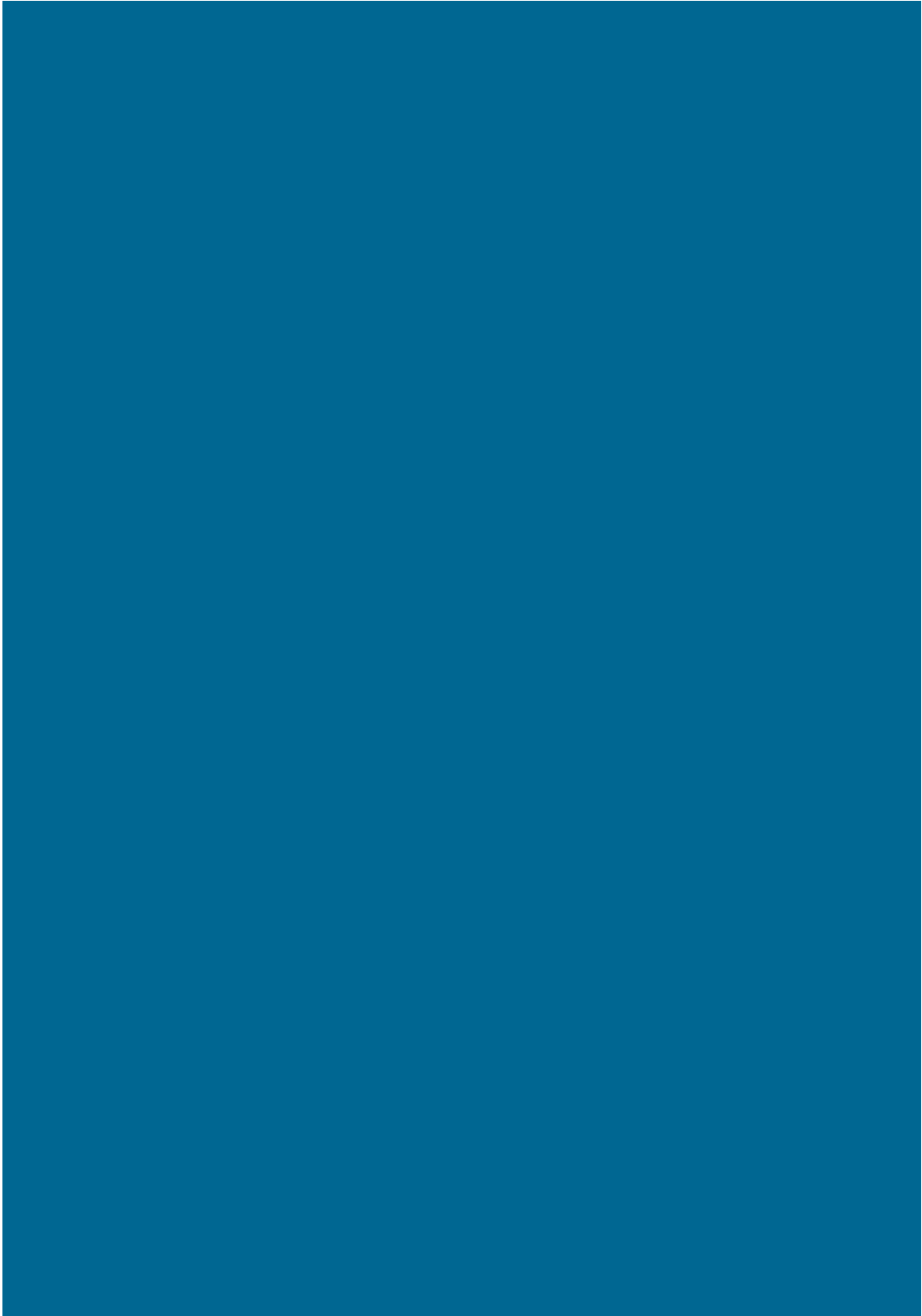


**DFID** Department for  
International  
Development

# UK-Ukraine Development Partnership:

Past, Present, Future





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## Foreword by Shahid Malik, Parliamentary Under Secretary of State for International Development

Ukraine has faced many challenges and overcome many obstacles since independence in 1991. A clear sign of progress was Ukraine's re-classification as a Middle Income Country by the Organisation for Economic Co-operation and Development (OECD) in January 2006. This reflects the huge efforts made by Ukraine to reduce poverty, to create a stronger economy, and to develop a more open and stable democratic society. The number of people living under US\$4.30 a day had fallen from 11.9% in 2000 to 1.5% five years later. And the country has seen democratic elections and more open media.



This progress is clearly a sign of Ukraine's success. Ukraine is on track to complete negotiations to accede to WTO by the middle of this year; last year it signed the Paris Declaration to show its commitment to donor harmonisation and aid effectiveness; and it is increasingly applying European and international standards to the way it delivers services to its citizens. Full credit must be given to the Ukrainians, whether in government, the private sector, NGOs, or individuals for their leadership and determination to change the way they live. As DFID we are pleased to have played our part in helping bring about this change and improving the quality of life for many.

As a result of these achievements the UK Department for International Development (DFID) has decided to change the nature of its partnership with Ukraine. Our bilateral aid programme closes in March 2008. However, this does not mean that the UK will no longer take an interest in Ukraine's social and economic well-being. We will remain engaged through our membership of the European Union, as well as through our support for multilateral organisations such as the World Bank, the European Bank for Reconstruction and Development and the United Nations.

Shahid Malik  
February 2008

A handwritten signature in black ink that reads "Shahid". The signature is written in a cursive style and is underlined with a single horizontal stroke.

## Preface by John V Stuppel

Head of DFID Ukraine Office (2003-2008)

Welcome to this booklet, which I hope you will find a useful and interesting read. The UK has been providing development assistance to Ukraine since 1991. The booklet does not attempt to cover every aspect of our work but instead looks at some key elements of the support that we have provided. It considers how this support has impacted on the lives of ordinary Ukrainians.

You will also find sections on how the UK, through the Department for International Development (DFID), has helped to develop closer relations with the Ukrainian Government at both national and regional level, with other donors, and with local communities and organisations. This, I believe, has been one of the key success factors in enabling DFID to carve out a unique way of working, and to deliver well-focussed and targeted programmes.



We try too to reflect on what has proved more challenging to implement and the lessons we have learnt. I hope this will help other donor colleagues and also the Ukrainian authorities as they plan their future development strategies and take forward new projects.

I should like to take the opportunity to thank my colleagues in the DFID Ukraine Team, both in Kyiv and London, for their tremendous support in managing and implementing the various projects over the years. In addition, I would like to extend my thanks to DFID's project partners, and international and local consultants who have been in the frontline of delivering our projects. However, none of these achievements would have been possible without the co-operation and unending support that our many local partners – national, regional and local government officials, local community groups and NGOs, contacts within academia, and representatives from the business community – have given us over the last seventeen years.

John V Stuppel  
February 2008

A handwritten signature in blue ink, appearing to read 'John V Stuppel', written in a cursive style.

## SUMMARY

This document describes the cooperation between the UK Government and Ukraine from 1991 to 2008. It provides a brief overview of UK assistance from 1991 to 2001, and focuses in more detail on recent programmes, the key elements of which have been:

- helping to strengthen governance in Ukraine. We have worked with state institutions and other partners to improve the government's capability, accountability and responsiveness to all citizens;
- helping communities to start thinking about new ways of getting local authorities, individuals and local support groups working together, by changing people's attitudes to what they can achieve by themselves and taking responsibility for their own lives;
- contributing to building more effective international development systems in Ukraine.

