



## United Nations Development Programme RECOVERY AND PEACEBUILDING PROGRAMME

### **VISION FOR THE FUTURE**

## United Nations Development Programme <sub>Country: Ukraine</sub>

### United Nations Development Assistance Framework 2018 - 2022 Outcomes:

Outcome 1.1: By 2022, all women and men, especially young people, equally benefit from an enabling environment that includes labour market, access to decent jobs and economic opportunities.

Outcome 3: By 2022, women and men, girls and boys participate in decision-making and enjoy human rights, gender equality, effective, transparent and non-discriminatory public services.

Outcome 4: By 2022, communities, including vulnerable people and IDPs, are more resilient and equitably benefit from greater social cohesion, quality services and recovery support.

UNDP Country Programme Document 2018 - 2022 defines the following areas of work under Pathway III: Recovery and peacebuilding in conflict-affected areas:

- 1. Sustainable economic recovery
- 2. Restoring and reforming local governance structures
- 3. Building resilience

The Recovery and Peacebuilding Programme (RPP) is the unifying framework for eight projects funded for 2017 by nine international partners. The Programme addresses priority needs in eastern Ukraine after armed conflict erupted in the spring of 2014, and the opportunities that have arisen from the Minsk Protocol of September 2014 and the renewal of its cease-fire provisions in February 2015.

The long-term goal for eastern Ukraine is economic prosperity and lasting peace. To recover from conflict and build a foundation for lasting peace the deep-rooted economic and governance problems that are the underlying causes of the conflict must be addressed and reconciliation must be achieved among conflict-affected people and communities. As intermediate goals to address the causes, inclusive, responsive and participatory local governance requires development; social and productive infrastructure must be rebuilt and the economy redeveloped so that people's livelihoods and wellbeing will improve; and conflict-affected communities must regain the safety and social cohesion that has been lost in recent years.

*The RPP is comprised of the following three substantive components:* 

Component 1: Economic Recovery and Restoration of Critical Infrastructure;

*Component 2: Local Governance and Decentralization Reform; Component 3: Community Security and Social Cohesion.* 

The RPP follows a multi-sectoral programme-based approach, and is implemented using area-based methodology.

The Programme includes joint programming with other UN agencies and international assistance providers, particularly in providing support to local governance and early recovery. A gender analysis has been conducted for RPP, with gender-sensitive approaches throughout the Programme, and with specific outputs designated for gender inclusion to promote women's participation in local governance, community security and peacebuilding.

#### *The target areas are five oblasts of Ukraine:*

Donetsk, Luhansk, Kharkiv, Zaporizhzhia and Dnipropetrovsk, with a significant portion of the activities in Donetsk and Luhansk, the most conflict-affected oblasts of eastern Ukraine. The Programme is implemented in close consultation and partnership with national, regional and local authorities, civil society, the business community and development partners.

## Contents

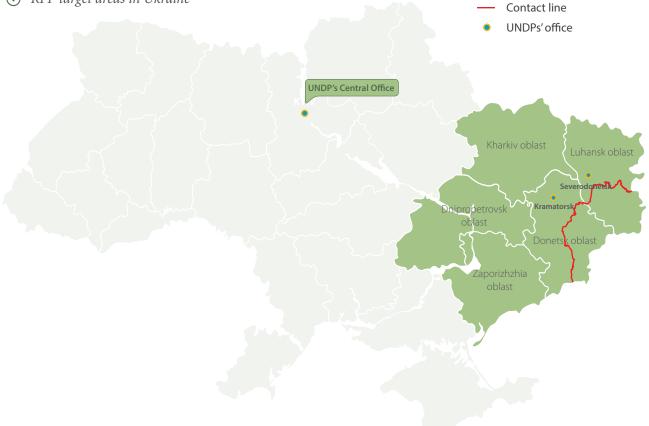
Executive summary	5
Chapter 1: Programme Summary	10
1.1 Background	11
1.2 Programme Components	14
1.3 Alignment with the UNDP Country Programme Document	
and the United Nations Development Assistance Framework	16
1.4 Target Geographic Areas	18
1.5 Stakeholders	19
1.6 International Partners	19
Chapter 2: Situation Analysis	20
2.1 Political Landscape	22
2.2 Local Governance and Decentralization Reforms	23
2.3 Economic Recovery	26
2.4 Community Security and Social Cohesion	28
Chapter 3: Theory of Change and Implementation Landscape	30
3.1 Key Challenges	31
3.2 Assumptions	32
3.3 Risks	32
Chapter 4: Strategy	35
4.1 Strategy and Major Principles of the Programme Design	36
4.2 Gender Equality and Women's Empowerment	38
4.3 Key Partnerships	38
Chapter 5: Programme Description	40
Chapter 6: Management Arrangements	52
6.1 Programme Board	53
6.2 Quality Assurance Roles	53
6.3 Programme Management	53
6.4 Audit Arrangements	53
6.5 Monitoring and Evaluation	54
6.6 Programme and Project Reporting	54

## Acronyms and Abbreviations

ATC	Amalgamated Territorial Community (also "Hromada")	MPTF	Multi-Partner Trust Fund
ATO	Anti-Terrorist Operation	MSME	Micro, Small and Medium Enterprises
AWP	Annual Work Plans	NGCA	Non-Government-Controlled Areas
CBA	Community-Based Approach	NGO	Non-Governmental Organization
CPD	Country Programme Document	RPA	Recovery and Peacebuilding Assessment
CSO	Civil Society Organization	RPP	Pacovery and Peacobuilding Programme
EIB	European Investment Bank	RPP Recovery and Peacebuilding Programme	
GCA	Government-Controlled Areas	SHG	Self-Help Group
GOU	Government of Ukraine	TsNAP	Centre for Administrative Services
HRP	Humanitarian Response Plan	UN	United Nations
IDP	Internally Displaced Person	UNDAF	United Nations Development Assistance Framework
MinTOT	Ministry of Temporarily Occupied Territories and IDPs	UNDP	United Nations Development Programme

## Executive Summary

*⊙ RPP target areas in Ukraine* 



The Recovery and Peacebuilding Programme (RPP) addresses priority needs in eastern Ukraine following the conflict that erupted in the spring of 2014. It builds on the opportunities that have arisen from the Minsk Protocol of September 2014 and the renewal of its cease-fire provisions in February 2015.

In response to the armed conflict, the European Union, the United Nations and the World Bank Group supported the Government of Ukraine to conduct a joint "Recovery and Peacebuilding Assessment" (RPA) which was finalized in February 2015. The RPA was formally endorsed through by Resolution of Ukraine's Cabinet of Ministers on 5 August 2015. The RPP directly responds to the findings and recommendations of the RPA, the Government's official framework to identify, plan, and prioritize strategic recovery and peacebuilding initiatives.

The RPP is also aligned with the United Nations Development Assistance Framework (UNDAF) 2018 – 2022, the UNDP Country Programme Document 2018 - 2022 and the 2030 Sustainable Development Agenda.

The long-term goal for eastern Ukraine is economic prosperity and lasting peace. To recover from the conflict and build a foundation for lasting peace, the deep-rooted economic and governance problems that are underlying causes of the conflict must be addressed, and reconciliation must be achieved among conflict-affected communities.

#### The RPP is based on the following principles:

- addressing local governance needs development is core to the sustainable development;
- 2. social and productive infrastructure must be rebuilt and the economy redeveloped so that people's livelihood and wellbeing improve;
- 3. conflict-affected communities must regain the safety and social cohesion.

National ownership is ensured at all levels of the Programme. The Programme coordinated with other UN agencies and other international assistance providers.

A gender analysis has been conducted for the RPP, with gender-sensitive approaches throughout the Programme, and with specific outputs on promoting women's participation in local governance, community security and peacebuilding.

