,
- (2) To promote decentralized planning and democratic governance at regional level, and

Tasks of the LDF are to –

- (1) Review Community and Village/city Council Development Plans and synchronize these plans with regional and sector plans and strategies;
- (2) Determine financial and technical resources available at community, village council and oblast level to support community development initiatives;
- (3) Prepare plans for mobilizing technical and financial resources in support of community development initiatives from relevant national and international organizations;
- (4) Coordinate for community development initiatives and post-implementation management and maintenance between communities, oblast state administration, village/city councils, technical departments and other actors involved (i.e. local NGOs, banks, national and international funding organizations, etc.);
- (5) Resolve bottlenecks in implementation of community development initiatives, including provision of necessary permits and approvals from relevant technical departments and other structures in the oblast for design and construction works and for future technical and financial management and maintenance of facilities;
- (6) Discuss relevant issues and topics related to sustainable social and economic development of the oblast and agree on plans and actions to address these issues, if required;
- (7) Share information on new laws and policies relevant to communities, social and economic development, etc;

MEMBERS OF THE LDF INCLUDE –

Head of the Rayon State Administration
Head of the Rayon Council
Heads of the partner Village/City Councils
Chief of line units in rayon administration
Representatives of oblast authority
Chairpersons of Community Organizations formed by CBA
Ad-hoc members (to be invited if and when required)
Representative of Commercial Banks
Representative of local NGOs
Representative of public utilities companies
Local businesses
Other organizations

Annex - X

APPLICATION FOR PARTICIPATION IN
COMMUNITY BASED APPROACH TO LOCAL DEVELOPMENT PROJECT - III

A) Explanatory Note

Application from (Part - B) should be signed by Head of Rayon State Administration and Head of Rayon Council.

A cover letter that accompanies the application should be signed by Head of Rayon State Administration and have exit number on it. Copy of the letter with the application should be sent to Rayon Council for its record.

Please send the application at the following address:

Community Based Approach to Local Development Project
20 Esplanadna str, 7 floor, office 14-18

Focal person: xxxxxxxxxxxx,
Tel.: xxxxxxxx

B) APPLICATION FORM

Registration Number _____

Date of application receipt “__” _____ 20__

APPLICATION FOR RAYON PARTICIPATION IN CBA PROJECT

1. APPLICANT’S PROFILE

Oblast	
Rayon	
Postal Address	
Telephone (dialling code + number)	
Fax (dialling code + number)	
WEB-site	
-mail	

Focal Point	
Position	
Postal Address	
Telephone (dialling code + number)	
Cellphone	
Fax (dialling code + number)	
-mail	
Previous Partnership	(Give period of partnership with CBA)

2. RAYON PROFILE

§ Provide general information about the rayon including:

- Number of population;
- Name of village| city;
- Names of cities of oblast subjugation;
- Distance between oblast capital and rayon capital.

§ Provide brief description of existing social, economic, environmental problems and access to public services in the rayon (as far as possible, point sources of information/ data mentioned in the application) and provide following statistical information for rayon/ settlements (for the period of two years):

A. LEVEL OF SOCIO-ECONOMIC DEVELOPMENT

- o index of socio-economic development of the rayon (official rayon's ranking among other rayons in the oblast based on the officially approved set of social and economic indicators)
- o budget revenue per capita
- o budget expenditures per capita
- o level of unemployment

B. ACCESS TO WATER SUPPLY

Number of settlements in the rayon (percentage wise) and households (percentage wise) that:

- o have a water supply system
- o have a water supply system in disrepair
- o have access to well water only
- o have no access to drinking water

C. QUALITY OF HEALTHCARE INFRASTRUCTURE

- o Number of local health posts (LHP) and local outpatient's clinics in the rayon
- o Number of people (percentage wise) / settlements in the rayon that have access to LHP/ local outpatient's clinic
- o Number of LHPs / local outpatient's clinics in disrepair
- o Number of LHPs / local outpatient's clinics to renovate/ improve medical equipment in line with minimal healthcare quality standards

D. ENVIRONMENT

- o Number of settlements (percentage wise) with solid waste collection and utilization system
- o Number of settlements (percentage wise) without sewerage system
- o Point some factors that negatively affects environmental situation in the rayon

