



UNDP IN UKRAINE

2016 Achievements Report



5.6 million
people have better living
conditions thanks to local
development activities



UNDP's transparent and
competitive procurement
processes saved the government

\$5.5 million



Over 100,000
public servants declared
their assets online



50,000
harmful air conditioning
systems were stopped at
the border



all 24 regions
up from 10 in 2015
have now representatives
of the Ombudsperson's Office



250
small & medium business
launched or restored
through grant support



10 million
people reached by LED
promotion campaign
for energy efficiency



over 2,000
people got temporary or
permanent jobs, 70% of them
IDPs



8 social + 10 economic
infrastructure facilities in Donbas
rehabilitated, benefitting over
3.5 million people



over 200
energy efficiency
microprojects supported

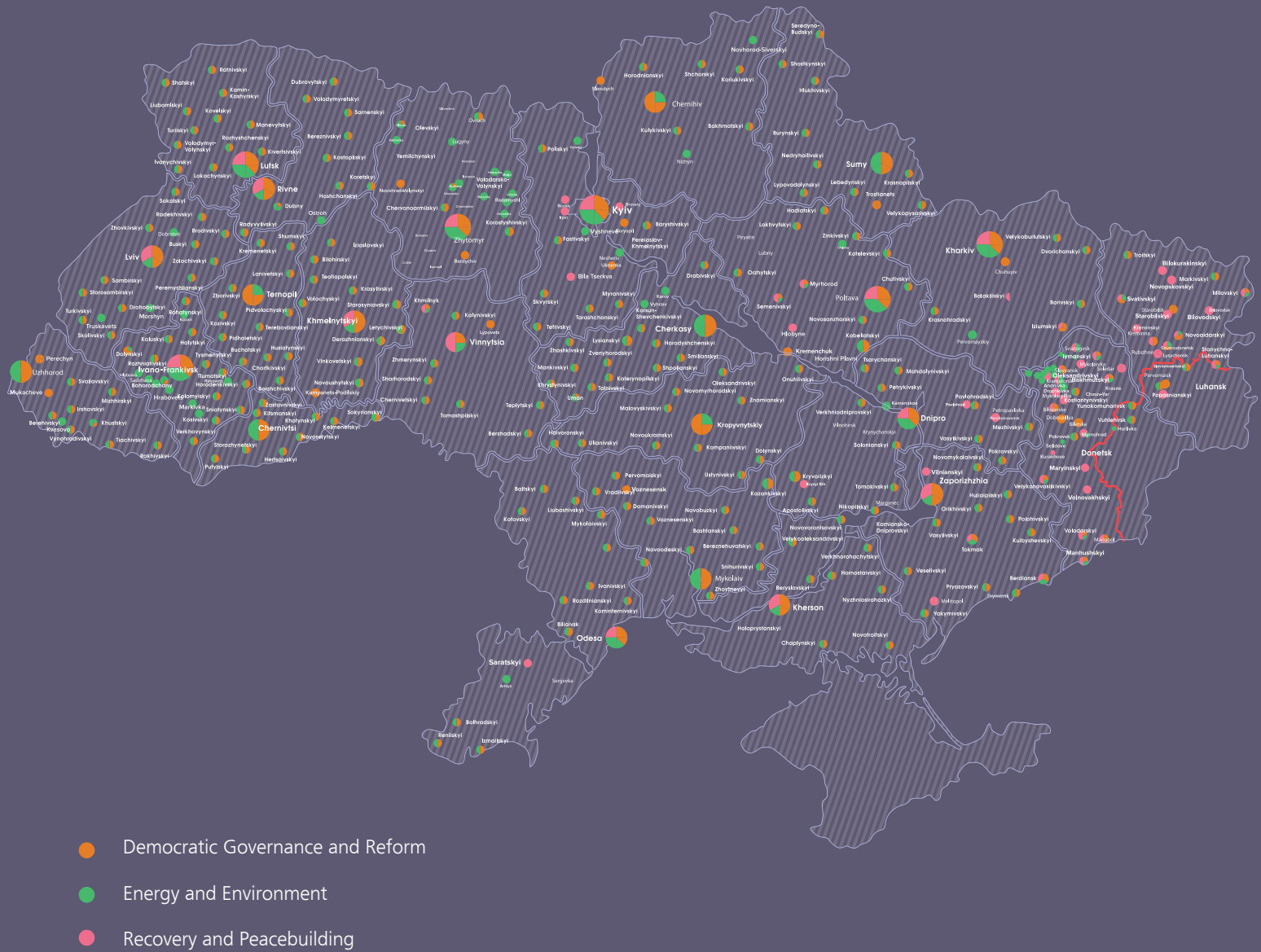


3,000
hectares of peatlands
restored



around 400
Associations of Co-owners
of Multi-Apartment Buildings
created

Where we work



Contents:

6

Introduction

8

Agenda 2030 –
Sustainable Development
Goals (SDGs) in Ukraine

10

Democratic Governance
and Reform

13

Decentralization and Local
Development: a Community
Based Approach

17

Piloting a New Concept:
the TsNAP

19

Sports Year-Round

21

Towards a Corruption-free
Ukraine

23

A Key Step for Accountability:
E-declarations

25

Open Data, Open Parliament,
Open Government

27

Supporting Civil Society for
Civic Engagement and
Human Rights

29

Human Rights
in All Regions

31

Rethinking Social Policy and
Social Protection Systems

33

Procuring Medicines and
Promoting Public
Health Reform

36

For a Greener Ukraine

39

Saving the Ozone Layer, Protecting the Planet

41

Restoring Peatlands, Bringing Back Local Incomes

43

Ukraine's Campaign on Climate Change

45

Boosting Energy Efficiency

47

Lights Change: Moving to LED

49

Promoting Biomass

50

Bioenergy: the Future of Ukraine?

52

Eastern Ukraine: Recovery and Peacebuilding

55

Boosting Local Economies, Improving Lives of IDPs and Local Communities

57

Restoring Critical Infrastructure

59

Promoting Peace through Social Cohesion

61

Promoting Justice and Security in Communities