With a strong field presence of over 70 people in eastern Ukraine, the RPP is implemented using an area-based methodology to ensure a flexible and adaptive response to the needs of target areas in five oblasts of Ukraine: Donetsk, Luhansk, Kharkiv, Zaporizhzhia and Dnipropetrovsk. A significant portion of the activities are targeted to Donetsk and Luhansk, the most conflict-affected oblasts of eastern Ukraine. The Programme is implemented in close consultation and partnership with national, regional and local authorities, civil society, the business community and development partners.

The Programme has been supported by the following international development partners: the European Union, the European Investment Bank and the governments of the Czech Republic, Japan, the Netherlands, Poland, Sweden, Switzerland and the United Kingdom. It is also designed to implement activities under the Multi-Partner Trust Fund (MPTF), which was established for assisting recovery efforts in eastern Ukraine.

#### $\odot$

#### THE RPP IS COMPRISED OF THE FOLLOWING THREE SUBSTANTIVE COMPONENTS:

- Economic Recovery and Restoration of Critical Infrastructure
- Local Governance and
   Decentralization Reform
- Community Security and Social
   Cohesion

 $\odot$  Partners







Kingdom of the Netherlands



Polish aid

SWEDEN



Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra

Swiss Cooperation Office Ukraine





#### **Recovery and Peacebuilding Programme**

RPP Component	International partner	Area of support	
	Czech Republic	Recovery of sustainable livelihoods among the conflict-affect ed population by promoting entrepreneurship, supporting business skills development and providing seed grants for starting micro-enterprises	
	European Investment Bank	Monitoring and implementation of the Ukraine Early Recov- ery Framework loan provided by the EIB. Enhancing the ca- pacities of the final beneficiaries to effectively plan, operate and monitor the sub-projects to be financed under the loan. Addressing social and environmental issues and local gover- nance support in programming monitoring	
1. Economic Recovery &		Supporting to local economic recovery and improving living conditions by creating employment and income generation opportunities and enhancing employability and resilience of the affected population of Donetsk and Luhansk oblasts	
Restoration of Critical Infrastructure	Japan	Strengthening coping mechanisms for improving livelihoods of IDPs in their new locations and, where appropriate, support to reintegration into their home locations	
		Supporting restoration of critical social infrastructure and services for the most vulnerable groups in Donetsk and Luhansk oblasts.	
	Poland	Enhancing the Government's capacity for efficient coordination, planning and management of activities to create income generation and employment opportunities for IDPs. Improving the livelihoods of IDPs by providing access to business development training and access to social services	
	United Kingdom (DFID)	Micro-to-small business development for sustainable employ- ment and integration of IDPs within host communities	
	European Union	Improved regional and local government capacity for recov- ery planning and service delivery, that is gender-responsive, participatory and in line with decentralization and local gov- ernment reform agendas	
2. Local Governance and Decentralization Reform	Sweden	Enabling development of local governance structures, in cooperation with the central authorities, to address the immediate reconstruction and social cohesion needs in the communities	
	Switzerland		
	European Union	Enhaning community security for people in conflict-affected areas, with a focus on IDPs and host communities Restoring social cohesion and promoting trust between local authorities and communities, including IDPs	
3. Community Security and	Sweden	Facilitating an incremental approach to social cohesion and addressing grievances and conflict triggers, from psycho-so-	
Social Cohesion	Switzerland	cial rehabilitation to intra-communal dialogue on issues of identity, to facilitating processes of dealing with the past	
	The Netherlands	Strengthening protection of human rights and rule of law, which addresses the consequences and underlying causes of the conflict in conflict-affected regions of Ukraine	

RPP Component	International Partner	Contribution	Contribution in USD
	The Czech Republic	USD 338,739.50	USD 338,739.50
	European Investment Bank	EUR 3,000,000	USD 3,363,229
1.Economic Recovery &	Japan	JPY 600,000,000 USD 14,925,655	USD 20,029,866
Restoration of Critical Infrastructure	Poland	USD 730,000	USD 730,000
	United Kingdom	GBP 1,116,270	USD 1,498,013
	Total:		USD 25,959,848
	The European Union	EUR 5,482,019	USD 5,991,278
2.Local Governance and De-	Switzerland	USD 649,140	USD 649,140
centralization Reform	Sweden	SEK 4,297,285	USD 581,028
	Total:		USD 7,221,446
	The European Union	EUR 2,517,981	UDS 2,751,892
2 Community Socurity and	Switzerland	USD 1,011,928	USD 1,011,928
3.Community Security and Social Cohesion	Sweden	SEK 5,702,715	USD 771,054
	The Netherlands	USD 3,402,000	USD 3,402,000
	Total:		USD 7,936,874
Grand total USD 41,118,168			USD 41,118,168

# **Chapter 1** Programme Summary

### 1.1 Background



In the spring 2014, conflict erupted in the oblasts of Donetsk and Luhansk (together known as the Donbas), where pro-Russian separatists took control of regional and local government offices and blocked off some of the territory. Similar moves in other parts of the country were quickly suppressed, but in the Donbas, separatist forces succeeded in taking over much of the two oblasts' territory, until the Government of Ukraine launched an Anti-Terrorist Operation (ATO) in April 2014. Ukrainian forces regained control of much of the territory until the summer, when externally supported forces halted their advance. Despite the Minsk Protocol of September 2014 and the renewal of its cease-fire provisions in February 2015, the conflict persists. According to the UN Human Rights Monitoring Mission in Ukraine, between mid-April 2014 and 12 March 2017, at least 9,940 people were killed and another 23,455 wounded in the Donbas conflict zone. Moreover, as of January 2017, the Ministry of Social Policy of Ukraine had registered over 1.6 million internally displaced persons (IDPs). In light of this protracted conflict scenario, stabilization remains an immediate short-term objective.

The conflict has also given rise to tensions between IDPs and some host communities, and fuelled social polarization, adversely affecting women, youth and marginalized groups such as the elderly, the poor, and persons with disabilities. The conflict has had a major effect on the national, and in particular the local economy, with loss of livelihoods and employment, as well as on the overall macroeconomic environment. It has had a direct and highly negative impact on social cohesion, resilience, the rule of law and community security. In response to the crisis, the European Union, the United Nations and the World Bank Group supported the Government of Ukraine to conduct a joint "Recovery and Peacebuilding Assessment" (RPA), which was finalized in February 2015. The RPA was formally endorsed by the Government of Ukraine's Cabinet of Ministers Resolution on 5 August of the same year. It provides an initial assessment of the priority needs for recovery and peacebuilding in Ukraine, through three thematic components, which have been designed to be complementary and strategically aligned:

- Infrastructure and Social Services,
- Economic Recovery, and
- Social Resilience, Peacebuilding and Community Security.

Accordingly, the RPA is the Government Ukraine's (GoU) official framework to identify, plan and prioritize strategic recovery and peacebuilding initiatives over the short and medium term. As restoration of infrastructure enables job creation and employment, it is fundamentally linked to economic recovery and, therefore, has been consolidated under the first component of the RPP. The RPA and the structural approach to recovery and peacebuilding challenges has been taken up by the Government's own vision, as enshrined in its State Targeted Programme for Donbas Recovery, which reflects the RPA priorities and was developed by Ministry of Temporarily Occupied Territories and IDPs (MinTOT). As a

result of series of missions and assessments, UNDP has developed a "theory of change", based on analysis of the underlying causes of the conflict. These include a severe crisis in the social contract binding state and the society, a crisis that has historical roots in the Soviet and immediate post-Soviet times, but was also amplified by the highly extractive nature of the former leadership. As this crisis of governance is inextricable from the conflict in eastern Ukraine, and the Donbas in particular, a strong governance component also lies at the basis of the RPP. In the areas of local governance, anti-corruption, human rights and rule of law there is, therefore, a strong interlinkage between the nationwide programme to support democratic governance and reform and the area-based RPP.

Since the onset of the conflict, UNDP has provided early recovery support to conflict-affected population, strengthened governance and promoted social cohesion.