E. ENERGY EFFICIENCY

- o Practice of introducing energy saving technologies in the rayon (provide examples, if any)
- o Point if there is potential to introduce energy saving technologies (involving alternative and/or renewable energy sources) in remote communities of the rayon (describe examples, if any)

3. MOTIVATION TO PARTICIPATE IN THE PROJECT

3.1. Reasons of your interest to the CBA Project

3.2. Expectations from participation in the CBA Project

3.3. Experience in the use of community based approach (if any)

3.4. Participation in similar projects/ programmes (name of the project, data, donor, cost estimate)

3.5. Other respective information

4. WILLINGNESS TO MEET OBLIGATIONS IN FRAMES OF THE CBA PROJECT

4.1. Deputing officials to support the project realization

4.2. Allocation of resources to realize community projects (write approximate sum)

4.3. Incorporation of community plans to local development plans

4.4. Providing organizational, monitoring and technical services

4.5. Providing institutional mechanism for sustainability of community project

4.6. Allocating premises for establishment of community resource centre

4.6. Willingness to replicate CBA methodology in non-CBA communities

5. OTHER JUSTIFICATIONS IN PREFERENCE OF THE RAYON

--

Date „ ___ ” _____ 20__

Head of Rayon Council _____ (_____)
(signature)

Head of Rayon State Administration _____ (_____)
(signature)

Annex - XI

APPLICATION FOR VILLAGE/CITY COUNCIL TO JOIN CBA PROJECT

PART – I: EXPLANATORY NOTE

- This form is applicable for only those village/city councils which belong to the rayon already selected for partnership with the Project
- Completed Application Form (Part-B) should be attached with a letter signed by head of village/city council and sent to the Regional Implementation Unit of CBA Project located in the oblast state administration/oblast council office

B) APPLICATION FORM

1. APPLICANT’S PROFILE

Oblast	
Rayon	
Village/City Council	
Postal Address	
Telephone (dialling code + number)	
Fax (dialling code + number)	

Focal Point	
Position	
Telephone (dialling code + number)	
Previous Partnership	(Give period of partnership with CBA)

2) TERRITORIAL PROFILE

§ Provide general information about the village/city council including:

- Number of population;
- Distance between rayon capital and village/city council

§ Provide brief description of existing social, economic, environmental problems and access to public services in the village/city council in terms of:

A. Level of socio-economic development

- o Rayon’s ranking of the village/city councils based on practical set of social and economic indicators followed in the rayon to rank all village/city councils)
- o Availability of development budget per year
- o Level of unemployment

B. Access to water supply (mark one)

Number of settlements/micro-rayons in the village/city council

Percentage of settlements/micro-rayons and households therein that:

- o have a water supply system
- o have a water supply system in disrepair
- o have access to well water only
- o have no access to drinking water

- C. Quality of healthcare infrastructure (mark one)
 - o The village/city council has good local healthpost/outpatient's clinic
 - o The local healthpost / local outpatient's clinics in disrepair
 - o The village/city council has no health-care infrastructure or the one exists is non-functional
- D. Environment
 - o Status of solid waste collection and utilization system by settlements/micro-rayon
 - o Status of sewerage and sanitation system by settlements/micro-rayon
 - o Point some factors that negatively affects environmental situation in the village/city council
- E. Energy efficiency
 - o Situation of current energy supply infrastructure and energy consumption (in terms of gas, electricity etc.)
 - o Practice of introducing energy saving technologies in the village/city council
 - o Point if there is potential to introduce energy saving technologies (involving alternative and/or renewable energy sources) in remote communities of the village/city council

3. MOTIVATION TO PARTICIPATE IN THE PROJECT

3.1. Reasons of your interest to the CBA Project

3.2. Expectations from participation in the CBA Project

3.3. Experience in the use of community based approach (if any)

3.4. Participation in similar projects/ programmes (name of the project, data, donor, cost)

3.5. Other respective information

4. WILLINGNESS TO MEET OBLIGATIONS IN FRAMES OF THE CBA PROJECT

4.1. Deputing an official to support the project realization

4.2. Allocation of resources to realize community projects (write approximate sum)

4.3. Incorporation of community plans to local development plans

[Empty rectangular box]