63

Supporting Regional Development

65

Women and Girls: The Most Affected by Conflict

67

Funding Sources and Financial Data

Introduction

Ukraine fully embraced the Global Goals for Sustainable Development of Agenda 2030. Following country-wide consultations, which identified peace, justice, education, and jobs as priority goals, Ukraine developed an SDG implementation strategy along with region-specific implementation plans to provide maximum results.



Janthomas Hiemstra
UNDP Country Director in Ukraine

On Twitter: @JTHundp

2016 marked another year of major challenges, but also major opportunities for Ukraine and UNDP's cooperation with the country. This is only the second full year since the dual shocks of the Maidan events and the outbreak of armed conflict in eastern Ukraine. Ukraine's economy has yet to regain its pre-2014 strength. Significant pockets of poverty and growing economic inequality are putting pressure on an already fragile social protection system.

Despite challenges and setbacks, major reforms have moved forward thanks to a dedicated civil society. Notably the constitution was amended to allow for reforming the justice sector, and decentralization and local governance reform has gained momentum with numerous new Amalgamated Territorial Communities being formed and the budgets of local bodies multiplied. The Ministry of Health laid out a comprehensive health sector reform agenda, which gave Ukraine international recognition. Upon direct request of the Ministry, UNDP has handled the public procurement of medicines, vaccines and other medical products with significant savings. The introduction of an Open Data Roadmap helped enhance transparency of legislative bodies, provide public access to information, and aligned Ukraine with the Declaration on Parliamentary Openness. The home-grown development of ProZorro, an online

tool for public procurement, has become an internationally acclaimed step towards transparency. These hard-fought developments have reduced costs and boosted output of public service for everyday Ukrainians, whose approval of public services increased from 5% in 2015 to 14% in 2016.