Since the late 1990s, Ukraine has developed a stronger economy and a more robust democracy. A clear sign of progress was its move to Middle Income Country status in January 2006. As with all successful development partnerships, we arrived at a stage where we needed to consider our future engagement and how best to focus our efforts. In consultation with the Government of Ukraine (GoU), DFID has been working on a timely and carefully-managed exit process that will enable us to close our bilateral assistance programme in March 2008.

The UK will continue to support Ukraine's development through other bilateral programmes managed by the Foreign and Commonwealth Office, through the UK's membership of the European Union (EU), and through its contributions to multilateral organisations like the World Bank, the European Bank for Reconstruction and Development and the United Nations.

In particular, the UK will support effective implementation of EC aid to Ukraine, most of which is provided by the EU's new European Neighbourhood and Partnership Instrument (ENPI). This started in 2007 and provides assistance of over €120m per annum to Ukraine through country and regional programmes. The ENPI is designed to help implement various initiatives outlined in Ukraine's Action Plan with the EU. We are encouraging donors and the GoU to focus on Action Plan priorities and Ukraine's aspirations to move closer to Europe.



# Chapter 1

## OVERVIEW OF DFID'S APPROACH AND STRATEGY

### **DFID'S STRATEGY IN UKRAINE**

The UK Government's assistance to Ukraine has evolved from supporting transition from the post-Soviet system to assisting the country's move towards Europe.

#### **1991-1997: knowledge transfer**

The UK Government's initial development programme to Ukraine was run by the British Know How Fund (KHF), managed jointly by the Foreign and Commonwealth Office and the Overseas Development Administration. The KHF implemented a portfolio of technical assistance projects, aimed at transferring relevant western expertise and experience in order to promote a market economy and pluralist democracy. The KHF worked with a range of mainly regional and local partners in both private and public sectors. Until 1998 the KHF focused on five sectors – agriculture, energy, financial services, good governance and small and medium enterprises – and the main locations for project activities were Kyiv, Donetsk, Kharkiv and Odessa.

#### **1998-2000: supporting the transition process**

In 1997, the Overseas Development Administration was replaced by the Department for International Development (DFID), the UK government department that manages Britain's aid to poor countries and aims to eliminate world poverty.

From 1997 onwards DFID's programme in Ukraine was part of a broader regional strategy which aimed to support the transition process and ensure that the benefits were sustainable and spread through all levels of society. More emphasis was given to the social, governance and environmental aspects of transition. The projects aimed to address either policy issues directly or set up models to influence policy. DFID provided assistance to the GoU in macro-economic and public finance management, public administration reform, social protection, agriculture and rural livelihoods, and the environment. On governance reforms, DFID worked at the national (central) level and in a number of focal Oblasts (regions), namely Donetsk, Kharkiv, Odessa and Lviv. DFID assistance totalled £9m per year during this period.

From 1998 to 2000, DFID activities had a significant and positive impact on the country's gradual transition to a market economy. For example, the Government's 2000 land reform drew on practical models for reforming collective agricultural enterprises, developed under the Land Privatisation Project in Donetsk Oblast. In the private sector, the programme made a positive impact on business regulation. And in the social sector, DFID worked on social benefits reform, encouraging NGOs to respond to needs of redeployment, such as re-skilling people so they could get new jobs.

### Support to Community Development

*A community development project in Donetsk supported the creation of SESP (Socio-Economic Strategies and Partnerships) – an association of NGOs. SESP started in 1998 with three NGOs established in mono-industrial towns in Donetsk oblast. They provided various social and educational services to local communities, for example training, supporting business start ups and getting access to credit. Ten years on, SESP is a strong sustainable organisation operating in the Donetsk, Luhansk, Dnipropetrovsk and Zhytomyr oblasts, comprising 21 NGOs.*

*In December 2007, SESP became an official partner for the International Business Leaders Forum (the Prince of Wales is its patron) and launched Youth Business Ukraine to help young Ukrainians start their own businesses by providing mentoring and funds. In Torez there are already 3 businesses run by young people: sewing services, shoe repair, and a shop selling gardening/cultivation tools. In Telmanova there are 3 new enterprises led by women. The programme intends to set up some 40 offices in 10 oblasts, and to assist 4000 young start-up entrepreneurs by 2012.*

### **2001-2005: supporting governance and reducing poverty**

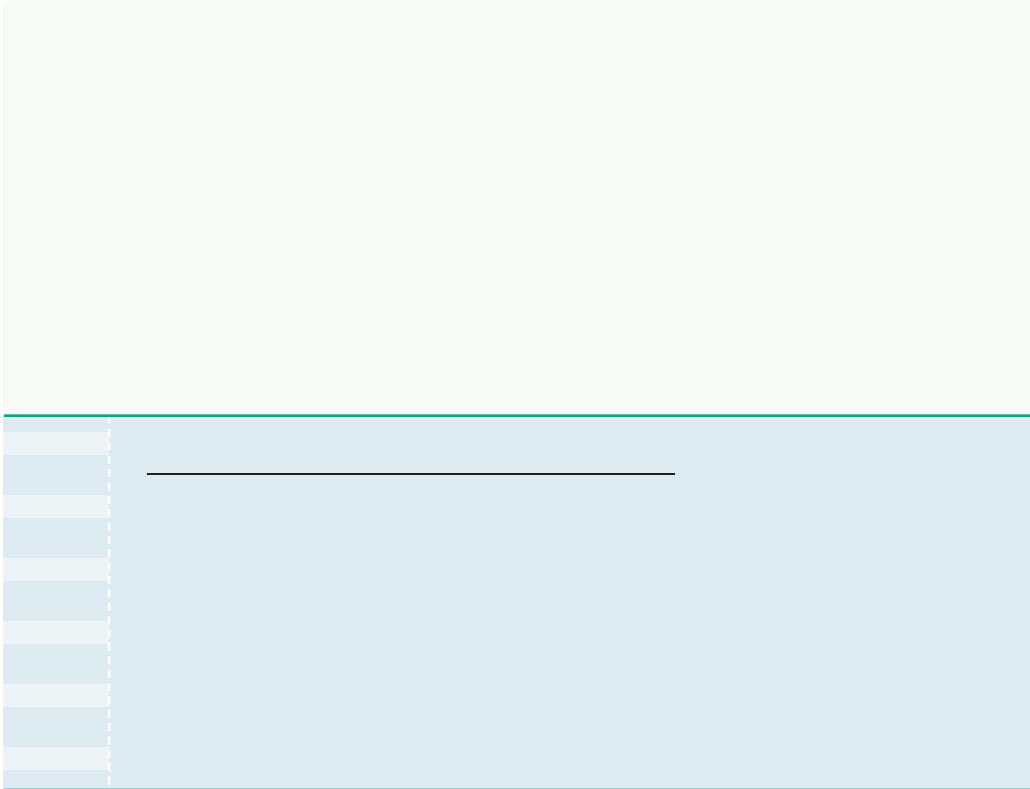
In 2001 DFID set a new strategic objective of reducing poverty in Ukraine by supporting economic growth and helping to reform the social sector by working on four key areas: (i) closer Ukrainian integration into Europe and the world economy, by supporting Ukraine with its World Trade Organisation accession and EU integration plans; (ii) strengthening the capacity of state institutions to respond better to social and economic change; (iii) increased livelihood opportunities, in particular in rural areas – including assistance for enterprise and job creation; (iv) enhanced democratic processes underpinned by a more vocal civil society and independent media.

DFID's strategy also recognised the continuing importance of working closely with multilateral agencies. The annual budget during this period was around £6.5m. DFID built regional partnerships in Donbass in the east and Lviv in the west. At the national level we focused on public administration, trade liberalisation, private sector development, and HIV/AIDS.

### **2005-2008: promoting Ukraine's integration into Europe**

By 2005 DFID was looking ahead to a time when the bilateral programme would no longer be the UK's main form of development assistance in Ukraine. Supporting European integration and working in close cooperation with other donors remained key priorities. Our country programme focused on two key objectives: i) improving governance, building on our work to strengthen public administration, and ii) working with other donors and the government to make the international development system in Ukraine more effective.