[Empty rectangular box]

4.4. Providing organizational, monitoring and technical services

[Empty rectangular box]

4.5. Providing institutional mechanism for sustainability of community project

[Empty rectangular box]

4.6. Allocating premises for establishment of community resource centre (if possible)

[Empty rectangular box]

4.6. Willingness to replicate CBA methodology in non-CBA settlement/micro-rayon of the local council

[Empty rectangular box]

5. OTHER JUSTIFICATIONS IN PREFERENCE OF THE VILLAGE/CITY COUNCIL

[Empty rectangular box]

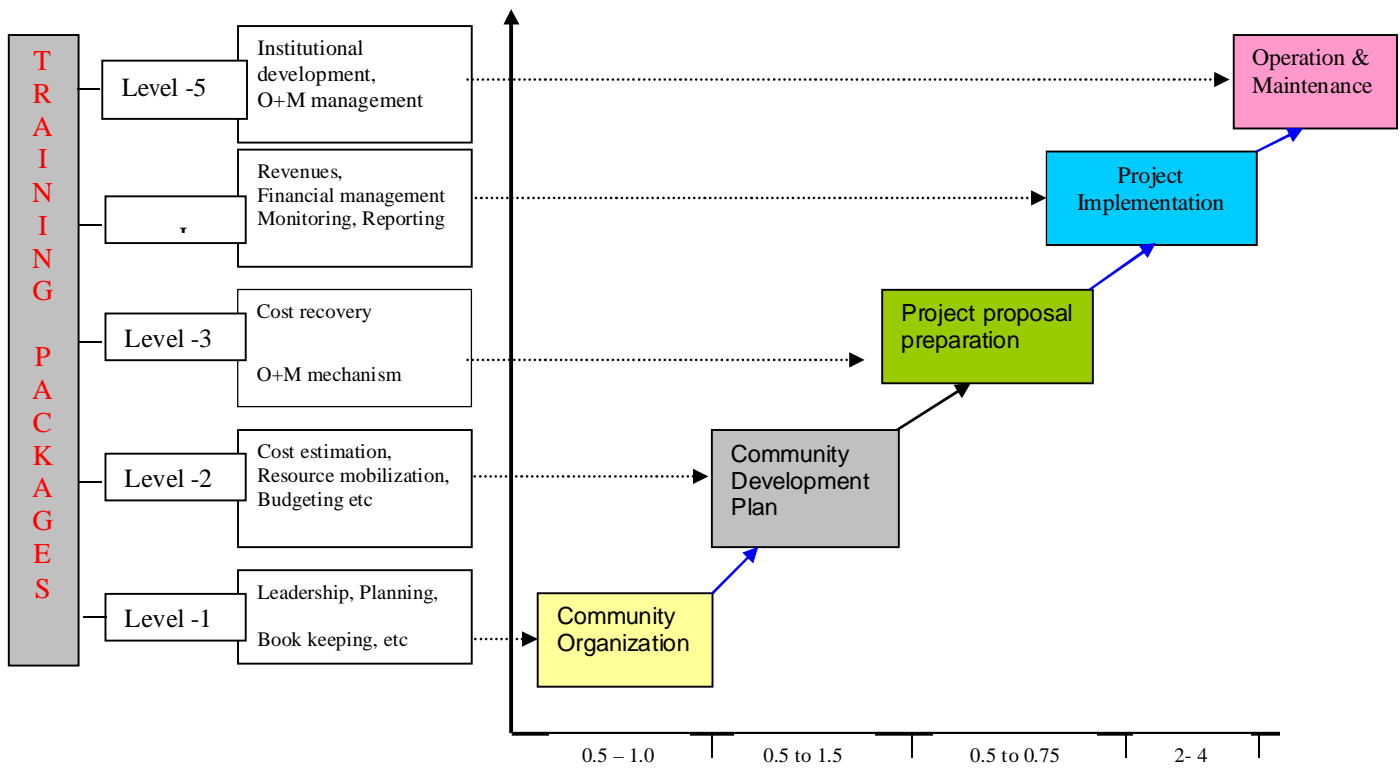
Date „ ___ ” _____ 20__

Head of Village/City Council _____ (_____)
(signature)