UNDP was working through a series of projects which were integrated into one coherent framework with support from nine international partners. A field presence was established in Kramatorsk and Severodonetsk to support implementation, using area-based methodologies to respond to emerging needs in specific communities most affected by the conflict.

#### The Recovery and Peacebuilding Programme integrated the various projects into one coherent framework.



## 1.2 Programme Components

The Recovery and Peacebuilding Programme has been aligned and integrated through the following three thematic components Through the RPP, UNDP and its partners are seeking to contribute to achievement of the following outcomes:

- Critical infrastructure is restored in conflict-affected areas and inclusive economic growth is advanced through support to entrepreneurs, Business Membership Organisations, MSMEs and trade development;
- Capable, accountable and responsive local governance is supported in Donetsk and Luhansk oblasts, in line with the decentralization reform agenda, that prioritizes and effectively addresses the needs of conflict-affected communities and empowers women and vulnerable groups; and
- Community security and social cohesion are improved in communities affected by conflict.

It should be noted that in the Annual Work Plan project activities were located under the respective thematic components, and the original output or objective text, as provided in the respective project document, was preserved in the text of the AWP, to facilitate monitoring of the implementation and reporting to the international partner of the respective project, according to the requirements of each project agreement.

The AWPs are presented in Annex 1, and the identification of the respective projects, international partners and the text for the outputs/objectives, as they appear in the project documents, is evident.



Economic recovery and restoration of critical infrastructure

#### **Component 2**

Local governance and decentralization reform

**Component 3** 

Community security and social cohesion



## 1.3 Alignment with the UNDP Country Programme Document and the United Nations Development Assistance Framework

The Recovery and Peacebuilding Programme's outputs are aligned with the United Nations Development Programme (UNDP) Country Programme Document 2018 - 2022, and with the United Nations Development Assistance Framework (UNDAF) 2018 – 2022, which in turn is aligned with national priorities and the 2030 Sustainable Development Agenda. The Programme has built on extensive consultations, evaluations and reviews. UNDP held over 50 national and regional consultations across the country, including 2,000 participants from governmental, non-governmental and international organizations.

#### PATHWAY I:

#### Inclusive and Effective Democratic Governance

- Inclusive and responsive decision-making and policies Accountable institutions and
- *Accountable institutions human rights*

#### **PATHWAY II:**

Inclusive and Genderresponsive Sustainable Development

- Green economic development
- Improved energy efficiency and sustainable access to energy

#### **PATHWAY III:**

#### Recovery and Peacebuilding in Conflict-Affected Areas

- Sustainable economic recovery
- Restoring and reforming local governance structures
- Building resilience

#### $\odot$

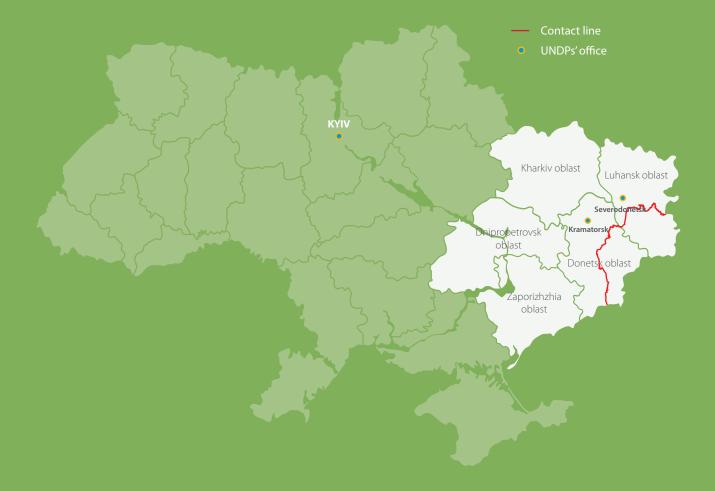
Pathway III is a dedicated "outcome" area which is aligned with the three thematic components of the RPP.

# ЦЕНТР НАДАННЯ ДМІНІСТРАТИВНИХ ПО

## 1.4 Target Geographic Areas

The geography of the RPP includes rural and urban communities within governmentcontrolled areas of Luhansk and Donetsk oblasts, as well as the three adjacent oblasts

of Dnipropetrovsk, Kharkiv and Zhaporizhzhia. The aim is to expand programming to nongovernment-controlled areas as political and security conditions allow.



## 1.5 Stakeholders

The RPP is being implemented and monitored in close coordination and/or partnership with national, regional and local governments, as well as other UN agencies, in particular UN Women, target communities, international organizations, national and international NGOs. The RPP targets the following beneficiary groups: (1) the local population, with a special focus on women and youth and vulnerable groups, including IDPs; (2) local businesses; and (3) national, regional and local authorities. The programme interventions build on existing partnerships with regional and local authorities, local business associations and enterprises, and at the central level – along with the ministries, including the Ministry of Regional Development, Construction and Housing and Communal Services of Ukraine, as well as the Ministry of Temporarily Occupied Territories.

### 1.6 International Partners

The Programme is supported by funding through partnership agreements with the following international partners: the European Union, the European Investment Bank and the governments of the Czech Republic, Japan, the Netherlands, Poland, Sweden, Switzerland and the United Kingdom.





Polish aid



Kingdom of the Netherlands







Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra

Swiss Cooperation Office Ukraine





## **Chapter 2** Situation Analysis

The events and developments of the last four years have left Ukraine facing levels of geo-political, social and economic insecurity unmatched in its history as an independent state. As a consequence, the region widely known as the Donbas continues to be inhibited long-standing governance deficits. bv combined with a major long-term economic decline and deindustrialization that has been aggravated by (at best) stagnant economic development in the past two years, and high levels of political and social insecurity. The Recovery and Peacebuilding Assessemtn identified that: "The ongoing conflict in eastern Ukraine has had a direct and highly negative impact on social cohesion, resilience, livelihoods, community security, and the rule of law".

Ukraine clearly remains a long way from "business as usual"; the Government and its citizens continue to grapple with interrelated crises and tensions. These effects are particularly acute in the Donbas, and in the surrounding oblasts. On the other hand, the armed conflict, is relatively subdued; it directly affects the areas along the contact line, but not cities and areas outside the "grey zone". The beginnings of the economic turnaround described above indicate that the importance of early recovery and other development-related policies and programming—for the Government of Ukraine, and for the international community.

According to the "Recovery and Peacebuilding Assessment" (RPA report), the initial estimates of recovery, reconstruction and peacebuilding financing needs stood at \$1.52 billion at the end of 2014. More than 80% of these needs were associated with the restoration of infrastructure and social services in the region. This estimate will need to be revised up, given that intense shelling and other conflict related damage to social fabric and physical infrastructure continued to take place between 2016 and 2017. At the same time, there was an immediate and major response to the priority humanitarian and recovery needs from a number of actors:

- National non-governmental organizations, local CSOs and private businesses
- National and local government
- Bilateral and international development partners
  - International humanitarian community

The Ministry of Temporarily Occupied Territories has been using the RPA estimates (which continue to be the most comprehensive estimates) for its five-year recovery progamme for eastern Ukraine. Regular needs assessments and plan revisions will be necessary, given the unstable population in the region and the volatile economic situation stemming from various external shocks and policy decisions.

.

## 2.1 Political Landscape

The conflict resulted in a geographic relocation of regional administrations. Prior to the conflict, the civil administrations and elected Regional Councils were based in the cities of Donetsk and Luhansk oblasts. Subsequently, these administrations were split between those that remained in the NGCA under the control of the de facto authorities of Luhansk or Donetsk NGCAs and the new civil-military administrations under the GoU, which were re-established in government controlled areas - Kramatorsk and Severodonetsk. In the government-controlled areas of both Donetsk and Luhansk oblasts, there since has been a consolidation of governance structures that has provided a reasonable basis for socioeconomic recovery, and allowed these areas to participate in national administrative and transparency-related reforms. Both oblasts have demonstrated leadership in developing and implementing regional strategies to make better provisions during this time of armed conflict and widespread displacement.