One of the key aspects of successful integration into Europe is balanced economic growth. Although Ukraine has experienced record growth rates over recent years, much of this is related



## Chapter 2

### BUILDING A STATE THAT WORKS FOR PEOPLE

#### **STRENGTHENING GOVERNANCE**

Over the last 17 years, DFID has worked with various partners to build 'sustainable capacity': the ability of individuals, organisations, and society as a whole to manage their own affairs successfully. DFID has helped introduce new ideas, trained many Ukrainians, strengthened local institutions and created new ones. We focused on good governance – the deal between government and citizens. For this deal to work the government must get things done. It must listen and respond to its people's needs. And people need to be confident that politicians and public servants take responsibility for their actions.

All our programmes supported good governance, which requires three things of the State: the capability to deal with public demands, accountability for its actions, and responsiveness. We helped citizens to learn how to make demands in a constructive way and hold the government to account.

#### **Building state capability**

We have supported improvements to public sector management in many ways. For example:

- At the regional level we have helped Donbass and Lviv regions to plan their development more strategically: to replace post-soviet planning practices with new approaches based on full consultations, prioritisation of tasks, realistic budgeting, and monitoring of results. As a result administrations in these regions have become more transparent, particularly in the areas of allocation of capital grants and management of assets.
- We have supported the government at all levels to improve social services policies and delivery. We have supported partnerships between civil society and local government to effectively consider local social problems, and to manage the decentralisation of social services more effectively.
- We have worked with the Ukrainian government to improve social services for vulnerable groups. The project was designed as a partnership with all tiers of government (national, regional, and local) to ensure that reform initiatives were based on a policy consensus, and to take account of the division of financial responsibilities in a decentralised fiscal system. Several project pilots introduced a comprehensive mechanism which enabled local authorities to start buying services on behalf of their clients, based on independent assessment of their needs. This work has contributed to the development of a number of national reform processes which will be taken forward by the EU and the World Bank.
- We have helped to tackle the lack of quality statistical information. A large scale project provided technical assistance to the State Statistics Committee of Ukraine (SSCU), with the UK Office for National Statistics (ONS) acting as a consultant. Improvements were made in various areas, for example labour market statistics. The final project conference in June 2006 attracted statistical offices from the wider Eastern Europe region. Representatives from Moldova, Tajikistan and Georgia National Statistics Agencies also participated. Other donors, in particular the World Bank, have continued to provide assistance to SSCU using ONS expertise.



### Supporting the Ministry of Economy to Deliver a More Effective Trade Policy Function

DFID shared the GoU's view that improving trade policy was a challenge which went beyond WTO accession, and would require strategic reforms in the way trade policy was being delivered. DFID helped to strengthen the Ministry's capacity to undertake trade policy analysis and communications. This led to a better coordinated policy process within the government and to stronger dialogue on trade issues with the parliament, private sector and civil society. Looking beyond WTO accession, DFID also helped to establish a WTO National Enquiry Point and Information Processing Centre. After accession, this unit will help the GoU to comply with WTO transparency obligations by coordinating official responses to enquiries from other member countries about domestic regulations regarding international trade. It will also notify members about changes to Ukraine's domestic regulations.

### Developing European Standards of Governance for Ukraine

Since 2003 DFID has been working with the GoU to establish European standards in public administration. The Government's "European Choice" agenda set the goal of approaching European standards – but there was weak understanding of what these were. DFID, jointly with the World Bank, undertook an assessment of public policy making in Ukraine, using the standards developed by OECD/SIGMA as the main frame of reference. The study identified a number of key areas for improvement which would lead to a more modern and professional civil service.

In 2005 the President requested a comprehensive assessment of the governance system in Ukraine. DFID, Sweden and the EC provided support. Four additional functions were reviewed – public financial management, internal financial control, external audit, and public procurement.

In March 2006 the findings and recommendations of the assessment were presented to the GoU. This analysis formed the basis for a range of strategies that are now being implemented, with support from several donors including the EC, Canada (CIDA), the World Bank and the UNDP.

### **Supporting accountability**

We have worked with local groups and organisations in a number of ways to ensure citizens can make their voices heard and can hold government and public organisations to account. For example:

- In ten local communities of Lviv and Donetsk Oblasts, DFID's "Democratising Ukraine" programme worked to ensure the voices of excluded and marginalised groups and individuals were heard. The programme supported many excluded people to become candidates in the local elections.

- In Lviv, Oblast and project partners agreed quickly that the best way to promote regeneration at rural rayon level was to create a local development agency. This would be separate from and independent of local and regional government. This was aimed at ensuring that the agency was better placed to promote a more equal partnership between private business, the local community and the rayon administration.

### Local Development Agencies Promote Rural Regeneration

*In the early 1990's the privatisation and restructuring of former collective and state farms was expected to re-orientate the largely rural economy of Lviv Oblast towards market-based agricultural production. In practice this has been a slow process. Rural people knew little of this concept and they lacked experience of self-employment and running a business. With the rural sector of the economy still contributing around 50% of Lviv oblast's gross domestic product, the revitalisation of the agriculture sector is crucial to the economic development of the oblast.*

*DFID has been working closely with Lviv Oblast since 2003. Our project has helped the Oblast State Administration to prepare and implement an economic development strategy for the region. In 2005 this work was extended to rayon (local council) level. Ukrainian and EU experts helped selected districts to prepare their own programmes for rural regeneration. They agreed that the best way to promote regeneration at the rural rayon level was to create a local development agency (or improve the existing one).*

#### **How have we helped?**

*Local development agencies in five districts were created and supported financially, and a further three districts received modest grants from the Oblast Administration. Ukrainian and Polish experts with direct experience of local development agency operation were hired through the project to train development agency staff and management committee members from small towns and villages. This training covered a wide range of issues: preparing an organisational chart, introducing transparent recruitment practices, IT skills development, preparing business plans and developing partnerships with other institutions.*

#### **Two years on and the results speak for themselves.**

*All five agencies are extremely active and providing services to promote economic regeneration in their districts: the Radekhiv agency arranged training or consultancy for over 400 young unemployed in computer literacy and interview skills. It also organised seminars for newly elected village heads on the preparation of local budgets, the management of land as a resource for development, and other topics. The Sokal agency helped 121 prospective small businesses prepare business plans, assisted 77 other rural enterprises with the process of registration, and advised nearly 900 individuals on job availability. All five agencies have taken a leading role in the preparation of five-year development strategies for their districts, in conjunction with rayon administrations, local business and the wider community. These strategies were approved by rayon councils. The project and the Oblast Administration jointly provided seed finance at the start – but now the Radekhiv and Sokal agencies have already earned sufficient income to cover their core costs. The other three are expected to do so in the near future.*

## Credit Unions Empower Women in East Ukrainian Communities

*Credit unions in the Luhansk Oblast of eastern Ukraine, set up with the support of DFID's Action Donbass project, are managed and used mainly by determined and courageous women from low-income families in depressed cities or rural areas. These unions lend money to those who have nowhere to turn to for a short-term small credit. The credit can be as short as two or three days but can make a major difference. In the Luhansk Oblast the project has helped set up six credit unions in two towns (Severodonetsk and Krasnodon), and in two rayons (Pereval'skiy and Kremenskoy).*

### **'Social cement' for communities**

*Many men in the region have been made redundant from mines, plants or state farms, and their wives have taken responsibility to provide for their families. About 70% of those applying for small loans are women. They are good networkers, which helps build social solidarity; for example, five women took a loan together on behalf of a young man to buy him winter clothes. It is fair to say that credit unions have become the 'social cement' of their communities.*