Annex – XII

Training Package at Various Levels

Training of various kinds is required as the social mobilization process moves from lower level to upper level. The following schematic diagram explains it:



ANNEX XIII

SUBJECT MATTER COVERED DURING THE TRAINING CONDUCTED FOR THE CO-MT

1. Community, its characteristics and its position in the existing law of Ukraine
2. Concept of development, factors of development, sustainable development
3. Analysis of rural/urban problems, issues of equity
4. Identification of local resources and their mobilisation
5. Concept of governance. Characteristics of good governance
6. Goal of the CO and achievement of the goal. Strength and weaknesses of COs
7. Leadership/personality development. Duties, rights, roles and responsibilities of a chairperson, treasurer, secretary and the members
8. Desirable characters of chairperson, treasurer, secretary
9. Managing a CO. Holding CO-meetings effectively. Reaching consensus-based decision. Taking minutes.
10. Communication and art of effective communication
11. Conflicts and their resolution.
12. Coordination & linkage development
13. Process of participatory/bottom-up planning
14. Concept of income, expenditure and savings
15. Concept of enterprise (economic) development
16. Legal provisions for registration of COs. Concept and framework of statute; sample CO-statutes
17. Concept of account/book keeping. Exercise on account/book keeping. Taxation and reporting
18. Others as desirable

* For the treasurer only

Annex – XIV

A sample of Project Proposal and Effort for Resource Mobilisation

1. Information about Village/City Council

- 1.1 Name of Village/City Council:
- 1.2 Number of settlements/Micro-rayon:
- 1.3 Total population:
- 1.4 Name of Head of Village/City Council:

2. Information about Community Organization (CO)

- 2.1 Name of Settlement/micro-rayon/multi-apartment building:
- 2.2 Name of CO:
- 2.3 CO formation date:
- 2.4 Total Households on the territory of the CO:
- 2.5 Total members of CO: ----- (Male: ----- Female: -----)
- 2.6 Name of Active Members of CO:
 - Chairperson:
 - Treasurer:
 - Secretary:
 - Member:
 - Member:
 - Member:
- 2.7 Total Membership/Commitment fee generated and utilised:
- 2.8 Total Micro-project Fund gathered and utilised
- 2.9 : Whereabouts of the balance amount

3. Information on Community Development Plan

- 3.1 Total number and type of projects identified and prioritised by CO: -----

Type and name of projects prioritised by CO in Development Plan

Name of project	Type of project (Social, Economic, Environmental etc.)	Priority of the project

Note: Need to attach minutes of meeting at which the projects were prioritised and list of signatures of CO members.

4. Information about the Project Proposed for Funding

- 4.1 Name of Project:
- 4.2 Context and Justification of the project (describe):
- 4.3 Criteria for the selection of the project:
- 4.4 Duration of the project (Starting and completion date):
- 4.5 Total beneficiaries: (i) HHs: ---- (ii) Population: ---- (a) Male: --- (b) Female:----
- 4.6 Total Cost (UAH):

4.7 Per capita cost:

4.8 Proposed Cost Sharing Arrangement

S.N	Proposed Sponsors	Type and amount of contribution (UAH)			Remarks
		Cash	Kind*	Total	
1	Community Organization				
2	Village/City Council				
3	Rayon Administration				
4	Oblast Authority				
5	UNDP/CBA				
6	Others				
	Total				

* Contribution in kind should be converted in terms of cash and written in the column "in kind contribution".

5. Project Implementation, Operation & Maintenance and Sustainability

5.1 Functional Group formed by CO (include name minutes of meeting of CO)

5.2 Plan for Operation and maintenance of the project after completion (including service charges)

6. Financial Monitoring and Reporting

6.1 Dates for submission of financial statement to CO members

6.2 Dates for submission of financial statement to CRC/CBA and Village Council/Raiyon Administration

6.3 Dates for submission of progress reports

Endorsements by Local Authorities

The Village/City Council offully agrees and supports the above-mentioned community project proposed by the ----- CO. Therefore, the Village/City Council agrees to provide a cost-sharing contribution in the amount of -----UAH and recommends to CBA for co-funding.