The regional administrations are operating under special legislation as civil-military administrations, and do not have elected counterpart in the form of Oblast Council for the time being. They have been increasingly involved in planning and coordinating recovery activities, both funded by national funds and structures, international partners. Likewise, regional administrations play a leading role in project identification, monitoring and implementation of all recovery activities. They have also established Regional Development Agencies to deliver services in transparent manner.

The region is continuing to grapple with problems, such as security risks related to the ongoing armed conflict, political uncertainty

surrounding the adoption of constitutional changes related to the Minsk Agreements and UN Security Council Resolution 2202, and yet to be defined implications of the reforms, such as decentralization, health and social reforms. Although the crisis in eastern Ukraine is typically seen through a conflict lens, there is increasing consensus that the crisis must also be understood as a manifestation of wider structural problems, including weak economic accountability, non-inclusive institutions, and poor social cohesion. Peace in eastern Ukraine will only be achieved alongside sustained efforts to advance wider governance and institutional reform. The transition from crisis response to recovery and development will also require stronger public participation in decision-making.

# 2.2 Local Governance and Decentralization Reform



There is still more to be done for decentralization reform to take effect in the two regions. Successful implementation of the reform will have a major impact on the financial and administrative aspects of local governance, as well as service delivery and representation. The conflict in eastern Ukraine has weakened the regional and local governments of Donetsk and Luhansk oblasts, which are responding to a security situation while undertaking nationally driven decentralization and territorial administrative reforms. Public trust in local governments is critical to peace and prosperity, and the success of the national movement to decentralize government administration. The decentralization process will delegate responsibilities to the regions and municipalities and provide opportunities for self-determination unseen in Ukraine before.

Governance deficits at all levels in Ukraine were the key drivers of the civil unrest that culminated in the Maidan Revolution. A vicious cycle of corruption, along with a lack of accountability and transparency at all levels have significantly impeded the implementation of critical governance reforms, including decentralization and local government restructuring, which have been considered but not implemented for over two decades.

In pursuing an ambitious decentralization agenda, one of the main reform priorities of the Government of Ukraine is implementing territorial-administrative reform to consolidate units of local governance. While implementation of far-reaching governance reforms has begun, the results to date (and the commitment of political elites to the reforms) have fallen short of expectations. This therefore poses additional challenges local governments in Donetsk for and Luhansk oblasts in meeting the requirements of the national reform process and the expectations of their respective constituencies. Strengthening the capacity of local governments is fundamental if decentralization and other reforms are to have a meaningful impact. The reforms must be targeted to improve service delivery, community security and social cohesion for the local population, particularly women affected by conflict and other groups at risk of exclusion and discrimination. While the strain on governance institutions in Donetsk and Luhansk is already enormous as a consequence of the conflict, they are not exempt from following the demanding schedule of the national governance reform agenda.

In the years since the initial reforms began, the process has experienced challenges and roadblocks at all levels. At the municipal level, a lacklustre citizen response is due at least in part to the history of local governments operating without accountability, and a civil service unable to respond to the demands on a municipal government. Some of the proposed reform elements can not be implemented until stalled constitutional amendments are passed, further complicating efforts to amalgamate more communities. Nationally, only a small number of communities are following through with amalgamation.

To date, Donetsk and Luhansk oblasts have successfully implemented six amalgamated hromadas (three in each oblast).

According to the Prospective Plan approved by the Donetsk Oblast State Administration in July 2015 and approved by the Cabinet of Ministers in September 2015, thirty-nine amalgamated territorial communities (ATC) are to be established in Donetsk oblast (only in the GCAs). Three ATCs - i.e., Lyman, Cherkaske and Oktyabrske - had already been formed in 2015 and are functioning, and have direct budget relations with the State Budget. As of September 2016, eight additional ATCs were ready to complete the amalgamation process, but only three of these were subsequently established, resulting in a total of six ATCs so far. In Luhansk oblast, the Prospective Plan foresees the establishment of 24 ATCs. Two hromadas – Bilokurakyne and Novopskovsk - were formed in 2015 and in 2016, one more was added bringing the total to 3 so far. This means that Luhansk lags far behind not only Donetsk oblast, but also most other regions in Ukraine and this is likely to have negative consequences for the overall development in the region. It also means that the gap between Donetsk and Luhansk oblasts, already pronounced before the conflict starting in 2014, is at risk of widening further.



## 2.3 Economic Recovery

The conflict has led to a deterioration of the country's socio-economic situation, particularly in the Donbas. However, recent data point to an upturn in economic activity. The continuation of the crisis has exacerbated economic conditions, with significant loss of services, livelihoods, employment and other income-generating opportunities. This is evidenced by a 17% cumulative decline in the country's GDP and a 30% reduction in real disposable household incomes reported for 2014-2015. This reality has been acutely felt in the Donbas. Prior to the conflict, the Donbas faced significant long-term challenges related to poverty, demography, and its economic vitality. Many of the country's key heavy industries (mining and steel) are located in the Donbas; however, long before the conflict, these industries had begun a long-standing decline, resulting in lower productivity and unemployment. The proportion of employment from small and medium companies is much smaller in Donbas than the national average: over 50% of payroll employment is derived from larger companies, while the country average is about 30%. Most of the major enterprises in Luhansk oblast have stopped operating, while half of the enterprises in Donetsk oblast are experiencing job cuts and partial employment. This limits livelihoods and income-generating opportunities in the Donbas.

The RPA and UN Humanitarian Country Team assessments have indicated that both public and private infrastructure, including water and power supply systems and educational and health facilities, have been damaged in Donetsk and Luhansk oblasts by the ongoing conflict. In addition to direct damage to businesses and housing, transportation infrastructure has been disrupted. This has also impacted the economy and livelihoods by reducing investment and economic opportunities. Total recovery needs for the infrastructure and social services component are estimated at USD 1.26 billion. The restoration and improvement of infrastructure and social services holds the key to normalizing and stabilizing society in the crisis-affected areas, and to creating conditions for IDP return and (re)integration within areas of origin and host communities.

To some extent, the two parts of the Donbas, each administratively divided in two distinct entities, could and still should be seen as a single economic unit. The population is roughly evenly divided, though there are important demographic differences. Several large businesses, and utility companies, such as water and gas systems, still cover the Donbas as a whole. Over 20,000 people cross the contact line every day. Many cross to visit families, run errands or collect social benefits.

The division of the Donbas has left many industrial assets on the NGCA side, where they have reportedly further depreciated, as well as the two largest urban agglomerations and related infrastructure of the region, much of which has however been severely damaged (roads and bridges) or completely destroyed (e. g. Donetsk airport). This has led to a partial rediscovery of GCA Donbas' potential in the agriculture and services sectors.



# 2.4 Community Security and Social Cohesion

Conflict-related distress is widespread, fear and diminishing levels of trust have become acute social problems. Social fragmentation, prejudices, regional divides, and low levels of trust in authorities and institutions existed long before the crisis, but have been significantly aggravated. This has magnified Ukraine's pre-conflict fragility, particularly in the Donbas region. Under conflict conditions, law enforcement agencies, security services, and justice institutions are ill-equipped to ensure respect of rights and rule of law, mitigate disputes and tensions, and address crime and violence. Many of these phenomena are, however, not limited to the conflict-affected Donbas as such. Exposure to conflict-related violence has caused widespread trauma, that existing medical and mental health services are unable to address. Of some 6.5 million people in the Donbas, approximately 3.9 million have been directly affected by the conflict.

In addition, the three adjoining oblasts of Dnipropetrovsk, Kharkiv and Zaporizhzhia, have been particularly affected by economic disruption and the influx of a large number of internally displaced persons (IDPs). Recent estimates indicate that the conflict has displaced over 1.6 million people. However, this figure does not account for those IDPs who have not registered as such.