*In 2005, 975 women in the Luhansk Oblast applied and obtained loans of up to US\$336 to buy food, clothes or medical supplies. Others received loans to finance the education of their children or to buy a sewing machine. They tend to refund these loans within a year. 467 men overcame their pride and asked for a loan in 2005, mainly to finance small business activities. They each borrowed up to US\$144 to purchase agricultural assets such as a pig or seeds.*

### **What have the credit unions achieved?**

*Angela Myasnikova, manager of 'Krasnodon' credit union, is happy because 'in general women's loans lead on to some successful and sustainable businesses.' The six credit unions have disbursed a total of 3,500 loans so far, and have an impressive total of 1,992 members. Most importantly, the credit unions have created jobs for many women.*

*Tatiana, an educated single mother from Pereval'sk, could not find work for a long time. Volunteering for a local NGO, established with DFID project support, helped her gain practical skills and the experience she was lacking. Two years ago she was appointed the manager of a newly set up Credit Union 'Gramada'. Tatiana is now happy, her professional skills are valued by her employer, and she is optimistic about her future.*

### DFID Supporting Gay NGOs in Ukraine

DFID was one of the first donors to directly support a project which benefited men-who-have-sex-with-men (MSM) in Ukraine. This group, together with commercial sex workers and injecting drug users, is particularly vulnerable to the risk of HIV-infection. This is a serious problem as HIV continues to spread rapidly but stigma and discrimination towards MSM keeps them underground.

#### **DFID against the MSM stigma**

Between mid 2004 – April 2007 DFID's support to local NGOs aimed to decrease the risk of HIV/AIDS and sexually transmitted diseases by sharing information about the disease, safe sexual behaviours and available health care. We have supported the development of a network of drop-in centres for MSM and internet-based communities. As there was so little information about MSM in Ukraine, the project conducted surveys and qualitative research.



#### **What has been achieved?**

- Two, of only a few gay organisations in the country, were set up: Equinox and Testosterone.
- The project in Kyiv launched the first web site for prevention of HIV/AIDS amongst MSM.
- Almost 100 express HIV tests for MSM plus high quality and confidential psychological counselling and medical services were provided. Hundreds of free-of-charge condoms and water-based lubricants were distributed.
- The clients of the drop-in centres have expressed a strong level of trust in the project outreach workers. Dozens of volunteers for outreach education and awareness raising work were trained.
- A summer camp of the LGBT (lesbians, gays, bisexuals and transgender) community of Donetsk and Luhansk regions was organised in 2006. As a result, LGBT groups have started visiting other neighbouring regions to build partnerships with local LGBTs and begin creating a national network.

#### **The work goes on**

The newly-created MSM NGOs are applying for resources from the Global Fund to Fight AIDS, tuberculosis and malaria in Ukraine. A wide range of social activities have continued to raise awareness and distribute educational materials and condoms.

## Supporting responsiveness

Good governance requires a fair and responsive relationship between the citizen and the state. DFID has developed programmes which aim to help the most vulnerable make their needs known. Complementary programmes have been developed to enable both central and local governments to respond quickly and effectively. For example, we assisted the Donetsk Oblast administration introduce a “customer oriented culture” in the way it delivers social services.

### Composing Compacts in Ukraine: Local People and Local Authorities Working Together.

People in Ukraine used to feel a sense of isolation from those who held public offices. The thought of making a deal with the authorities was almost unimaginable. But in early 2006, things began to change in the Lviv and Donetsk Oblasts. Some local voluntary groups and local authorities were involved in the DFID funded Democratising Ukraine Small Project Scheme (DU Programme). By 2007 people formed a coalition and signed a “Compact” agreement with the local government of Drohobych (Lviv Oblast). This was a first in Ukraine – a few weeks later, nine more Compacts followed. Now mayors and young local activists, elected officials and people living with disabilities, journalists and small business owners sit down together to agree on principles of working for the good of their communities.

“With the Compact we will be able to achieve better understanding between the authorities and the community”, says Oleksiy Reva, Mayor of Artemovsk in the Donetsk region. “These agreements are about cooperation, partnership relations and coordinated actions of local self-governance bodies and citizens associations.”

The draft Compacts took each community months to prepare and negotiate. In Chervonohrad, a local coalition of NGOs and representatives of the authorities formed a task force. Wide consultations culminated in a roundtable which finalised the Compact, for signature by the City Council and NGOs.

Communities who worked hard to make the Compacts happen are not shy about their achievements. “The Compact is a landmark in Ukraine’s history that has been launched in Chervonohrad”, says Oleg Kuprin, member of the Chervonohrad Town Council. The essential ingredient is agreement between the NGOs and the local authorities to act according to high governance and ethical standards, and to uphold and develop those standards in their daily work. The authorities have accepted that NGOs are independent and have committed to cooperating with them fairly and transparently.

When the DU Programme ended, the Committee of Voters of Ukraine (the organisation that has continued to implement the community development programme) received additional funding from the British Embassy. The methodology is now being implemented in 16 new communities in four new regions – Cherkasy, Kherson, Rivne and Kharkiv.



### Supporting Ukrainian Democracy Through Independent Media

*For the past four years DFID Ukraine has been working to enhance democracy by helping to strengthen the independence of the Ukraine media. The “Media Reform Project” involved all stakeholders on the media scene; the authorities and the judiciary, media owners, business and civil society organisations.*

*Before the project there was no common platform for these interests to meet. A Media Reform Centre (MRC) was seen as a necessary focal point to organise debates, training and other initiatives. The Centre was established within the School of Journalism of the Kyiv-Mohila Academy, a respected seat of learning with a reputation for independent thought.*

*A number of media organisations – representative associations, commercial industry outlets and an influential web magazine – were invited to help choose topics of debate and training. The Centre’s main activity was a monthly Media Club, an informal neutral debating space which all could attend to discuss topical media issues. Participants said that the Media Clubs were the only platform for open discussion where they could step out of their respective corporate positions.*

*Media Clubs were also held in the regions, and Round Tables and Media Club Plus sessions were held in Kiev to discuss legislative initiatives concerning the media. These networks led to a campaign to privatise municipal newspapers. Deficiencies in a proposed advertising law were identified in another Round Table. Working with regional civil society organisations (in Chernigov, Cherkassy and Luhansk), Media Clubs continued in the regions and prepared the ground for the Parliamentary elections in March 2006*

*The Communications Department of the Secretariat of the Cabinet of Ministers in Ukraine was impressed by the MRC’s work and reputation. Government officials invited the MRC to submit its expert views on new legislation and then asked it to hold a “Triangular Table” – a completely new format, where representatives of the authorities, both national and regional, journalists and civil society organisations could debate. As a result of these discussions, all parties agreed to use the submissions made at the Triangular Table to develop a booklet for joint use by officials, journalists and NGO activists. This was aimed at creating more transparent relations between government and citizens in future.*

*DFID’s work with the Secretariat of the Cabinet of Ministers will continue with Swedish support.*



## Chapter 3

### MORE EFFECTIVE INTERNATIONAL ASSISTANCE TO UKRAINE

#### Working together with other donors

An ever strengthening economy means that Ukraine's reliance on development assistance is steadily reducing but donor resources remain substantial. They can help significantly in providing Ukraine with greater access to knowledge and new ways of working. They can also help Ukraine to adopt European and international standards. However, this support needs to be well co-ordinated to be effective. Since 2005 DFID has worked closely with other donors on this agenda – and we have long emphasised the need for strong donor coordination in all our programmes. We have developed particularly close relationships with the European Commission (EC), the Canadian International Development Agency (CIDA), the United States Agency for International Development (USAID), the Swiss Agency for Development and Cooperation (SDC), and the Swedish International Development Cooperation Agency (Sida). Other key donor partners include the Japanese International Co-operation Agency (JICA), the German Agency for Technical Cooperation (GTZ), the Danish Ministry of Foreign Affairs, and the Embassies of France and the Netherlands on specific issues.