Signature

Name of Head of Village/City Council

Date:

The Rayon State Administration offully agrees and supports the above-mentioned community project proposed by the -----CO of -----Village/City Council. Hereby, the Raiyon State Administration agrees to provide a cost-sharing contribution in the amount of -----UAH and recommends to CBA to co-fund the project.

Signature

Name of Head of Rayon State Administration

Date:

Annex –XV

A Sample of Cover Letter for Submission of a Project Proposal to LDF/RSA

Mr./Mrs.
Chairperson of Local Development Forum,
Chairperson ofRayon State Administration
..... Oblast

Subject: Submission of Project Proposal

Thecommunity organization has prepared a local development plan, which has been approved by the community members and endorsed byVillage/City Council. We would be grateful if the LDF approves the local development plan and make a recommendation to incorporate the proposed project into the rayon development plan. The Community Organization requests the LDF to make a recommendation to the Rayon Administration and CBA to allocated funding for the following project:

-

Detailed information about the project and other supporting documents are enclosed for your consideration.

Yours sincerely,

Name and Signature of Chairperson of CO

Date:

Cc: CBA ,Rayon

Annex –XVI

A Sample of Cover Letter for Request for Funding

Mr. XXXXXX,
International Project Manager,
EU/UNDP CBA
Kyiv, Ukraine

Subject: Submission of Project Proposal

Thecommunity organization has worked out the local development plan, which has been approved by the community members and endorsed byVillage/City Council. The proposal has been carefully studied and discussed in LDF meeting held on The Community development plan has been approved by LDF and incorporated in the rayon plan for the year The rayon administration has also approved and allocated the budget in amount of ----hryvnas for the following projects. However, the budget allocated by Rayon Administration and Village/City Council is not adequate to complete the project. Therefore, I would appreciate if UNDP/CBA could fund the following project.

The recommend projects for the funding are:

-

The detailed information about the projects and other supporting documents are enclosed for your consideration.

Thanking you.

Name and Signature of
Chairperson of Raiyon Administration and LDF

Date:

Annex XVII

Description of Services and Activities

In partnership with UNDP the Community Organization "....." shall manage and implement the community project ".....", aiming at to improve the living condition of the communities of the settlement and strengthen development of the communities to a broader perspective in their localities.

Specific Activities that the CO shall perform:

1.
2.
3.
4. Monitor project implementation with the active participation of community members and the partner organizations and institutions.
5. Ensure timely and proper reporting to the UNDP/CBA and other relevant organizations.

Project Budget of CO

Project Title of the CO:

Name of the CO:

Total Amount of Funds under the Agreement:

Date of Signature of the Agreement:

General category of expenditures	201..	Total Amount (UAH)	Remarks
Procurement of			
Training, Seminar etc			
Contracts			
Contingencies			
Total			

Payments Schedule:

Miles t-ones	Installments	Amount (UAH)	Date foreseen
1% of the Agreement amount – within 30 banking days upon signature of this Agreement		
	Balance		
2	...% of the Agreement amount - upon submission of a periodic progress and financial report and signature of Intermediate Certificate of performance on completion of Activities-1 and 2 mentioned in the Annex-A	 days after signing the contract
	Balance		
	Balance		
3	Up to% of the Agreement amount - upon submission of final progress and financial report and signature of Certificate of performance on completion of 100% of the works mentioned in the Annex-A	 days after signing the contract
	Balance		

Prepared by

....., Chairperson of the CO «.....»

Annex XVIII
Final Progress Report

INSTRUCTIONS

1. Provide a complete report, if necessary use separates pages
2. Include a final financial report (with all the supporting documents) that shows the breakdown of costs.
3. Submit the final progress report and the financial report to the project coordinator/.