In the government-controlled areas, pressure on local resources, service delivery, livelihoods, and governance has been building up. An estimated two-thirds of displaced persons are women and children.

Women are disproportionally affected by the conflict due to persistent gender inequality, entrenched stereotypes, and discrimination. Failure to address these severe concerns will likely worsen the impact of the conflict. This would have serious implications in terms of further eroding confidence in the state, as well as deteriorating social cohesion within and between conflict-affected communities. However, there are signs of stabilization that allow for some guarded optimism for socioeconomic recovery and further development of responsive and effective governance institutions. Public consultations regarding regional recovery and development planning in the newly amalgamated hromadas included representatives of local authorities and community members.



**Chapter 3** Theory of Change and Implementation Landscape UNDP's Ukraine long-term goal, as outlined in Country Programme Document (2018 - 2022), is more resilient conflict-affected communities– including internally displaced persons–to ensure sustainable and inclusive human development in Ukraine. The overall goal for eastern Ukraine is economic prosperity and lasting peace. To recover from conflict and build a foundation for lasting peace the deep-rooted economic and governance problems that are the underlying causes of the conflict must be addressed and reconciliation must be achieved among conflict-affected people and communities. To address the intermediate causes, inclusive, responsive and participatory local governance needs development; social and productive infrastructure must be rebuilt and the economy redeveloped so that people's livelihoods and wellbeing will improve; conflict-affected communities must regain the safety and social cohesion that has been lost over the past several years. In addition to humanitarian assistance, this response involves reconstruction of critical infrastructure, contributing to the recovery of livelihoods, especially for internally displaced persons, and rebuilding social cohesion.

## 3.1 Key challenges

#### Socio - economic problems

The socio-economic crisis is apparent in the 17% cumulative decline in Ukraine's GDP and the 30% reduction in real disposable household incomes reported for 2014 – 2015. About one million jobs disappeared across the country, and sharp declines were seen in government spending on health, education, and other social services. Socio-economic tensions are particularly acute in the Donbas, where by all accounts declines in incomes, employment, and service

provision significantly exceed national averages. Eastern Ukraine, while having a wealth and variety of natural resources, developed almost as a monoculture of heavy mining and industrial production. Out-dated technologies received insufficient new investment or retooling over the decades, and the bulk of this physical capital is not suitable for 21<sup>st</sup> century production. The region needs economic diversification and opportunities for MSME development.

Governance problemsCorruption remains a major challenge in Ukraine.<br/>These complaints are not unique to the region,<br/>and must be addressed within overall reform<br/>agenda of Ukraine. At the same time, increased<br/>awareness and resources from national and<br/>international partners provide opportunities toaccelerate reform and give communities new<br/>scope for participation in governance. The need to<br/>empower of women, men and communities and<br/>awareness of their rights and opportunities must

Deficits in communityEvery community in eastern Ukraine is affected<br/>by the ongoing armed conflict, either directly<br/>or indirectly. The most severe impacts are<br/>experienced along the contact line on both sides.<br/>Internally displaced persons in the government-<br/>controlled areas of eastern Ukraine face family<br/>separations, loss of property, loss or interruption<br/>of employment, business or livelihoods. Host<br/>communities are affected by the influx of<br/>displaced people. This hardship just adds to the<br/>already high levels of unemployment and the

economic decline in eastern Ukraine before the conflict.

A strong national economic recovery would help generate the fiscal resources and political momentum needed for economic reconstruction and modernization in the Donbas. This could also mean a reorientation away from the previous Donbas development model, where the economy was based on energy and resource intensive industries with many local markets being dominated by only a few companies.

## 3.2 Assumptions

#### $\odot$

TO WORK TOWARDS MORE RESILIENT COMMUNITIES (INCLUDING INTERNALLY DISPLACED PERSONS), THE THEORY OF CHANGE IS BASED ON A NUMBER OF EXTERNAL ASSUMPTIONS:

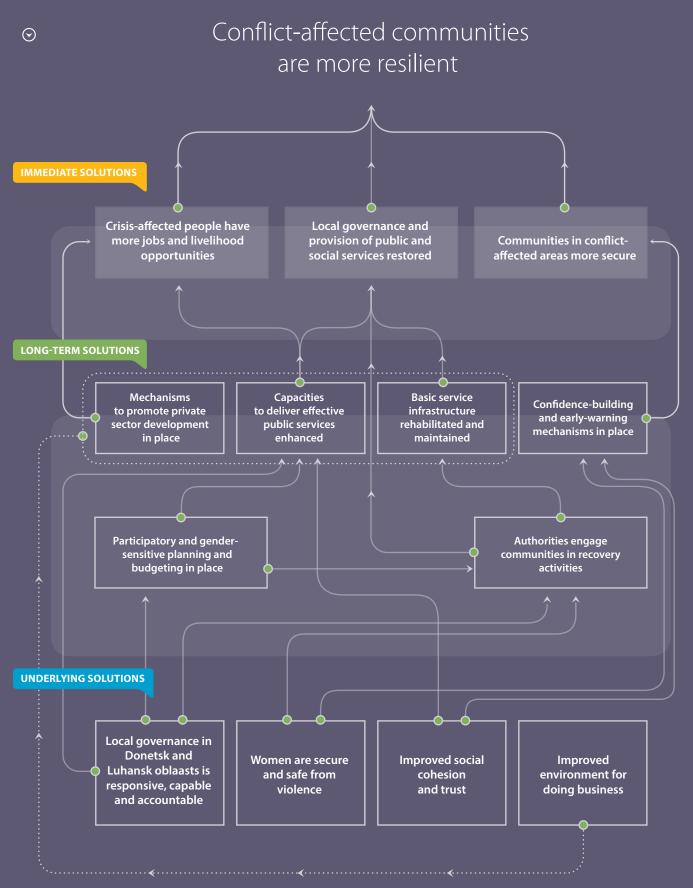
- 1. There is a sustained political willingness to seek solutions in the conflict-affected area;
- 2. Ukraine's political leadership is committed to national reforms that are conducive to economic recovery and regional development;
- 3. Inclusive local governance under government decentralization policies is developed and seen as legitimate by communities;
- 4. Sustained financial resources and endorsement are available from the international community and the Government in a timely and consistent manner.

## 3.3 Risks

<ul> <li>Ukraine's political parties and parliamentary and government leaders may not be willing (or able) to implement the anti-corruption, decentralization, access-to-justice, and other reform measures needed to improve the legitimacy of the Ukrainian state in the eyes of its citizens, improve service delivery, and reduce obstacles to commercial and investment activities;</li> <li>A lack of genuine interest in reconciliation and recovery on the part of key actors could lead to subdued RPP implementation;</li> <li>The persisting risk of corruption could undermine confidence in and the credibility of regional and local governments, and create disincentives to investment in the Donbas economy;</li> </ul>	<ul> <li>The "hot and cold" ebb and flow of military activities across the line of contact, which could preclude the minimal security conditions necessary for programming in the non-government controlled areas;</li> <li>Political fragmentation could delay or stall governance reforms and potential investments in recovery; and</li> <li>The Government may be unwilling to have the UN engage in area-based (or other) development programming in the non-government controlled areas; and there may be a corresponding unwillingness/inability on the part of the NGCA de facto authorities to provide the support and conditions necessary for such programming.</li> </ul>



Figure 1. Theory of Change: Solution Tree



## **Chapter 4** Strategy

# 4.1 Strategy and Major Principles of the Programme Design

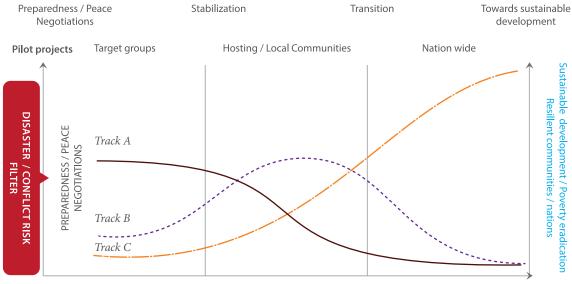
Global and regional experience shows that recovery programming can play an important role in building on humanitarian response and strengthening resilience in post-conflict settings. In the case of the conflict in Ukraine, UNDP programming takes this link into account.