Corruption, however, remains a serious concern, and Ukrainian citizens remain sceptical of the governing elite. To address this, UNDP played a crucial role in preparing the implementation of a comprehensive, electronic asset declaration system that is accessible online for public officials and civil servants, under the responsibility of the newly-established National Agency for Corruption Prevention. 2016 already saw 100,000 officials provide the public with detailed information on their assets and incomes as well as the assets of their household members. In 2017, 700,000

more declarations are expected to be filed. While the dedicated anti-corruption institutions have yet to fully use this data for accountability and asset recovery, the public, media and watchdog organisations now have unprecedented access to the information.

In the Donetsk and Luhansk oblasts of eastern Ukraine, for the hundreds of thousands of Ukrainians displaced as a result of the conflict, the overall situation remains harsh despite the large-scale humanitarian effort and UNDP's Recovery and Peacebuilding program. Around the country, nearly 1.7 million IDPs, 61% of them women, were registered by December 2016. Women, particularly IDPs, are disproportionately affected by the crisis, facing social exclusion in terms of livelihoods and access to housing and public services. And yet, there have been signs of recovery. Through its area-based programme managed out of an office in Kramatorsk, UNDP has

worked with local governments and civil society in government-controlled areas to restore basic services and provide trainings and opportunities for Ukrainians to return to work. Simultaneously, national reforms are being rolled in conflict-affected areas, where over 20,000 people cross the contact line daily, reflecting continued economic activity and people-to-people contacts from both sides.

Although Ukraine remains as one of the world's most energy-intensive countries, significant steps were taken with the ratification of the Paris Agreement on Climate Change and a series of new policies and mechanisms in the area of energy efficiency. UNDP has collaborated with both the private and public sector to adhere to the Montreal Protocol on Substances that Deplete the Ozone Layer by supporting the production of new biofuels, restoration of peatlands, and ecotourism.

In order to integrate the Sustainable Development Goals into the local development context, UNDP fosters the collaboration between local governments and communities. A bottom-up approach to decentralization and territorial development is critical to policy innovation. Local partnerships that emphasize sustainability, participation and inclusiveness, also supports the successful implementation of Ukraine's decentralization reforms and complement other programmes supporting these reforms.

Building on country-wide networks and eight years of experience, UNDP supported a mechanism for financing local development projects in more than 800 communities in 2016 alone. Community-based development initiatives in rural and urban areas leverage the increased revenues of the new local government bodies and help secure improvements in service provision and living conditions that make an actual difference to citizens, especially those in less favoured areas.

The outlook for 2017 remains hopeful, but success will depend on sustained commitment to reforms and especially to changes that benefit the population at large. The people of Ukraine have seen enough hardship in recent years, and expect to see tangible improvements of their lives. Now potential of Ukraine remains strong. With a lasting settlement of the conflict, governmental reforms and officials held accountable, the country should be on a path to full recovery, and sustainable growth.



SUSTAINABLE DEVELOPMENT GOALS



Agenda 2030 – Sustainable Development Goals (SDGs) in Ukraine

“The SDGs will serve as a common foundation for further reforms in Ukraine”

President Petro Poroshenko,
speech at the UN Summit

“The SDGs should be a platform for drafting the national strategies over the next 15 years”

Yulia Kovaliv, First Deputy Minister,
Ministry of Economic Development
and Trade Ukraine

The 17 Sustainable Development Goals (SDGs) came into effect in January 2016. Adopted as a universal commitment by the UN General Assembly, they provide a blueprint for all countries to define their own directions for development until 2030. The SDGs build on the Millennium Development Goals and aim to complete what these did not achieve. With a strong emphasis on reducing inequality and a general motto of ‘leaving no one behind’, they seek to realize the human rights of all and to achieve gender equality and the empowerment of all women and girls. They are universal, integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental. What is needed at country level is a strategy to translate the global SDGs into specific actions.

In 2016, UNDP supported the development of the Draft Sustainable Development Strategy for Ukraine until 2030, based on more than 35 expert consultations.