Where feasible we have explored the potential to hand over project activities or approaches once DFID funding has ended. For example, our work through the Cross Border Co-operation Project (working with both officials in eastern Poland and authorities in Lviv Oblast) has continued with EC support.

#### Ukrainian-Polish Agency for Cross-Border Regional Development

*The Cross-Border Co-operation Project was originally motivated by the need to deal with opportunities and challenges faced by regions bordering the soon-to-be enlarged EU. Four regions – Volyn and Lviv Oblasts in Ukraine and Lubelskie and Podkarpackie provinces in Poland – established a framework for practical and regular dialogue and co-operation. Activities included support for small-scale cross-border projects such as developing green tourism or turning a flooded mine into a recreational complex (Yavoriv, Lviv Oblast). The project supported a study on the effects of Polish accession to the EU on Ukrainian border regions. It also provided training for officials from those regions' administrations and other organisations. The Agency for Regional Development and European Integration was established in 2001 by four regional authorities. Although DFID funding ended in 2004, the Agency in Lviv continues to promote cross-border cooperation and regional economic and social development.*

DFID has worked closely with multilateral agencies such as the UN and World Bank (WB) in specific areas. We have provided significant contributions to UNAIDS to support its work with the GoU in averting a wide-scaled HIV epidemic. This is based on the "Three One principles": one strategic framework, one coordination authority and one national system for monitoring and evaluation. DFID has also funded work by the UN Development Programme (UNDP) to monitor progress towards achievement of the Millennium Development Goals in the regions. Our collaboration with the World Bank has included joint working on public administration reform and public financial management.

### **The Millennium Development Goals (MDGs) in Ukraine**

Funded by DFID and implemented by UNDP in cooperation with the Ministry of Economy, the Regional Dimensions of MDGs project aimed to inform Ukrainians about the MDGs. It also helped formulate region-specific and therefore easy-to-measure MDGs goals, essential for judging any progress in poverty reduction, maternal health improvements, combating HIV/AIDS rates etc. Three regional reports were produced for Donetsk, Lugansk and Lviv oblasts following wide regional consultations with civil servants, academia and civil society.

In March 2005 over 100 ministers, donors and other senior officials endorsed the OECD-DAC led Paris Declaration on Aid Effectiveness. This is an international agreement which aims to increase efforts to harmonise, align and manage aid, with a set of measurable actions and indicators. DFID is a strong advocate of the Paris Principles globally – and Ukraine is no exception.

The last three years have seen major efforts within the donor community to work more closely with the GoU to improve aid effectiveness across the board. For example, donors have been working with the Directorate for Co-ordination of International Technical Assistance within the Ministry of Economy to streamline co-ordination mechanisms and to take the lead in determining development assistance funding priorities and plans. DFID has played an important facilitation role in this process. The UN has also encouraged a more joined up approach amongst donors. The recent signing of the Paris Declaration by Ukraine means that there is now a common language in donor-government discussions. However, it is still early days. We hope that all donors will continue this dialogue and make every effort to accelerate implementation of the Paris principles in Ukraine over the coming years.

## Chapter 4

### WHAT HAPPENS WHEN DFID LEAVES UKRAINE

#### CONTINUING UK ENGAGEMENT

The UK's development partnership with Ukraine will continue beyond the closure of DFID's bilateral programme in March 2008. The British Embassy will continue to provide project support through the Global Opportunities Fund and other initiatives. These include technical assistance for democratic development and closer ties with Europe, and encouraging good co-ordination between the European Commission and the Government of Ukraine.

Ukraine is a priority country for EC support, receiving more than €120m a year. Over 17% of EC aid to Ukraine is provided by the UK as part of the UK's current overall share of the EU budget. This works out at around €21m, and such support will continue after DFID has left.

DFID will also continue to support a number of programmes through contributions to key multilaterals. For example we are providing €5.5m over three years (April 2007 – April 2010) to the EBRD's €1.5bn Sustainable Energy Initiative (SEI), of which a large proportion will be spent on projects in Ukraine (€162m was spent in 2006).

#### *Promoting Clean and Efficient Energy in Ukraine*

*To make local firms more competitive and environmentally friendly, the SEI seeks to support and enable investments in energy efficiency, mainly by the private sector. So far DFID has approved €655,000 to SEI assignments in Ukraine – a third of the total committed so far. Projects funded include a €130,000 feasibility study and investment plan for an EBRD loan to the district heating company in the Odessa. The US\$20m loan will pay for the refurbishment of boilers and replacement of pipes.*

*Ukraine has a large potential for renewable energy but the current legislation does not set out clear procedures for issues like licensing and connecting renewable power plants to the electricity grid. Another DFID-funded SEI assignment is looking at how to develop Ukraine's regulatory framework to support the renewable energy sector.*

#### WHAT DFID LEAVES BEHIND

##### Organisations

Over the last 17 years DFID has supported many national partners and organisations who we are confident will continue to work towards Ukraine's economic and social development. For example, our work with organisations such as the Kyiv Mohyla School of Journalism in Kyiv, and Chambers of Commerce in Donetsk and Luhansk, has led to better management skills and improved organisation performance. Both Chambers of Commerce went on to achieve the ISO 9000 international quality standard.

New organisations were created and supported where they were most needed. For example, service cooperatives in rural areas after the demise of collective farms, or credit unions in mining towns suffering from major closures. Some organisations, like the Local Development Agencies in Lviv oblast, have successfully developed a new market for their services.

## **Analysis and research**

Our partners told us that they particularly valued the quality of DFID's analysis. Within many projects a number of research and analytical papers were produced by teams of international and Ukrainian experts.

The contact details of the organisations and the papers are available through the British Council's website: [www.britishcouncil.org.ua](http://www.britishcouncil.org.ua)

## *New Style of Working*

*Through our work we have helped create and strengthen:*

- *Ukrainian professionals with open minds and a thirst for new European approaches at all levels of the government and from private and voluntary sectors;*
- *new ways of working including a shift from old-style Soviet planning systems to more modern planning and management practices; stakeholder consultations and transparent communication; better coordination between government agencies;*
- *widely embedded practices of project management including risk assessment and management; monitoring and evaluation, to help refine strategies; established policy-making processes; and increased awareness of the benefits of commissioning analytical work to feed into policy formulation;*
- *proven and tested community development methodologies and client-focused social care service delivery.*



## Chapter 5

### PASSING THE BATON – WHAT WE HAVE LEARNED

As DFID continues its work to reducing global poverty, our experience in Ukraine will help us become more effective in other countries, particularly those in earlier stages of economic and social transition. We have learnt many valuable lessons and these are set out below.

#### LESSONS FOR DFID ELSEWHERE

##### Be prepared to adapt, and allow local decision making

- Feedback from our Ukrainian partners has demonstrated the importance of DFID's responsiveness and flexibility. Programme management decision making was devolved from London to Kiev in 2003 so that DFID staff could respond more quickly to local needs and developments. Partners also valued the opportunity to develop close day-to-day working relationships with DFID staff on the ground.

##### Involve partner country nationals at all levels but take time to train

- Involving Ukrainians in all levels of the programme helped to make our work more effective. A mix of international and local consultancy expertise usually works best because it combines modern ideas and practices with a sound understanding of the local context. In addition, this approach helps strengthen local consultancy and research capacity.
- The regional projects in Donbass and Lviv began to make more rapid progress with strategic planning once training enabled people to participate and take charge of the process themselves. Similarly, community regeneration activities depended on sound preparation so that community members were able to take an active role. They received training in how to get involved in and influence local government decision-making processes. This made it easier to develop local partnerships and implement reforms.