Contractor

Name of CO providing the report:
Address:
Person in charge of the progress report:

Identification of the project

Name of the project:
Agreement number:
Type of project:
Location/
Start-up Date: Completion Date:

Participants/beneficiaries

Capacity Building/Training

Number of females:	Number of females:
Number of males:	Number of males:
Number of children (under 21):	Number of children (under 21):

Budget and finance

Total Project Cost:
Amount received under this Agreement:
Amount received from other sources of funding:
Contribution of community organization:

Activities

Activities Performed under this Agreement

Results:

Describe to what extent the objectives of the Agreement were accomplished:

Describe the immediate benefits received by the participants and/or the recipient communities:

Describe long-term benefits:

New Developments and unexpected difficulties/problems:

New Developments and unexpected difficulties during the implementation of the project:

Actions taken to solve them:

Remarks/lessons learned:

Date: _____

Prepared by _____

Annex XIX
Interim Report on the Use of Funds

Project Number:
Project Title:
Date: _____

Project Title of CO: _____

Name of the CO: _____

Total Amount of Funds Under the Agreement: _____ Date of Signature of the Agreement _____

FOR THE PERIOD COVERING FROM _____ TO _____

General category of expenditures	Global Budget	Expenditure	Balance	Amount Requested
Manpower/labor/Material				
Training/Seminar/Workshops, etc.				
Contracts				
Equipment/Furniture				
Others (specify)				
Miscellaneous				
Total				

Total Budget approved:.....
Funds already advanced:.....
Amount of expenditures:.....
Funds requested:.....
Balance (if exists):.....

Date of the next request for funds:(DD/MM/YY)

Certified by: _____
Name and signature of the Representative of CO

CO is responsible for compiling and providing all supporting documentation or information related to this report at the request of UNDP

Annex XX

<p style="text-align: center;">MICRO-CAPITAL GRANT AGREEMENT BETWEEN THE IMPLEMENTING PARTNER (UNDP)AND THE RECIPIENT INSTITUTION (CO) FOR THE PROVISION OF GRANT FUNDS</p> <p>Micro-Capital Agreement (hereinafter referred to as the “Agreement”) made between United Nations Development Programme [UNDP] and the Recipient Institution [INSERT NAME OF Recipient Institution].</p> <p>WHEREAS UNDP desires to provide funding to the RECIPIENT INSTITUTION in the context of a Project and on the terms and conditions hereinafter set forth, and</p> <p>WHEREAS the RECIPIENT INSTITUTION is ready and willing to accept such funds from UNDP through the administration of UNDP for the above mentioned activities on the said terms and conditions.</p> <p>NOW, therefore, the parties hereto agree as follows:</p> <p>I. Responsibilities of the RECIPIENT INSTITUTION</p> <p>1.1 The RECIPIENT INSTITUTION agrees to: 1) Undertake the activities described in its Workplan and Budget (attached), and updates related to the subsequent release of funds in tranches; 2) Provide quarterly reports to the Steering Committee; and 3) Provide Annual Audited Statements [Income Statement and Balance Sheets]. In projects where a technical contractor is providing assistance to the RECIPIENT INSTITUTION, the contractor shall be responsible for verifying the accuracy of these reports/statements. Funds provided pursuant to this Agreement shall be used for purposes related to producing results specified in its annual performance targets [Section C].</p> <p>1.2 The RECIPIENT INSTITUTION agrees to reach the performance targets contained in Section C. If the RECIPIENT INSTITUTION fails to meet its responsibilities outlined in article 1.1, or [Optional] to attain at least 70% of any one performance target for any given year, then this will be considered grounds for the Steering Committee to suspend any further micro-capital grant support. The suspension shall remain in effect until the RECIPIENT INSTITUTION has achieved the target. In projects with a technical assistance contractor, the contractor may, at its discretion, continue to provide technical assistance to the RECIPIENT INSTITUTION during this suspension period.</p>	<p style="text-align: right;">-</p> <p style="text-align: right;">-</p> <p>« ») (-</p> <p>’ (« »)</p> <p>- []</p> <p>-].</p> <p>a -</p> <p>,</p> <p>,</p> <p>-</p> <p>,</p> <p>.</p> <p>I. ’ -</p> <p>1.1 -</p> <p>: 1) ,</p> <p>() ,</p> <p>; 2)</p> <p>; 3)</p> <p>[]</p> <p>, - ,</p> <p>/ . , ,</p> <p>, , [C].</p> <p>1.2 - ,</p> <p>.</p> <p>1.1, [] 70%</p> <p>- ,</p> <p>.</p>
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<p>1.3 The RECIPIENT INSTITUTION agrees to inform the Steering Committee about any problems it may face in attaining the objectives agreed upon.</p> <p>II. Duration</p> <p>2.1 This Agreement will come into effect on [INSERT DATE/MONTH/YEAR] and shall expire on [INSERT DATE/ MONTH/YEAR], covering the anticipated term of the project. It can be extended, if necessary by exchange of letters, noting the new expiration date.</p> <p>III. Payments</p> <p>UNDP shall provide funds to the RECIPIENT INSTITUTION in an amount up to [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS] according to the schedule of the project budget set out below. Payments are subject to the RECIPIENT INSTITUTION meeting the outputs as specified in the Performance Targets [Section C].</p> <p>[INSERT CURRENCY AND AMOUNT], upon signature of this Agreement.</p> <p>3.1 All payments shall be deposited into the RECIPIENT INSTITUTION's bank account of which the details are as follows:</p> <p>[NAME OF THE BANK] [BANK ROUTING NUMBER] [BENEFICIARY ACCOUNT NAME] [BENEFICIARY ACCOUNT NUMBER]</p> <p>[ADDRESS OF THE BANK]</p> <p>3.2 The amount of payment of such funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the RECIPIENT INSTITUTION in the performance of the activities under this Agreement.</p> <p>IV. Records, Information and Reports</p> <p>4.1 The RECIPIENT INSTITUTION shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.</p> <p>4.2 The RECIPIENT INSTITUTION shall</p>	<p>1.3</p> <p>II.</p> <p>2.1 [/ /] [/ /],</p> <p>III.</p> <p>[]</p> <p>[C].</p> <p>[],</p> <p>3.1</p> <p>[] [] [] []</p> <p>[] []</p> <p>3.2</p> <p>IV.</p> <p>4.1</p> <p>4.2</p>
--	--

