

PROJECT FICHE

Title	Community-based approach to local development		
Indicative budget	€12 million		
Aid Method	Project approach – centralised management		
DAC-code	43020	Sector	Multisector aid for basic social services

1. RATIONALE

1.1. Strategic framework

The NIP 2004-2006 specifically refers to the need for health reform and services targeting vulnerable groups. To these points, the objectives of the indicative programme include the improvement of the capacity of the health system and relevant services “to promote healthy lifestyle and to address public health risks effectively”, and the identification and implementation of “improved mechanisms of social service delivery to poor and vulnerable groups”, as well as “improving quality, access and sustainability of essential services in selected municipalities and to support better environment protection at local level”¹. This emphasis matches one of the major priorities of the post-Orange Revolution governmental programmes, which mention the need to tackle poverty reduction issues in a pro-active manner.

The project is meant to meet these two objectives, drawing in particular on the successful “area-based approach” developed by the UNDP to realise local development and social services improvement in economically distressed and weakly urbanised areas (Crimea, Chernobyl-affected areas). The project stresses continued involvement of the local communities in the planning, the design and the partial financing of their social projects in partnership with private, public and non-profit entities, whereas at present the government hesitates on the ways to tackle in earnest the social development challenge at the local level. By doing so and involving citizens in the removal of obstacles to their well-being, the project contributes to strengthening participative democracy at the local level.

From that perspective, the project will deliver from the onset concrete results promoting the concept of local (and rural) development and preparing minds for the comprehensive local development policy to be developed under another proposed project. At the same time, basing itself on communities and not local authorities, the project is complementary, not fungible, with the local development initiative to be developed under State supervision. Among other results, the project intends to develop a nationwide network of primary health care posts, whose proper operation is crucial for Ukraine to meet its ENP Action Plan commitments in terms of (a) increasing the level of the population’s health security and (b) epidemiological surveillance and control².

1.2. Lessons learnt

The project builds on past experience and on-going projects. Past Tacis projects have shown the inadequacy of the standard top-down approach in tackling quickly and therefore effectively immediate poor populations’ social needs. By contrast, the UNDP’s “area-based development” approach, from

¹ With reference to NIP 2004-2006 para. 3.1.2, 3.2.2 and 2.3.2, respectively.

² With reference to ENP Action Plan section 2.6, point (71)

which the present project derives its concept of “community-based approach”³, has proven to be an effective and economical way of achieving social goals in a decentralised manner.

The objectives and activities of the project are being co-ordinated with other interested donors like the UNDP, DFID, SIDA, CIDA, TICA, SDC.

1.3. Complementary actions

The UNDP has worked successfully on a predecessor project in Crimea, started in 1996, with very tangible results validating the proposed methodology. The Crimean project, as well as specific area-based projects in the Chornobyl region, are planned to continue their operations until 2008.

1.4. Donor coordination

At working level the EC Delegation has maintained regular contacts and requested feedback from UNDP on the above-mentioned Crimean projects. Several visits to site have taken place to check feasibility of the project approach with the concerned communities and local authorities (including the Crimean Prime Minister), as well as check results delivered on the ground. Meeting with other donors have been organised to present the project as an “umbrella” open for other donors’ future participation. Donors are familiar with this type of project, as far as they have contributed to the Crimean experiment beforehand.

2. SECTOR CONTEXT

The USSR was known not to entrust simple citizens the decision-making at local level. Decades of indifference for social development at the local level have established the reciprocal defiance of the concerned citizens towards the central and local governments. By stimulating people’s participation in local debates about priority needs of their communities, and by helping them find and implement solutions to local problems, the programme will build a sense of confidence in local decision-making and will facilitate the dialogue between citizens and the Government. Community mobilisation and improved dialogue and cooperation between citizens, their associations, donors attracted by the EU’s involvement in the issue and local government will lay ground for local long-term development planning.

More importantly, the measure will be the opportunity to ensure consistency of Ukraine’s country planning policy at the local level and the way the EU implements its own local development policies. In line with the approach taken in the NIP 2004-2006 and the relevant EU policies and rules, the project will support better service provision and environment protection at the local level. Lastly, the EC will play its role in disseminating the community-based development methods at a time where it is most needed for (a) support the government’s efforts to deal anew with local development issues in a EU-compliant manner; and (b) preparing ground by delivering immediate results for the longer-term regional development projects.