##### Build programme closure into planning from the outset

- Bringing projects and programmes to a successful conclusion can be a challenging process for all concerned. DFID has had a three year lead-in time to programme closure. This enabled us to plan our exit carefully and conclude the programme without disruption. In only one case has it been necessary to shorten a project timetable. Nevertheless, there have been some lost opportunities. With hindsight we should have begun disseminating the positive results of some projects sooner. We should also have allowed more time for follow-up work. These are also important lessons for other donors who may be planning to exit from Ukraine in future.

## WHAT DFID LEAVES BEHIND – LESSONS FOR UKRAINE AND PARTNERS

One of our key aims was to pilot reform initiatives at the local or regional level which could then be adopted more widely. However, the success of this approach depends on more fundamental reforms progressing in parallel e.g. public administration reform. And it takes time. Although DFID has successfully piloted economic and social reform projects at the rayon and oblast level it has not always been possible to push these examples up to the national level because of the fluctuating political environment. A more stable political platform should provide opportunities for donors to work at both the regional and national level and press for reforms at the higher level.

### Commit, prioritise and lead

- External assistance works best where Ukrainian commitment and political leadership is strongest. But understanding which initiatives have best potential is not always straightforward. It requires a sound understanding of the underlying structures and systems, as well as identifying the key drivers for change. Some reform drivers or incentives may be external (e.g. Ukraine's commitment to the EU) – but only where they coincide with national strategies and priorities.

### Importance of links at local, regional and national levels

- Donor activities at local, regional and national level should be closely linked up. Opportunities to support innovation at regional and local level are all very well – but these changes risk being unsustainable if they are not backed up with policy reform and support at central government level. There are limits to what can be achieved by regional governments; wider, sustained impact requires appropriate national policies and funding as well.
- A number of our projects did not develop adequate mechanisms for ensuring that a successful pilot initiative in a region would inform wider national policy. But we have also had some notable successes like our rural development programme. This programme demonstrated results to national policy-makers and supported the legislative process. Nevertheless, sustained progress will depend on the Ukraine Government following up these developments with a longer-term vision for reform.

### Importance of consistency of leadership and partnership

- Some projects developed useful tactics to cope with frequent changes in senior personnel. Effective training, communication and coaching should be a priority at all levels, particularly with top officials so they become more aware of their role as leaders of a reform process.
- It is also important to build the commitment of middle management to reform implementation through training and coaching.
- International and national partners should accept that the focus of a reform process may change at any time, particularly during political upheavals. This can also provide opportunities to work with new contacts and/or reorient partnerships at any stage.

### Be prepared for complexity

- Stakeholders should be realistic about the scale of the challenge and the time needed to address them. One way to help is to encourage them to focus on a few realistic tasks in a pragmatic timeframe that will allow space for policy changes at central level;

- When developing programmes it is worth investing in stakeholder analysis, including an understanding of political issues/interests, and also earmarking resources for policy influencing and change advocacy work. Early thinking about exit strategies and project sustainability, including the need to merge the “project world” and the “real world” is vital as well;
- It is important to ensure clear identification of project team roles and responsibilities from the outset, including the role of government officials, senior and middle ranks. Linked to this, senior officials should be closely involved in the early stages of the project, and in the establishment of Working Groups to enable good downstream working. Memoranda of Understanding are a particularly useful tool in the early stages of a project or intervention.

#### **Policy and decision makers in-country may not automatically understand their role in a reform process**

- With reform work a lot is often being asked of individuals in senior positions at central level. They may need additional support to play their full role in the reform process. This requires training, coaching, and careful influencing strategies.

#### **Allow time to develop good cross-government coordination mechanisms**

- For example, our Policy Dialogue on Social Services Reform project continued to work well with a number of formal structures (e.g. the government Working Group on Implementation of the Law on Social Services). However, we recognised the need to support informal coordination mechanisms as well. This involved the creation of “task forces” – a small number of key, committed, knowledgeable stakeholders – to facilitate learning and technical discussions. Participants would discuss the main policy changes needed and how to help systems adapt to new ways of financing social services.

#### **Keeping the balance between local and international expertise**

- Transferring project policy dialogue on social services reform from an international to a national team contributed to the successful delivery of this government agenda. This approach also led to quicker decision making within the project team (e.g. documents did not need to be translated for international experts). Communication channels with the government became more direct and easier.
- Nevertheless, at the early stages of project implementation many government partners valued access to international expertise and ideas.
- The project working with the Lviv regional authorities benefited in its early stages from the inputs from international experts, but towards the end a Ukrainian member of the team was appointed as manager. It helped to facilitate greater dialogue with the local partners and help smooth the way to closure of the project.
- Local experts’ knowledge and widespread contacts assisted the international experts to build trust and close relationships with the regional authorities in Luhansk and Donetsk.

#### **Monitoring and evaluation is essential**

- Monitoring and evaluating systems were often new concepts for our partners, particularly in community development projects. It is important to introduce them sensitively and help build understanding of the importance of tracking change and impact. Joint monitoring and evaluation also helps to build a coherent and consistent vision of the project.
- In fragile or volatile environments it is vital to design projects and programmes that can operate flexibly, learning from ongoing evaluation, and then incorporating these lessons in new initiatives to ensure maximum impact.

## Chapter 6

### HELPING PEOPLE TAKE RESPONSIBILITY FOR THEIR LIVES

In the following pages, people we have worked with tell their own stories about how DFID's support has helped them take responsibility for their futures and has changed their lives.

#### The stories

**Moving from community activism to elected office**

Brody, Lviv Oblast

**From apathy to hope**

Novomykilske village, Luhansk Oblast

**Disadvantaged young man becomes a successful entrepreneur**

Kremennaya, Luhansk Oblast

**How much is spent on AIDS in Ukraine?**

Kyiv

**Working skills for disabled people**

Kamyanets'-Podil'sky, Khmelnytska Oblast, and Kharkiv

**Challenging authorities to deal with service delivery issues**

Drohobych, Lviv Oblast

**Bringing life into local community with theatre**

Severodonetsk, Luhansk Oblast

## Moving from community activism to elected office

### Brody, Lviv Oblast

Bohdan Semchuk was a community activist in Brody, Lviv Oblast. He used to work as the Democratising Ukraine Programme's (DUP) local co-ordinator. His goal was to focus the work of a coalition of NGOs on disabled children and their families, as well as to involve the whole community in the project. This approach proved very successful and many NGOs joined the project. In addition the NGO sector in Brody has developed significantly.

Workshops run by DUP, a study visit to Northern Ireland, and meeting people from other cities involved in DUP projects have taught Bohdan new ways of solving community problems. Dealing with representatives of local government also showed Bohdan how being in elected office could be used for the benefit of communities. As a result, he decided to stand in the elections for city Mayor held in Spring 2006, which he won.



As Mayor Bohdan has applied what he learnt from the DUP. He fully supports dialogue between the local authorities and the community, and believes that citizens' views must be taken into account in making decisions. Whilst working on the Compact, a cooperation agreement between the local authorities and the NGO sector in Brody, Bohdan shared his experiences with newly elected deputies. He helped them understand the importance of initiatives such as the Compact, and the need for interaction and co-operation between authorities and the community. One of the first actions he took as Mayor was to move the citizen's advice office to the ground floor of the municipal buildings, to make it more accessible for the elderly and disabled.

Bohdan's story shows that people can gain a unique experience when working for an NGO, which can be used in one's work as elected official to influence change and encourage dialogue for community's benefit.