furnish, compile and make available at all times to UNDP any records or information, oral or written, which UNDP may reasonably request in respect of the funds received by the RECIPIENT INSTITUTION.

4.3 Within sixty days after completion of project activities, the RECIPIENT INSTITUTION shall provide UNDP with a final report with respect to all expenditures made from such funds (including salaries, travel and supplies) and indicating the progress made toward the goals of the activities undertaken, utilizing the reporting format contained in Annex I.

4.4 All further correspondence regarding the implementation of this Agreement should be addressed to:

For UNDP:

[INSERT NAME OF UNDP RESIDENT REPRESENTATIVE AND ADDRESS]

For the RECIPIENT INSTITUTION:

[INSERT NAME OF AUTHORIZED OFFICIAL AND ADDRESS]

V. General Provisions

5.1 The RECIPIENT INSTITUTION shall carry out all activities described in its Workplan with due diligence and efficiency. Subject to the express terms of this Agreement, it is understood that the RECIPIENT INSTITUTION shall have exclusive control over the administration and implementation of the activities referred to above in paragraph 1.1 and that UNDP shall not interfere in the exercise of such control. However, both the qualities of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by the Steering Committee. If at any time the Steering Committee is not satisfied with the quality of work or the progress being made toward achieving such goals, the Steering Committee may advise UNDP to: (i) withhold payment of funds until in its opinion the situation has been corrected; or (ii) declare this Agreement terminated by written notice to the RECIPIENT INSTITUTION as described in paragraph 5.7 below; and/or seek any other remedy as may be necessary. The Steering Committee's determination as to the quality of work being performed and the progress being made toward such goals shall be final and shall be binding and conclusive upon the RECIPIENT INSTITUTION insofar as further payments are concerned.