The contemplated project is of a multi-sector nature and therefore it does not seem practicable to provide a sector policy assessment per se. As regards the government’s efforts in the area of local development, long-lasting discussions have taken place for several years between the central and local governments on the subject. However, lack of involvement of the most interested populations has not allowed to move significantly towards tangible results, whereas public resources for development of regions and local authorities are still very limited and, more importantly, poorly directed towards the actual needs of the citizens, who are not involved in decision-making.

³ The “community-based approach” uses the same bottom-up social planning and community mobilisation methods as the “area-based development” approach, but does not limit itself to a given territory affected by specific problems. Rather, it means to cope with social services improvement in all the regions of Ukraine.

Apart from the declarations of the governmental programme on poverty reduction and social welfare improvement in all the territories of Ukraine, a “strategic concept” based on the resolutions of 1992 Rio Conference on sustainable development is the only strategic document so far available. A National Commission on Sustainable Development was established under the Cabinet of Ministers back in 1997, but has not yet delivered sizeable results.

3. DESCRIPTION

3.1. Objectives

The general objective of this project is to promote self-sustaining, long-term economic and community development at local level and provide proofs of feasibility together with concrete results of community-based initiatives. More generally, the project aims at demonstrating how local communities can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented at a grassroots level. Lastly, the community-based approach is a powerful tool to teach democracy to citizens and promote social co-operation in a practical way.

3.2. Expected results and main activities

Project strategy

Social, health and environmental problems at local level have not been dealt with for decades by the official authorities. Although recent initiatives deserve a mention, and should be expected to find their way into the government’s decentralisation (regional development) plans, much remains to be done in the near future to improve the generally disastrous situation especially in rural areas. As noticed earlier, one of the by-products of past government indifference towards local communities’ problems is the entrenched defiance of the citizens towards government intervention.

Although geared to cope with local development issues, the project will *de facto* tackle nation-wide issues. As an example, in the area of environment, all oblast centres and 95% of Ukraine’s cities are equipped with wastewater collection and treatment systems. This is not the case for 97% of rayon (district) cities and villages. Such an imbalance induces pollution of surface waters (rivers, lakes, wetlands) and contamination of underground waters. As a result, in pollution of water sources and river basins of Ukraine has increased over years. This led to a worsened environmental situation in Eastern Europe. By realising sewage projects at community level, the project will partly address the underground water contamination problem.

The community-based approach has been chosen as the most appropriate to achieve the identified objectives, for it bases itself on citizens, and encourages social participation and co-operation not only between the members of the concerned communities, but also between them and the local authorities. Also, the chosen approach, by remaining open to other contributions, creates an easy-for-use “umbrella” for other donors to get involved in the mechanism.

This methodology of social mobilisation employs established standards and checklists for assessing (a) community participation and leadership to assure that all segments of the community are involved, including men, women, youth and the elderly and (b) sustainability based on local ownership of the development process. This social mobilisation process is integral in developing self-governance among the communities. Participatory community development is a multi-stage process of building local knowledge and capacity to improve local living conditions. Within the project, each participating community will be guided through the following steps of participatory community development:

- Sensitisation and Community self-assessment
- Formation of Community organisations
- Community development planning

- Project Identification, prioritisation and implementation
- Follow-up (set-up of a Community progress review mechanism established so that community members can pinpoint past achievements and build on them; training and support provided to ensure that efforts are carried forward to implement community development plans; promotion of dialogue between community organisations and with local authorities so that development priorities of individuals and communities are better integrated into regional development planning).

Additionally, the chosen approach will strongly contribute to forging local partnerships. Decentralisation of budgeting and the establishment of democratically-elected local councils are evolving in Ukraine, providing growing opportunities and necessities for new patterns of co-operation between communities, elected councils, district administrations, local NGOs and private business. An important element of the project methodology therefore is to help these local elements discover the benefits and modalities of effective partnerships. Community mobilisation is only effective if it links communities with other public and private actors in the local and regional arena.

Expected results

- Better quality of local development strategies, strengthened project management skills within communities, enhanced co-ordination between local authorities and the citizens and consolidation of local democracy based on concrete examples of co-operation
- Developing capacities of communities to come up with their own solutions for their own problems and building CBOs' ability to mobilise local resources (social responsibility of SMEs, local philanthropy, social enterprises)
- Alleviation of most urgent development problems at community level
- Revival of the national network of primary health care points.
- Improved infrastructure and skills (particularly computer skills) for local businesses
- Development of local skills to manage the local development initiatives to be devolved later by the central government

Main activities

The project will organise and promote community initiatives in the areas of health (local health posts network), education (e.g. computer classes), energy (energy conservation measures), environment (e.g. pesticides stockpiles removal, water adduction, sewage), and transport (transport services)⁴ with the following objectives:

- To enhance capacities of targeted communities at defining local development strategies, their involvement into policy making process at all levels through continuing dialogues with local and regional authorities (district, municipality, and oblast level) through transfer of knowledge and project management best practices
- To help individuals and communities lead their development initiatives, promote the participatory approach for community development based on social mobilisation and the formation of community organizations and encourage them to work together and take responsibility for the improvement of local living conditions

⁴ In specific and limited cases, and subject to in-depth analysis by the EC Delegation, other areas of activity could be envisaged

- To support communities in addressing priority development needs, and then work to implement local improvement projects through partnerships with municipal and regional governments, local enterprises and other agencies. Mobilized community and government resources are then matched by small grant funding to implement community-led development initiatives (social, environmental and economic)
- To set up a dissemination mechanism (*e.g.* establishment of Resource centres to provide training, best practices and managerial support to oblasts and districts based on existing capacities of community development programmes) allowing to spread the community-based methods outside of the initial coverage area, drawing on competences developed in the communities themselves. In addition, the project will develop replicable local community building methodology building on the experience already existent.
- Develop a range of mechanism (public hearings, compacts, community advisory boards, city charters) facilitating interactions between local communities and local authorities in between the elections. Local community development strategies will be the outcome of all those instruments to enhance participatory democracy patterns.
- To establish a recognised monitoring mechanism guaranteeing project effectiveness and attractiveness for other potentially interested donors
- By pursuing the above goals, improve social and economic situation in the targeted areas, including creation of employment opportunities for youth and other vulnerable groups, including women and minorities
- To create or restore local primary health care posts to be progressively integrated into a functioning nation-wide local health posts network instrumental in tackling local needs and the nation-wide tasks of health security and epidemiological surveillance.

The geographic coverage of the project is constituted by the 25 non-capital oblasts of Ukraine.

3.3. Stakeholders

On the ground, the project will concentrate on strengthening the local communities and developing their partnerships with local authorities, at village, district or regional (oblast) level.

Where its design or the overall monitoring of its activities will be concerned, however, the project will work with the Cabinet of Ministers (Deputy Prime Minister in charge of regional policy), the line ministries (Ministry of Architecture and Municipal Services, Ministry of Transport, Ministry of Health, Ministry of Environment, Ministry of Fuel and Energy, State Committee for Energy Conservation), and the State secretary (President's Office) in charge of monitoring social services and regional policy.

3.4. Risks and assumptions

The main risk is a question of managerial capacities within the project stakeholders, both public and private, and their commitment towards actual implementation of the activities developed under the relevant project components. Increasing awareness of the need to improve their activities, helped by the general political environment and supported by adequate training by a dedicated permanent project coordinating team, will reduce this category of specific risk.

3.5. Conditionalities

For the moment, there are two main conditionalities for project success:

- Consistency between project activities and State policies in the relevant areas of activity
- Adequate budget endowment by local authorities in support of community-based initiatives
- Continued commitment to achieving compatibility of Ukrainian policies and standards with their EU equivalents

3.6. Crosscutting issues

The impact of the contemplated measure on cross-cutting issues can be summarised as follows:

Development/crosscutting objectives	Directly targeted objective	Significant indirect impact
Poverty reduction	✓	
Good Governance	✓	
Democracy, Human rights	✓	
Integration in world economy		✓
Environment	✓	
Gender		✓
Conflict resolution/Peace building		✓

4. IMPLEMENTATION ISSUES

4.1. Implementation method

Centralised management

4.2. Budget and calendar

€12 million (out of which indicatively €4 million for a dedicated project team present in all concerned oblasts). The project is envisaged to be implemented primarily via grants to UN Agencies, however other delivery modalities (*e.g.* supply of equipment) could be envisaged. Contributions by the Beneficiary countries shall be discussed further during the project preparation phase.

Operational duration: 48 months.

4.3. Procurement and award of grants procedures

All contracts implementing the financing agreement must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question.

4.4. Performance monitoring

The project will be monitored according to standard procedures.

Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives. The project's PMU will make significant input into monitoring of the implementation progress. Regular presentations to the EU-Ukraine Subcommittee on Economic and Social Affairs, Finance and Statistics (SC 2) will ensure

in-depth involvement and commitment of the Ukrainian side to the monitoring from the project partner's side.

4.5. Evaluation and audit

A mid-term and a final evaluation will be conducted with a view to monitor efficiency of aid and correct as necessary the chosen strategy. The contracts will be subject to the usual co-financing audit arrangements.