



## Monitoring Report

**Monitoring reference** MR-041506.02  
**Report date** 12/08/2009  
**Project title** Community based approach to local development

### I. Intervention data

Status	FINAL
Monitoring Report Type	Ongoing
Aid Modality	Project approach
Project	Single Country / National Project
Project Management	Project managed by the Delegation (devolved)
Financed via a thematic budget line	No
CRIS Number	C-143053
Project Title according to Financing Agreement/Financing Decision	COMMUNITY BASED APPROACH TO LOCAL DEVELOPMENT
Domain	TACIS
DAC - CRS Sector	16050 - Multisector aid for basic social services
Additional DAC - CRS code	16050 - Multisector aid for basic social services
Geographical zone	Ukraine
Keyword (for innovative interventions)	Good Governance
Date Financing Agreement/Financing Decision/Contract signed	15/06/2007
Person responsible at HQ	Not Available
Person responsible at Delegation	Mira Didukh
Monitor	Anatoliy Shanchuk
Project Authority	United Nations Development Programm
Type of implementing partner	UN family organizations (incl. WB)
Start date - planned	04/09/2007
End date - planned	04/03/2011
Start date - actual	04/09/2007
End date - likely	04/03/2011
Monitoring visit date	from 02/07/2009 to 04/08/2009

### II. Financial data

Primary commitment (EC funding)	12,000,000
Budget allocated for TA	Not Available
Secondary commitment (funds contracted of EC contribution)	12,000,000
Other funding (government and/or other donors)	1,333,000
Total budget of operation	13,333,000
Total EC funds disbursed	8,210,384
Financial data on	01/07/2009

### III. Grading

Relevance and quality of design	B
Efficiency of Implementation to date	C
Effectiveness to date	C
Impact prospects	B
Potential sustainability	B

### IV. Summary of conclusions

#### Relevance and quality of design

Financed under the Tacis AP 2006, the Community Based Approach (CBA) project (Action) aims at improving the living conditions of local communities in Ukraine. The UNDP experience with area-based development projects in a few regions was the basis for enlarging the scope of services on a country-wide scale, i.e. in the 24 regions (oblasts) and the Autonomous Republic of Crimea. The Action is in line with the EC strategy on regional development in Ukraine.

The policy of Ukraine for developing local governance, rural and agricultural areas and strengthening of public health care system, is promoted by this CBA project through local infrastructure improvements in five priority areas: energy, health, water management, transport and environment. With the minimum target of 1,000 established Community Organisations (COs) and 1,175 realised initiatives the project is to create a model of cooperation between self-governing COs and local authorities. The project relevance increased in 2009 as (i) COs that gained first experience with self-organisation and knowledge about CBA have realised the potential benefits, and (ii) the Government's capacity to fund national development programmes reduced substantially because of the global/national financial and economic crises.

The project phases are clearly designed: i) building partnership between the CBA-project and regional/district/ local authorities, and establishing COs; building their capacity for participatory preparing of community development plans; ii) preparing and implementing community initiatives (micro-projects/MPs), with a co-financing mechanism; iii) review and presentation of project outcomes to the public and to authorities, lessons learnt and recommendations. Ambitious targets made the project time schedule very tight. External factors beyond the control of project management have affected the work progress. The project has received support from stakeholders at central level, while effectiveness of establishing partnerships varied considerably in the different regions and districts. Overall the process took much longer than expected. Also some operational procedures and complex/ time-consuming CBA procedures caused some difficulties and delays.

The UNDP project management plans to focus their main efforts in the remaining period on preparation, implementation, monitoring and acceptance of MPs, and on review of project outcomes. As an 'optimistic scenario', about 400 MPs with 'guaranteed' co-financing will be launched in 2009, so as to use timely the co-funding available from local authorities. About 650 MPs are planned to be initiated in the first quarter of 2010 at the latest, with completion of all MPs by the end of 2010. Timely provision of Ukrainian co-funding, which has been a critical factor for the initiation and successful implementation of MPs, will be even more important in 2010 due to the very tight schedule. Furthermore, the above plan imposes a high workload, which might affect timeliness and quality of the project team's services.

In 11/2009, UNDP will review the use of quotas for funding MPs (initial quota has been 40 MPs per oblast). Follow-up steps could be: i) regional quotas re-distributed; ii) 175 MPs distributed as a 'bonus' based on selected criteria; iii) project's share in a MP co-funding increased (up to 60%). In addition, measures to optimize the workload on staff and ensure timely provision of services will have to be foreseen. At a later stage, an extension of the project duration might be considered.