Through the work of the Eastern Ukraine UN Country Team, development and humanitarian practitioners are undertaking multi-purpose interventions, designed to improve human security, access to basic services, shelter and the availability of immediate employment, alongside livelihoods opportunities, strengthened local governance and a more effective and efficient rule of law. This has the potential to create or consolidate the conditions necessary for peace processes and governance reforms to take root. UNDP support to repair and restore damaged infrastructure, combined with support to MSMEs, helps the Donbas region capitalize on an economic upswing in the country, and attracts investment.

UNDP's recovery programme has ensured that early recovery is included as part of the humanitarian response, bringing development principles into the relief stage and seizing opportunities to go beyond saving lives to restore national capacities, livelihoods and peaceful conditions for development, as illustrated in the diagram below through three tracks. Track A is the pathway for livelihoods stabilization. Track B is the pathway to local economic revitalization and restoration/ strengthening of national and local institutional capacities. Track C is the pathway to inclusive economic growth for sustainable development.

 $\bigcirc$  Figure 2.

#### From early recovery towards sustainable development



Time for Recovery / Peace Building Process

The RPP's three thematic components have been designed to be complementary and strategically aligned. The Programme includes a series of interventions to meet short and medium term recovery objectives while addressing the constraints and challenges that existed prior to the conflict. The continued volatility of the conflict precludes a comprehensive recovery plan in the traditional sense. Programme implementation is flexible, requiring a review of the scale and scope of recovery interventions to take into consideration the changing humanitarian, political, and security efforts.

UNDP RPP HAS BEEN DESIGNED AND IMPLEMENTED BASED ON THE FOLLOWING PRINCIPLES:	<ul> <li>The early integration of development and resilience considerations into humanitarian activities, reflecting inter alia close coordination among government and international partners on both sides of the humanitarian/development nexus;</li> <li>Effective adaptation to national/local circumstances, reflecting the specifics of distinct post-conflict and recovery situations, particularly concerning national (and sub-national) institutional capacities;</li> </ul>
	• The presence (or building) of adequate institutional capacity for multi-sectoral assessments, planning and management, realized with the active engagement of affected communities and populations (particularly women);
	<ul> <li>Linked to the above - the presence of effective donor coordination mechanisms, particularly concerning the UN system, the World Bank, bilateral international partners, NGOs, and other relevant partners;</li> </ul>
	<ul> <li>Synergistic management of related recovery activities, particularly as concerns: (i) employment creation and livelihood support, (ii) local economic revitalization, and (iii) inclusive economic growth; and</li> </ul>
	• As political and security circumstances allow, the UN system's ability to leverage its political neutrality to engage in both humanitarian and early recovery activities across the breadth of the conflict-affected areas.

UNDP RPP is applying the following approaches:

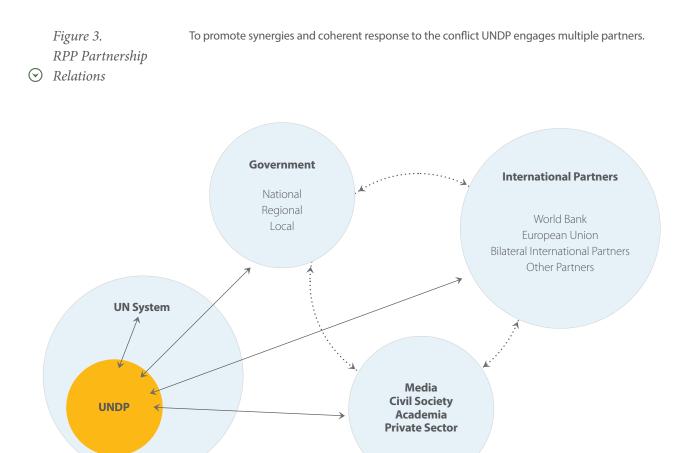
Programme-Based Approach	e methodologies and guidelines identified of ithin a programme-based approach. It is s ulti-sectoral in nature, with a number of	ensured at all levels of the programme, from the outcomes and outputs down to activities and sub-activities. To this end, UNDP has supported strategic planning exercises led by the local, regional, and national government.
Area-Based Approach	The RPP is being implemented through an area-based development approach, ensuring	they face. Context-specific practices have been developed to aid recovery of conflict-

that the areas affected most by the ongoing affected communities, addressing their multiconflict are prioritized; and that recovery dimensional needs and rights in terms of local activities are tailored to meet the specific governance, service delivery, livelihoods, civic needs of target populations, in light of the engagement, infrastructure and energy, legal unique recovery and development challenges issues, justice, security and reconciliation.

# 4.2 Gender Equality and Women's Empowerment

A gender analysis has been conducted for the programme with gender equality concerns fully and consistently reflected in projects' rationale and implementation. Gender dimensions are reflected in the design of activities and ensuring disaggregated reporting, monitoring and evaluation. In addition, the RPP includes joint programming with UN Women, focusing on targeted activities for gender-based budgeting and planning, and women's participation in local government, as well as women's security.

### 4.3 Key Partnerships





*Of particular relevance are the following relations of the RPP with other stakeholders:*  Through RPP, UNDP engages other UN agencies on both the humanitarian and development sides to ensure synergies in recovery and humanitarian activites. Among other things, such coordination can facilitate the RPP's appropriate alingment with national priorities and sustainable development goals.

Relations with government partners are particularly important. At the central government level, the Ministries of Economic Development, Temporarily Occupied Territories and IDPs, Regional Development and Social Policy, as well as possibly the Ministry of Environment and Natural Resources, are particularly critical to successful implementation. At the regional level, UNDP's RPA-related work with the authorities in the five eastern oblasts, and its on-going support for implementation of the Donetsk and Luhansk oblasts' Regional Development Strategies, offer important RPP-related partnership opportunities. At the local level, strong relations with municipalities and community organizations and civil society also offer opportunities for recovery programming.

Civil society offers important opportunities in Ukraine's development landscape. The RPP is continuing to work closely with CSOs/ NGOs, academia, the private sector and business associations as generators of ideas and providers of expertise, as implementing partners, as platforms/instruments for bringing together various stakeholders (from different socio-economic/ethnic groups, central, regional, and local governments and the private sector), and (where relevant) as providers of additional financial resources.

## **Chapter 5** Programme Description



The Recovery and Peace Building Assessment (RPA) is the Government of Ukraine's official framework to identify, plan and prioritize strategic recovery and peacebuilding initiatives. The RPP was built on the analysis in the Theory of Change, following the findings and recommendations of the Recovery and Peacebuilding Assessment.

The RPP is aligned to the RPA to ensure that interventions meet immediate shortterm priorities and needs, and also lay the foundation for broader socio-economic recovery in the medium term. It is critical to continue to formulate the response and provide feasible elements of support in an integrated, fast, and flexible manner. The RPP Results and Resources Framework is presented in Annex 1, including the international partners, timelines, budgetary allocations, activities and sub-activities. The Results Framework is accompanied by the Monitoring and Implementation Plan and the Communications Plan. UNDP is also using detailed, Procurement and Recruitment Plans for the RPP.

### **COMPONENT 1:**

Economic Recovery and Restoration of Critical Infrastructure

RPP Component 1 supports economic recovery and rehabilitation of critical infrastructure in conflict-affected communities in Eastern Ukraine. Activities for local socio-economic recovery and improving living conditions are directed especially towards at-risk and vulnerable groups.