## From apathy to hope

Novomykilske village, Luhansk Oblast



Novomykilske village is in the east of Luhansk Oblast in eastern Ukraine, almost 100 kilometres away from the oblast centre. Poverty, poor roads, unemployment, and public disengagement from community life were major problems. Villagers did not believe they could do anything to change their situation. The Action Donbass programme offered help and experts studied the region's needs and concerns. They taught villagers to identify their most pressing problems and find solutions, relying on their own resources and mobilising the entire community. "It was difficult in the beginning" – admits Olga Zhernova, a volunteer at the village community organisation. "Our training sessions run late into the night. We couldn't figure out what our trainers wanted us to do. They wrote lists of problems and issues on huge flipcharts, drew complicated schemes, showed us some statistical data. It was new to us and those not involved were suspicious at first. They looked askance at the women who attended our meetings trying to set up an NGO. They thought we were some kind of a religious sect".

But after a number of successful projects, people started looking differently at the community organisation. The village NGO managed to organise the entire community to repair the village club, and to do minor repairs to the road. Together they bought a bicycle for the village postman. Olga says: "The population of Novomykilske is slightly over a thousand, but you can easily get 500 volunteers. Last year, for example, we decided to make a beach. It involved quite a lot of hard manual labour, but we cleaned up the riverbank and made it". That work was not funded by the project. The idea came from the people and they put it into practice.

Having learned about community initiatives in Novomykilske, people from nearby villages now come over to learn. "Before the project we didn't believe we could do anything by ourselves", Olga says. "There used to be five or six suicides in the village every year. But in the last eight months since the project came to us, there hasn't been a single suicide. It's because people were given help which restored their faith in themselves".



## Disadvantaged young man becomes a successful entrepreneur

Kremennaya, Luhansk Oblast

Artyom Moiseyenko is 27 and lives in Kremennaya, Luhansk Oblast in eastern Ukraine. After serving a prison sentence, returning to normal life and getting a job was difficult. He decided to launch his own business, and his father suggested producing peat and humus pots for seedlings. It could be a profitable business as Ukraine does not produce such commodity yet demand is high. Artyom decided to design an analogous plant and assemble this new device. He needed funds for buying parts and raw material as well as for rent.

Artyom had the skills and desire to set up his own business – he graduated from the Financial and Economic Institute in Kharkiv – but lacked business experience and a deposit required to secure a loan from a bank. This was where the Youth Business Ukraine (YBU) Programme stepped in. The programme was initially funded by DFID through the Action Donbass programme. It built on the approach used by the UK charity ‘The Prince’s Trust’ established over twenty years ago by the Prince of Wales. In Ukraine, the YBU programme has provided young entrepreneurs (18-35) with a US\$1,000-3,500 loan with a 12% interest rate. The programme has also provided mentoring support from established businessmen and women. Artyom was lucky that it was Luhansk oblast that YBU chose for piloting the programme.

Two months later the plant was operational. The equipment is cost-efficient and Artyom will pay the loan back soon. One person can on average produce a thousand pots a day. There is demand for pots throughout the year, and Artyom has received major orders from Luhansk and Kharkiv. He plans to buy the rented premises, increase production, and employ some help. He now also sits on the YBU board and helps other young entrepreneurs start a new business.



## How much is spent on AIDS in Ukraine?

### Ask Anastasia

Kyiv



Facing the worst AIDS epidemic in Europe, Ukraine has struggled to mobilise adequate resources to respond to AIDS. Led by the Global Fund, donor funding has continued to increase rapidly. However, no one had ever assessed how much was being spent, by whom and on what. In 2005, the Joint UN Programme on HIV/AIDS (UNAIDS) in Ukraine identified financial resource tracking as a priority for strengthening the national system for monitoring and evaluation. UNAIDS, in collaboration with the International HIV/AIDS Alliance and with DFID, recruited a consultant to collect and summarise data on financial expenditures on AIDS at the national level.

The consultant, a 23 year-old health economist Anastasia Nitsoy, had previously worked as an assistant to the Deputy Health Minister responsible for health sector finances. After extensive consultation, national partners opted to implement the National AIDS Spending Assessment (NASA), a

methodology designed to track AIDS expenditures across the programmatic spectrum: from education to prevention, from condoms to programme management. This new research, led by Anastasia, applied the NASA methodology for the first time in Ukraine.

The preliminary results showed that, surprisingly, the GoU is the largest source of funding for AIDS, based on contributions from the national and sub-national budgets. The data also indicated that resources for AIDS were larger than expected, but still far short of what was needed. The NASA data was essential to justify Ukraine's Round 6 grant proposal for up to US\$151m over five years to the Global Fund. It is the largest grant ever approved by the Fund for AIDS in Eastern Europe.

DFID's work is now winding down. But Anastasia is optimistic that the work on NASA will continue. "We will have a full-time officer responsible for resource tracking in the new National Centre for Monitoring and Evaluation," she says with enthusiasm. "Thanks to DFID's support, we finally know how much various services for HIV/AIDS really cost. Ukraine can now transform this information into a realistic national plan that is budgeted and fully costed."

## Working skills for disabled people

Kamyanets'-Podil'sky, Khmelnytska Oblast, and Kharkiv

Nataliya, a wheelchair user, manages a mini grant project in Kamyanets'-Podil'sky in western Ukraine. The grant scheme has been implemented within the framework of the DFID-funded "Facilitating Reform of Social Services" project. It was designed to develop community-based care and training for disabled people, so they could earn an income, increase independence, and engage in 'normal' society. Nataliya says it has transformed her life.

"The disabled in Ukraine are given little chance to study or be employed, and social welfare benefits are minimal. But when the mini-grant project was launched, I realised it was what I had been waiting for all my life. It was the first time in years that real actions were taken to improve our lives. I began to work and study with the project. I can do different types of work now: typesetting, embroidery, dough ceramics, beadwork, and sewing. I am useful and wanted. I have been able to reveal my talent as a painter and artist in dough ceramics modelling. My hobby has gained recognition and become a way of earning income both for NGO's activities and for myself. I also got a job providing typesetting services."

But the mini-grant project is only a start. Nataliya intends to teach other disabled computer skills and making ceramics – skills she gained during training provided by the project. She also uses her knowledge for the benefit of local NGOs: helps them fill in application forms for other mini grant competitions, establish contacts, and cooperate with NGOs from other cities and countries.

### **The Creative Recreation – performing arts assist disabled people to improve their quality of life**

Olena approaches middle age, having been blind since birth. She says: "Many visually impaired are shy with severe inferiority complexes – a further obstacle to communicating with their environments. Overcoming one's fears is a difficult task for the disabled who have lived for years thinking they are not worth anything more than sympathy. But these inner problems can and should be fought."

When the mini grant project opened a Centre in Kharkiv in central Ukraine, Olena set up and led a small theatre group for the visually impaired who wanted to learn and work. Acting helps overcome their fears. "I can see something in these people that shows they are waking up and coming back to life." Olena's theatre group celebrated its first performance just before the International Disability Day (7 Dec 2006) with a production of "Aphrodite's Birthday", an eternal love story. Twelve blind performers now travel throughout Ukraine with the show. Olena also used mini grant funds to publish collections of creative writings by disabled people. Three books have been published.

"The purpose is to promote social inclusion of the blind and other disabled people. They will feel needed if they do something fulfilling, and if their actions are noted and appreciated."