#### Efficiency of Implementation to date

For project administrative/ financial management the UNDP operational procedures are applied. The annual Workplan 2009 presents the activities leading to outputs (purposes, in terms of the PCM Guidelines), with baseline, targets and indicators. Resources available from the EC and UNDP are managed in a transparent and accountable manner, with regular reporting to national stakeholders and the EC Delegation. No formal mechanism for operational coordination with the main national stakeholders is needed, as many issues are

resolved at regional/district level. Support to the project from the Government level has been provided, as requested. Access to project services has adequately been ensured in all regions, although in some cases partnerships at regional level were accepted later than at district/local level. The project consistently followed the strategy for EC and UNDP visibility and communication with the wider public.

The numbers of established partnerships, creation of COs and capacity building are quite impressive being close to overall targets, although those activities took more time than initially planned. As of 01/08/2009, 1,001 village/city councils in 25 regions are involved; 961 CBA seminars have been delivered, and 643 partnership agreements signed. Representatives of COs (11,100) and local authorities (3,500) attended more than 600 trainings. As concerns the support to micro-projects, only 313 of the 612 MPs prepared have been approved, of which 135 received funding (at least partially). For comparison, approval/funding of the 1,175 MPs was scheduled as follows: in 2008-2009 - 920/840, and in 2010 - 255/335. Because of an overall delay, the budget expenditure in 2009 is inadequate (estimate as of 06/2009): 6% for support of COs and co-funding of MPs; 18% for establishing mechanism of participatory planning; 19% for training of staff and national counterparts. Overall only 12% of the budget forecast has been spent.

### **Effectiveness to date**

The revised project Logframe defines the Specific Objectives (purposes) and Results (see the Project Synopsis). As of 01/08/2009, the Results have been achieved as follows:

1) Community Resource Centres at 25 regional administrations help to mobilise local communities and project stakeholders; 2) Out of 969 self-governing COs created, 840 are legally registered; 3) A system for CBA participatory planning with implementation mechanism has been created, involving COs, village/city councils, local development forums (189) and oblast coordination councils (20); 4) 8 MPs were executed, 135 are ongoing, while 1,040 MPs still to be implemented by the end of 2010.

### **Impact prospects**

CBA has received support by local communities and many regional/local authorities. On the initiative of district administrations, 99 District Resource Centres have been created. Authorities of some oblasts are keen to incorporate CBA as an important element of a local governance policy and system. This positive potential is expected to increase further.

The Action highlighted gaps in CBA-relevant Ukrainian legislation, standards and procedures, and a lack of institutions/structures devoted to support CO initiatives. This will contribute to the ongoing preparation of the reform of local self-governance. By demonstrating the active role of women in the formation of COs and their activities, the project contributes to improving the gender equality balance in local councils/administrations. The country-wide experience of a CBA in Ukraine will be helpful for further development of CBA methodologies and practices and their dissemination to other countries.

### **Potential sustainability**

CBA adapted to Ukrainian realities is expected to become a part of local governance. A co-financing mechanism involving public and community resources will be used further. Successfully completed MPs encourage other COs to proceed with their initiatives (multiplier effect). The project has supported institutional and management capacity building. Practical experience with CBA in Ukraine will contribute to local governance and democratisation of the Ukrainian society.

### **Key observations and recommendations**

Achievements in CBA implementation on a country-wide scale in Ukraine are substantial in quality and quantity, although attainment of targets is much behind the initial time-schedule, mostly due to external factors. More than 1,000 community micro-projects are still to be initiated and carried out until the end of 2010. The management of this Action has been proactive and adequate to external conditions. Project progress has been the object of permanent attention by UNDP.

The project should further be supported by UNDP and the EC Delegation in Ukraine, so as to ensure that:

- (i) operational procedures and project implementation arrangements are appropriately adapted if needed, and the use of human resources is optimized for providing timely and quality services;
- (ii) coordination with Ukrainian authorities is effective, which is extremely important in 2009-2010;
- (iii) project stakeholders are regularly and adequately informed on the progress focusing on critical issues including availability/ use of funding for micro-projects, required decisions/ actions/ support, and comparison of achievements with targets.