This national strategy includes Ukraine-specific targets for each SDG and is expected to be adopted by the Parliament in 2017. Working in close partnership with other UN agencies, UNDP’s role has also been to work at all levels within the Ukrainian government to help government officials introduce the SDGs in all their planning, policymaking and monitoring.

Meanwhile, UNDP has introduced the SDGs as the overarching, all-encompassing framework for all of its support to human development in Ukraine across all three of its programmatic pillars.

One important element in achieving progress on the SDGs is to have strong and disaggregated data available, allowing to regularly monitor and report on progress on each target. Ukraine is therefore developing its own National Baseline Report with UNDP support. UNDP conducted extensive consultations to improve the understanding of the SDGs and specific methods for implementation at the local level.

Democratic Governance and Reform

UNDP supports Ukraine in the process of building capable, accountable and responsive state institutions, modernizing and opening society, and achieving sustainable and inclusive human development.

To achieve this, UNDP supports accountability of democratic institutions and the rule of law. Pursuing an incremental institutional approach that is people- and rights-oriented, UNDP aims to expand people's choices about how and by whom they are governed.



In 2016, UNDP supported all branches of government (executive, legislative and judiciary, at the national, regional and local level) and helped improve the overall institutional environment in which citizens interact and within which economic, political, legal and administrative authority are exercised.

Capable Institutions at All Levels and Empowered Communities

UNDP helped central level institutions develop and implement policies for decentralized governance, provided capacity development for local governments, and continued and developed UNDP's activities on community empowerment and community based local development.

Accountable Democratic Institutions and the Rule of Law

UNDP strengthened institutional capacities for anti-corruption, in particular through enhanced transparency and improved procurement services. To promote the protection of human rights, rule of law and access to justice, UNDP worked to reinforce national human rights institutions and mechanisms, in particular at the community level and focusing on the rights of women and the most marginalized. Supporting the reform of parliamentary procedures and systems, UNDP promoted political accountability through effective democratic representation.

Responsive Governance for an Inclusive Society and Human Development

UNDP promoted equitable economic development, social protection and social policy reform. It advanced the application of the sustainable development agenda contained in the SDGs in comprehensive development plans, and helped develop monitoring and evaluation systems. Issues related to social and economic rights, in particular the right to health, the right to work and the right to social protection, gender responsiveness, marginalized groups, people living with or affected by HIV and disabled people were addressed at all levels.

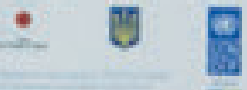
A few key events marked our work and the evolution of the country's democratic governance architecture in 2016: notably the roll-out of several major reforms in the areas of local governance, public finance, the health and employment sectors, asset e-declaration system, and the embrace by the Parliament of the Open Data approach. UNDP has been at the forefront of all these developments and will continue to support Ukraine in the challenges ahead.



Житло

Правила допомоги

Психологічна допомога



Decentralization and Local Development: a Community Based Approach

For the past eight years UNDP has strengthened participatory governance and community-based initiatives to promote sustainable development at the local level across Ukraine.

Throughout 2016, UNDP supported:

856	community-based micro-projects
199	energy efficiency
488	energy saving
50	healthcare
47	water supply
71	rural economic development

With a notable presence in every oblast extending into hundreds of rayons, and thousands of villages and communities, UNDP has promoted social mobilization as a positive tool of empowerment to radically change the relationship between citizens and authorities to a full-functioning post-Soviet, modern status.

As Ukraine's decentralization reform took off with the support of multiple international donors and implementers, UNDP provided strategic policy recommendations based on our Community Based Approach (CBA) that has successfully engaged local communities for inclusive and sustainable local development in Ukraine since 2008.

Many of the micro-projects implemented by local communities have focused on rehabilitating social and communal infrastructure in priority areas: energy efficiency, healthcare, and environmental/water management in rural and urban territories. Throughout 2016, UNDP thus supported 856 community-based micro-projects, of which 199 in the area of energy efficiency, 488 in energy saving, 50 in healthcare, 47 in water supply and 71 in rural economic development.

Supported by the EU, all projects fall under local area development plans and are co-funded by local government budgets and communities themselves.