The reconstruction and rehabilitation of civilian infrastructure is agreed with oblast authorities. These include key facilities that were damaged, such as water pumping stations, health clinics and blood banks, rehabilitation centres and homes for persons with disabilities, housing for displaced people with special vulnerabilities, kindergartens, post offices, training centres and some critical bridges and roads.

The Programme is also supporting the development of small and medium enterprises to secure livelihoods and create new jobs, especially for internally displaced persons and the host communities most affected by conflict. Small grants are awarded to business start-ups to create new jobs, in a combination with training and advisory services on product and market development, business planning, accounting, quality control, and other topics.

Webinars and web-based crowdfunding have been used to assist entrepreneurs with new modalities to identify markets and access capital for business growth.

The Programme is working closely with the Chambers of Commerce and business associations throughout eastern Ukraine. The RPP is supporting business forums and expos in Donetsk and Luhansk oblasts to facilitate business-to-business connections and knowledge sharing within Ukraine and internationally. The Programme has prioritized working with female entrepreneurs.

In 2017, the Programme started a technical assistance project in support of the European Investment Bank (EIB) loan facility to Ukraine, valued at EUR 200 million. The project is designed to build the capacity of final beneficiaries of the loan facility, improve the transparency, accountability and quality of project implementation, to work with local governments and to provide oversight to ensure that the social and economic infrastructure interventions meet the needs of conflict-affected people, and are implemented with integrity and efficiency.

#### Key Programme Interventions:

- Recovery of social and economic infrastructure damaged by the conflict to improve conflictaffected populations' access to social services, and to stimulate local economies;
- Creating jobs and improving the livelihoods of conflict-affected people, including women, the elderly, young people and persons with disabilities – through small grant programmes, and training;
- Promoting MSME development and business enabling environment;
- Monitoring EIB loans to ensure they are utilized with the highest standards of accountability and integrity.

#### Top Results

- 18 social infrastructure facilities were reconstructed benefitting almost 86,000 conflict-affected people (hospitals, social service centres, and kindergartens);
- 10 economic infrastructure facilities were reconstructed benefiting more than 4 million conflict-affected people on both sides of the contact line, 3 bridges, 5 water supply systems, 1 post office and a biofuel production enterprise;
- 530 small and medium businesses were launched or restarted;
- Over 2,000 conflict affected persons, 70% of whom were IDPs, received jobs;

#### Way forward

Rehabilitation of critical infrastructure continues to be a top priority, especially with regard to water filtration and distribution, health services, IDP housing and critical roads and bridges to increase access to new markets. Linkages to Regional Development Agencies and project units of newly amalgamated hromadas will enable sharing of the skills, competencies and capacities developed.

RPP support to MSMEs has created a successful model for micro-enterprise start-ups, which creates at least 3 new jobs; for each enterprise this model continues to support basic livelihoods especially for communities most affected by the conflict. However, availability of bank financing will continue to be limited in eastern Ukraine, and therefore innovative tools for MSME finance need to be created to mitigate and share risks. Small and medium enterprises increasingly require access to larger amounts of capital as they grow.

UNDP support for new market development through business expos, web-based tools and networking through Chambers of Commerce and business associations is already nurturing a new movement of entrepreneurship in the Donbas.

It is important to continue to support

entrepreneurship at both micro and SME levels. New collaboration with World Food Programme will enable identification of vulnerable communities who still need support with re-establishing basic livelihoods; while collaboration with Food and Agriculture Organization of the United Nations will reach an emerging agri-business sector, with support for expanding value chains. UNDP's existing and innovative menu of business training, advisory services and market development, and integration with Chambers of Commerce, is a successful platform for expansion of MSMEs. Economic redevelopment for the Donbas requires twenty first century approaches of diversification, entrepreneurship, green technology, and new investment in human and physical capital.

### **COMPONENT 2:**

Local Governance and Decentralization Reform In the immediate recovery phase in 2016, RPP Component 2 supported the restoration of governance structures capable of addressing urgent recovery needs. In 2017, UNDP initiated a systematic and comprehensive group of activities under Component 2 to support the decentralization and local government reform agenda in eastern Ukraine for improved regional and local government capacity that is gender-responsive, participatory and in line with national reforms.

The decentralization reform enacted by Ukraine in 2015 consists of territorial, administrative and fiscal decentralization. It is a far-reaching shift in responsibilities and authorities for governance and service delivery, which will take many years to fully implement.

UNDP assistance includes building the capacity of the Government to manage the amalgamation process (which is the first step for decentralization), and to inform communities about the expectations and opportunities for reform. Other areas of support include technical assistance for administrative and fiscal decentralization, and assistance to restore and improve public services, by promoting access to quality services, and awareness and tools on participatory gender and conflict-sensitive approaches to planning, budgeting and general service delivery. UNDP and UN Women are partnering to support gender and conflict-sensitive approaches.

Ensuring local governments tackle corruption is a priority of Component 2 assistance methodologies centered on access to information, transparency and community engagement to monitor government institutions.

In order to improve administrative services, 20 hromadas were chosen jointly with the Government for UNDP support in 2017 to establish 14 TsNAPs, with 27 remote TsNAPs planned in communities with difficult access. Training for hromadas in project formulation is increasing the allocation of badly needed national budget funds for social and economic infrastructure projects. A comprehensive package of technical assistance to support the organizational development of Regional Development Agencies in Donetsk and Luhansk is under way, with a focus on business process development and training, and increasing the capacity of the RDAs to implement the full cycle of project management.

Finally, UNDP will facilitate innovative approaches using technology and e-governance for selected hromadas.

#### Key Programme Interventions:

- Supporting local government to address urgent recovery needs, including the needs of IDPs, in particular by establishing citizen's advisory bureaus and public councils;
- Improving regional and local government capacity for recovery planning and service delivery that is gender-responsive, participatory and in line with Ukraine's decentralization reform agenda;
- Building the capacity of regional and local authorities for conflict-affected areas in administrative and fiscal decentralization and managing the territorial amalgamation process;
- Analysing and assessing the potential implications of decentralization for the planning and implementation of reform in conflict-affected areas;
- Providing support for Centres for Administrative Services (TsNAPs) for infrastructure reconstruction, furniture and equipment, as well as training personnel in Donetsk and Luhansk regions;
- Strengthening the institutional capacities of local authorities and hromadas through study tours and training;
- Organizational capacity development for Regional Development Agencies in Donetsk and Luhansk.
- Ensuring effective anticorruption effort in local government, through transparency and civil society monitoring, and corruption vulnerability assessments

#### **Top Results**

- Development Strategies for Luhansk and Donetsk oblasts were updated by local governments with technical assistance from UNDP;
  - Luhansk and Donetsk Regional Development Agencies were created and provided with office equipment;
- Citizen's Advisory Bureaus have been set up to support the public in the aftermath of the conflict: 4,041 appeals (72% women, 28% men) addressed in 10 months in 2016;
- Support for Centers for Administrative Services (TsNAPs) in 10 hromadas in Luhansk oblast and 4 hromadas in Donetsk oblast.

#### Way forward

Foundational work is under way in eastern Ukraine for development of effective local governance and implementation of the Government's policies of territorial, administrative and fiscal decentralisation, to be followed by decentralised service delivery. The acceleration of decentralisation and the development of capacities to deliver real value to communities is critical for eastern Ukraine. Just as ineffective local governance was a driver of conflict in the Donbas, efficient, inclusive and participatory local governance is necessary to build peace.

These policies were enacted at the same time that conflict erupted in eastern Ukraine, making the process of amalgamation nearly impossible in communities coping with destruction and insecurity, and with an influx of internally displaced persons. Nevertheless, momentum for amalgamation is slowly building. In future years, all hromadas in the Donbas will need support as they amalgamate, and create their own TsNAPs to provide basic administrative services. Sectoral reform will bring new challenges requiring assistance for transforming existing paradigms for service delivery. This will create opportunities for cooperation between UNDP and UN agencies supporting line ministries with sectoral reform, such as UNICEF and WHO. Training for hromadas in project formulation will enable them to have enhanced access to funds, requiring further assistance both to hromadas and to the Regional Development Agencies to utilize their new capacities for project implementation. The organizational development of the RDAs which is taking place in 2017 will create a package for capacity development that can be used by hromada administrations in 2018 and beyond. This package consists of an Operations Manual, detailed step-by-step business processes, including the ProZorro digital platform for public procurement, and training on these business processes.