## Challenging authorities to deal with a service delivery issue – drinking water

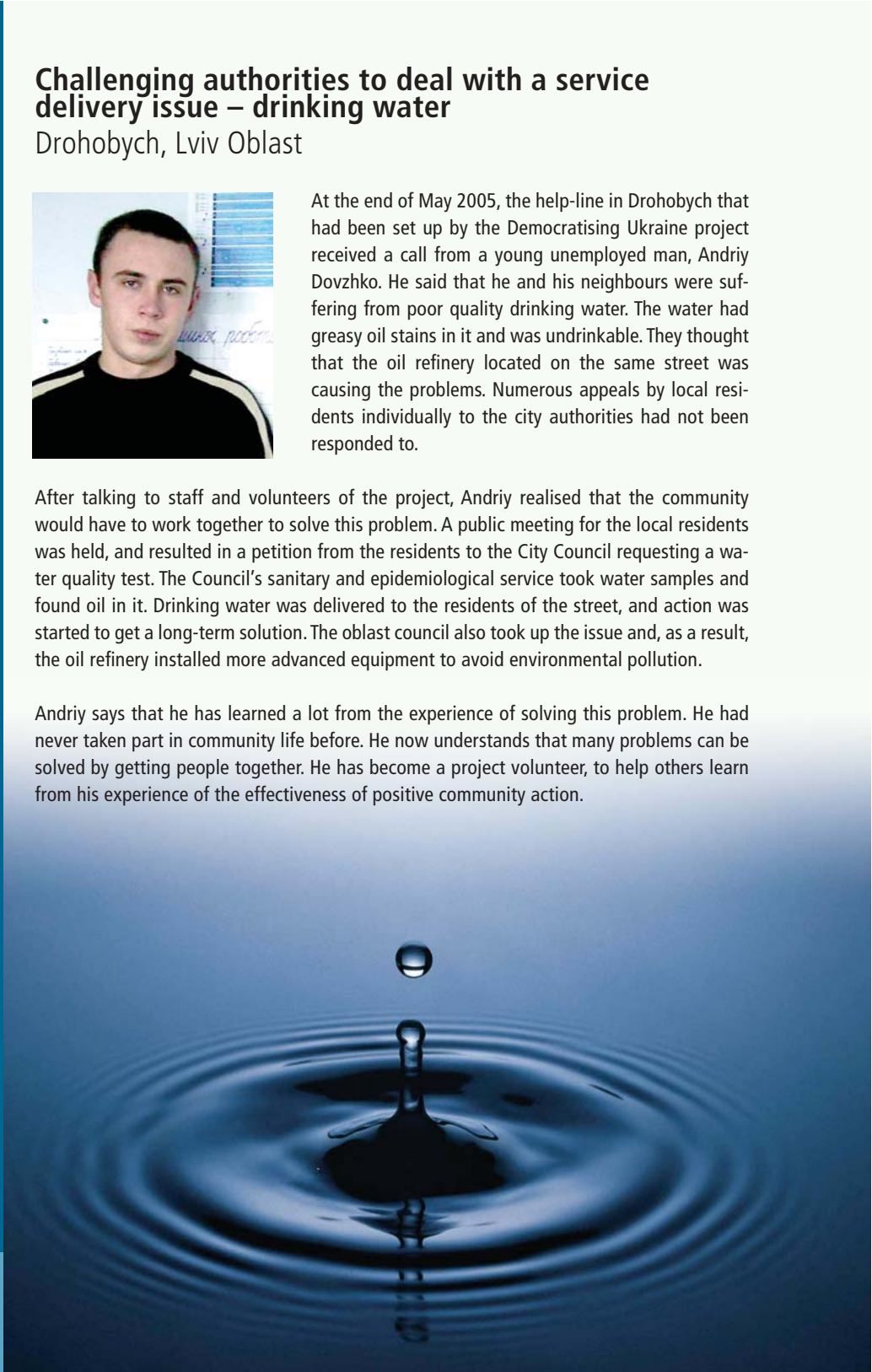
Drohobych, Lviv Oblast



At the end of May 2005, the help-line in Drohobych that had been set up by the Democratising Ukraine project received a call from a young unemployed man, Andriy Dovzhko. He said that he and his neighbours were suffering from poor quality drinking water. The water had greasy oil stains in it and was undrinkable. They thought that the oil refinery located on the same street was causing the problems. Numerous appeals by local residents individually to the city authorities had not been responded to.

After talking to staff and volunteers of the project, Andriy realised that the community would have to work together to solve this problem. A public meeting for the local residents was held, and resulted in a petition from the residents to the City Council requesting a water quality test. The Council's sanitary and epidemiological service took water samples and found oil in it. Drinking water was delivered to the residents of the street, and action was started to get a long-term solution. The oblast council also took up the issue and, as a result, the oil refinery installed more advanced equipment to avoid environmental pollution.

Andriy says that he has learned a lot from the experience of solving this problem. He had never taken part in community life before. He now understands that many problems can be solved by getting people together. He has become a project volunteer, to help others learn from his experience of the effectiveness of positive community action.



## Bringing life into local community with theatre

### Severodonetsk, Luhansk Oblast

Yulia Bulkina is 23 and lives in Severodonetsk, a small industrial town in Luhansk oblast in eastern Ukraine. One third of young people in Severodonetsk are not in regular employment, are unable to find work to suit their skills, or have no job at all. Yulia, the culture and arts College graduate, wanted to overcome this economic depression by creating a unique style of theatre – brighter and more cheerful. She envisaged creating a fairytale character called “Divo”.

Yulia has found it difficult to raise the finances to support her vision. Then she heard about the credit scheme for youth under the Action Donbass project, and applied for it. The Youth Business Ukraine (YBU) Programme helped her develop a business plan, which she presented to the YBU loan panel. Impressed by her passion and thorough analysis, the panel awarded her with a start-up loan of 17,500 UAH (US\$3,465) with a repayment period of three years.

Since receiving the loan, Yulia has recruited a team of actors. She is also fortunate to have the support from her volunteer business mentor Vera Popsuy, the Chairwoman of the Severodonetsk Community Development Agency. Asked what she thought of Yulia’s prospects, she said, “Yulia saw an unoccupied niche in the animation, leisure and entertainment industry in Ukraine. She’ll be a success.”

Divo operates in a niche market not only in Luhansk but also throughout the country. Yulia’s clients now include aqua parks, resorts and hotels, and her diary is full with bookings. To ensure the future sustainability of the business, Divo is diversifying into the production of mascot-type costumes for corporations, and the leasing and selling of carnival outfits. Yulia is keen to point out that without the encouragement, assistance and support of YBU, she would not have had the means to start her own business: “YBU assisted me not only financially but provided with me with a mentor who has given me invaluable information about running a business. Thanks to YBU, my dream to create my own fairytale character theatre company and to give people joy has come through.”



# GLOSSARY

## LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
CIDA	Canadian International Development Agency
DAC	Development Assistance Committee
DFID	Department for International Development
DU(P)	Democratising Ukraine (Project)
DUP	Democratising Ukraine Programme
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ENPI	European Neighbourhood and Partnership Instrument
EU	European Union
GoU	Government of Ukraine
GTZ	German Agency for Technical Cooperation
HIV	Human Immunodeficiency Virus
IT	Information Technology
JICA	Japanese International Co-operation Agency
KHF	Know How Fund
LGBT	Lesbians, gay, bisexuals and transgender
m	million
MDGs	Millennium Development Goals
MRC	Media Reform Centre
MSM	Men-who-have-sex-with-men
NASA	National AIDS Spending Assessment
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
ONS	Office for National Statistics
SDC	The Swiss Agency for Development and Cooperation
SEI	Sustainable Energy Initiative
SESP	Socio-Economic Strategies and Partnerships
Sida	The Swedish International Development Cooperation Agency
SIGMA	Support for Improvement in Governance and Management
SSCU	State Statistics Committee of Ukraine
UAH	Ukrainian Hryvnya (local currency)
UK	The United Kingdom of Great Britain and Northern Ireland
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
USAID	The United States Agency for International Development
WB	World Bank
WTO	World Trade Organisation
YBU	Youth Business Ukraine

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DFID, the Department for International Development: leading the British government's fight against world poverty.

One in five people in the world today, over 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution, and diseases such as HIV and AIDS – are caused or made worse by poverty. DFID supports long-term programmes to help eliminate the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made. DFID's work aims to reduce poverty and disease and increase the number of children in school, as part of the internationally agreed UN 'Millennium Development Goals'.

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