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<p>5.2 UNDP undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by the RECIPIENT INSTITUTION.</p>	<p>5.2</p>
<p>5.3 The rights and obligations of the RECIPIENT INSTITUTION are limited to the terms and conditions of this Agreement. Accordingly, the RECIPIENT INSTITUTION and personnel performing services on its behalf shall not be entitled to any benefit, payment, compensation or entitlement except as expressly provided in this Agreement.</p>	<p>5.3</p>
<p>5.4 The RECIPIENT INSTITUTION shall be solely liable for claims by third parties arising from the RECIPIENT INSTITUTION's acts or omissions in the course of performing this Agreement and under no circumstances shall UNDP be held liable for such claims by third parties.</p>	<p>5.4</p>
<p>5.5 Assets (Equipment) supplied by UNDP funds to the RECIPIENT INSTITUTION shall be the property of UNDP until the end of the project, at which time UNDP shall determine the best use of these assets. In cases where the RECIPIENT INSTITUTION has met its responsibilities under this agreement, and handover of the asset would contribute to the sustainability of activities, UNDP would normally handover these assets to the RECIPIENT INSTITUTION. The assets shall be used for the purpose indicated in the Workplan throughout the period of this Agreement.</p>	<p>5.5 () ,</p>
<p>5.6 This Agreement may be terminated by either party before completion of the Agreement by giving thirty (30) days written notice to the other party, and the RECIPIENT INSTITUTION shall promptly return any unutilized funds to UNDP as per paragraph 5.6 above.</p>	<p>5.6</p> <p>30 () ,</p> <p>5.6.</p>
<p>5.7 The RECIPIENT INSTITUTION acknowledges that the Implementing Partner and UNDP and its representatives have made no actual or implied promise of funding except for the amounts specified by this particular tranches Agreement. Although project related documents may indicate a total amount of funds that could be available for this RECIPIENT INSTITUTION, actual disbursements will be based upon the RECIPIENT INSTITUTION meeting performance targets. If any of the funds are returned to the Implementing Partner and UNDP or if this</p>	<p>5.7</p>

Agreement is rescinded, the RECIPIENT INSTITUTION acknowledges that the Implementing Partner and UNDP will have no further obligation to the RECIPIENT INSTITUTION as a result of such return or rescission.

5.8 No modification of or change to this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement duly signed by the parties hereto.

5.9 Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force.

The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

5.10 Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the United Nations, or UNDP.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the Implementing Partner, and the RECIPIENT INSTITUTION, respectively, have on behalf of the Implementing Partner and the RECIPIENT INSTITUTION signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

5.8

5.9

5.10

On behalf of UNDP:

Name: _____
 Title: _____
 Date: _____

On behalf of the RECIPIENT INSTITUTION:

Name: _____
 Title: _____
 Date: _____

B. BUDGET/

TO BE PREPARED BY THE RECIPIENT INSTITUTION. THIS BUDGET WILL BE SUBMITTED TO THE STEERING COMMITTEE FOR APPROVAL/

PROJECT BUDGET OF RECIPIENT INSTITUTION

Project Number/ _____ : _____ Date/ _____ : _____

Project Title/ _____ : _____

Name of the RECIPIENT INSTITUTION/ _____

Total Amount of Funds under the Agreement/ _____ : _____

Date of the Agreement/ _____ : _____

PROJECT BUDGET (in Local Currency)/ _____ (_____)

PERIOD COVERING FROM/ _____ TO/ _____

General Category of Expenditures/	Tranche 1/ 1	Tranche 2/ 2	Tranche 3/ 3	Total/
Personnel/				
Transportation/				
Premises/				
Training/Seminar/ Workshops, etc./ / /				
Contracts (Audit)/ ()				
Equipment/Furniture (Specify)/ / ()				
Other [Specify]/ []				
Miscellaneous/				
TOTAL/				

* Please note that all budget Lines are for costs related only to project activitie/ , , , , , .

** These budget categories and number of tranches are suggested guidelines. The Recipient may choose alternates which more accurately reflect their expense items and needs/ , , , , .

C. RECIPIENT INSTITUTION PERFORMANCE TARGETS/

-

NAME OF RECIPIENT INSTITUTION/

-

: _____

PERFORMANCE TARGETS/		YEAR 1/ 1		YEAR 2/ 2		YEAR 3/ 3	
		Proposed/	Actual/	Proposed/	Actual/	Proposed/	Actual/

ANNUAL REPORTING FORMAT/

YEAR/ _____

Recipient Institution/ - : _____

OVERALL TARGETS FOR ENTIRE GRANT/	BASELINE/	PROPOSED ANNUAL TARGETS/	ANNUAL BUDGET/	ACTUAL ANNUAL RESULTS/	ACTUAL ANNUAL EXPENDITURES/	PROGRESS TOWARDS TARGETS/