Functional reviews of oblast, raion (district) and town administrations were completed in December 2016. Based in this research, UNDP will develop a proposal for comprehensive capacity development for oblast, raion, and newly amalgamated hromadas administrations. While based on the functional review of existing entities, the proposal will reflect the new functions of the oblast, raion and hromada levels of government, with greater definition of policy, regulatory and supervisory functions at higher levels and responsibility for service delivery by hromadas.

### **COMPONENT 3:**

Community Security and Social Cohesion RPP Component 3 aims to strengthen the engagement of communities, including IDPs, with local authorities, increase the responsiveness of authorities to community security issues, and help rebuild social cohesion. By ensuring police and justice institutions are more accountable to local communities, and by increasing access to justice at the local level, the component aims to increase trust in and adherence to the rule of law.

Activities under this component strengthen the capacity of law enforcement bodies through interventions such as communitybased early warning and monitoring systems for populations along the contact line, as well as strengthening justice sector institutions to ensure the effective application of the rule of law.

There are also initiatives to identify and address vulnerabilities to corruption within authorities, especially in conflict-affected communities close to the contact line, which will build confidence amongst citizens. Emphasis is placed on giving people a voice and tools to articulate their needs to state institutions, and on giving those institutions the capacity to be responsive within the existing legal framework.

The interventions apply a communitybased and human rights based approach and methodology, which, in particular, strengthens the capacity of the most vulnerable to effectively participate in matters affecting their security and the social cohesion of their communities. Many of the interventions are designed as pilots, which can be scaled-up to other locations once they are shown to be effective.

A baseline assessment on perceptions of security and justice in the Donbas and in Zhytomyr Oblast has been completed. Data was collected by means of a survey of 3,900 respondents in three oblasts, including IDPs and vulnerable groups. This exercise will be repeated annually for a longitudinal study; the baseline assessment was supplemented by research into the experiences of vulnerable and stigmatized groups, including persons living with HIV.

### Key Programme Strengthening personal and community security in conflict-affected areas; Increasing the capacity of justice institutions for efficient, effective an

- Increasing the capacity of justice institutions for efficient, effective and transparent service delivery;
- Improving access to security services for the people in conflict-affected areas, including IDPs;
- Mobilizing and empowering women and men to effectively participate in local development and recovery planning, service delivery and community security;
- Promoting reconciliation and social cohesion among communities, and between communities and local authorities.

#### Top Results

- A framework for community security working groups was created after focusgroups were held across the 24 hromadas. Thirteen security working groups were established in the targeted hromadas to address the security challenges of the communities.
- By May 2017, 10 Local Development Forums (LDFs) were held in Luhansk oblast; 6 LDFs in Donetsk oblast; and 8 LDFs in Zhytomyr oblast.
- UNDP supported the first meeting between the head of Slovyansk Juvenile Police, the directors of local schools and the Slovyansk education department. The needs of young people and school security issues are now directly integrated intot the police priorities.
- Grants agreements were signed with one international and two national NGOs (ELVA Community Engagement, Foundation 101, and Institute for Peace and Common Ground (IPCG) for a pilot project to strengthen human security in nine communities in government-controlled areas of Donetsk Oblast. The pilot tracks security incidents, tensions and potential triggers of violence; the tool will provide analysis and basic early warning functionality; and counter the spread of rumors and misinformation by giving communities access to swift and reliable information on local security incidents;
- 23 projects on strengthening social cohesion were implemented with UNDP support, as a result of East-East exchange visits.
- The Social Cohesion and Reconciliation (SCORE) Index has been launched to measure the level of trust between communities in authorities. Results are expected late 2017.

#### Way forward

Pilot initiatives to improve community security and social cohesion are yielding important lessons for scaling up these initiatives to more communities in the Donbas. Community policing in the Donbas requires special approaches, even if the institutional elements of national policies are applicable to the region. The integration of community policing within a broad framework of Rule of Law institutions requires more development and support in the Donbas.

Violence against women and children is increasing in situations of conflict. Protection of these groups and their integration in all programmes will ensure the building of good governance, community security and social cohesion.

The challenges of social cohesion increase as conflict continues along the contact line, and host communities continue to cope with their own lack of sufficient employment, services and housing while sharing resources with IDPs. While negotiations on the Minsk Agreement continue, communities, government and civil society organizations must develop tools, methodologies and the capacities for future reconciliation.

The ongoing and new RPP initiatives are intended to build this capacity for peacebuilding, whatever form this may take.

## Chapter 6 Management Arrangements

### 6.1 Programme Board

A joint Programme Board, comprised of the Government and all development implementing partners, meets at least once a year to approve the Annual Work Plans and review progress (see Annex).

### 6.2 Quality Assurance Roles

The UNDP Programme Management Unit provides leadership in the performance of the functions in the Project Assurance Role with support from a Programme Specialist. The UNDP Programme Specialist provides day-today oversight and is responsible for producing programme results on behalf of the Programme Board and Programme Technical Committee. The Programme Specialist coordinates closely with the UNDP Country Office to ensure that management systems (including finance, procurement, human resources, monitoring and evaluation, etc.) are implemented within the UNDP rules and regulations and act as a liaison between UNDP, counterparts, implementing agencies and international partners.

Members of the Programme Board have quality assurance responsibilities in addition to decisionmaking responsibilities. The Executive Role has overall responsibility for project assurance and the Senior Beneficiary Role has responsibility for results assurance.

### 6.3 Programme Management

UNDP provides the technical expertise, provide operational and management support. This includes planning, reporting, monitoring and evaluation and quality assurance functions.

UNDP Senior Management plays a further oversight and quality assurance role and has ultimate accountability for the programme. The Programme Specialist serves as the Programme Manager and thereby is responsible to the Programme Board for performance and results of the programme. The programme team works closely with the programme partners and beneficiaries to ensure delivery of quality outputs.

### 6.4 Audit Arrangements

Programme audit will follow UNDP procedures and regulations, including any funds transferred to implementing partners through Letters of Agreements.

### 6.5 Monitoring and Evaluation

In accordance with UNDP's programming policies and procedures, the Programme is monitored in the following ways:

WITHIN THE ANNUAL CYCLE	Regular quality assessment of the Programme is established, based on criteria and methods captures in individual project quality management tables.
	An issue log established in UNDP Atlas is updated by component coordinators to facilitate tracking and resolution of potential problems.
	Based on the aforementioned information recorded in Atlas a Programme Report (both narrative and financial) will be produced and shared in accordance with partner agreements.
	A programme lesson-learned log is activated and regularly updated to ensure ongoing learning and adaptation within the organization, and to facilitate the preparation of Lessons-Learned Report at the end of project and programme implementation.
	Regular reviews and spotchecks will be undertaken to monitor progress of the Programme and address potential fiduciary risks.

Evaluation:

An independent and external mid-term evaluation of the Programme will be conducted in consultation with international partners to assess the performance and present recommendations on the way forward. In accordance with UNDP regulation, the Programme will be subject to audit.

### 6.6 Programme and Project Reporting

Due to contractual obligations of UNDP with its international partners, each of the projects which comprises the overall RPP programme shall be subject to reporting according to the terms of the respective cost-sharing agreements. In addition, UNDP shall report on the progress of the Programme to the joint Programme Board.

Photo credits: all photos © UNDP Ukraine





Polish aid





Kingdom of the Netherlands



Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra

Swiss Cooperation Office Ukraine