5.6

million people

Overall, more than 5.6 million people in rural areas and urban communities have benefited from UNDP local development activities in Ukraine.

To capitalize on the local development experience accumulated, UNDP has engaged 40 universities across Ukraine to create the All-Ukrainian National Network of Partner Regional Universities. Seventeen of them officially integrated UNDP's community-based methodology into their curricula. In the southeastern industrial city of Zaporizhia, understanding the link between local development and community-based mobilization as an effective decentralization method, the Zaporizhia National University designed a "School of Decentralization" program based on the community-based approach developed by UNDP.

In October 2016, UNDP organized an Interregional Conference on Decentralization convening representatives of municipalities and local development experts from seven regions of Ukraine. A handbook on decentralization, focusing on the challenge of administrative reform and territorial amalgamation, was also created to support local authorities and communities.

Fifty-four agricultural cooperatives were created in 2016 alone, using UNDP's community-based methodology.

ЦЕНТР НАДАННЯ АДМІНІСТРАТИВНИХ ПОСЛУГ

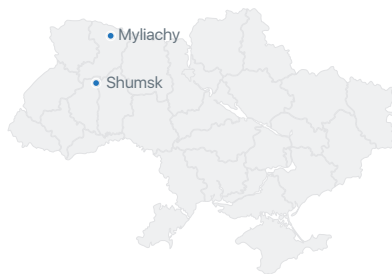


Piloting a New Concept: the TsNAP

In October 2016 the newly-Amalgamated Territorial Community of Shumsk, in Ternopil Region, officially opened its Centre of Administrative Services Delivery, also known as TsNAP, its Ukrainian acronym.

“Decentralization is a key reform for Ukraine. Encouraging communities to self-mobilize, EU-funded local development activities have prepared the background for decentralization to work. Implementation of local development projects is impossible without the joint support from local groups, authorities, and local self-governing bodies”

Ms. Myroslava Didukh,
Project Manager of the Delegation of the European Union to Ukraine.



Upon request by the Ministry of Regional Development in an effort to show quick results in the area of decentralization, the EU and UNDP created two Centres of Administrative Services Delivery in the recently in Shumsk, Ternopil Oblast, and in Myliachy, Rivne Oblast. The aim of such centres is to create favourable conditions for local social services delivery, introducing electronic document management and efficient procedures based on international best practices.

Sports Year-Round



School Gym Renovated in Chuguiv

Andriy is only 12, but he already has a red belt in Aikido. He proudly rests his hands on the belt and tells us how hard he had to train for six years to get it. Andriy and his classmates come to this gym at School No. 2 in Chuguiv (Kharkiv region) several times a week. Here they learn not only the respect and dedication demanded by martial arts, but also how to build friendship, trust, and most importantly, self-confidence.



“Most of all I like the thrill of the competitions. It also teaches me to never give up despite all the challenges,”

Andriy, 12, Aikido student
in Chuguiv, Kharkiv region.

Aikido classes have been running here for quite some time, but as in many gyms in Ukraine the brutal winter cuts through the school’s old windows. Although Chuguiv is far away from the threat of conflict, the ensuing economic crisis is all too close. With scarce public funding School No. 2 can simply not afford to replace the old windows.

Both the school’s management and parents realized the importance of the gym, and that they had to come together to do something about it. They created a local community organization “Batkivska Turbota” (“Parents Care”) and started searching for funds. Eventually, they applied for a small grant from the EU-funded UNDP’s Community-based Approach, or CBA initiative. After several months of intense collaboration, planning, and

preparation, and with crucial cost-sharing by the local government budget, this community scored a big victory. Not only were the faulty windows replaced, but the gym’s roof was refurbished! School No 2’s gym is now happy to offer its facilities year-round.

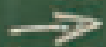
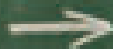
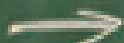
“Everybody felt very engaged and fully in charge. We realized that this project’s success depended on us. Every child in the school knows that his or her family contributed to this effort and treats the equipment with care,”

says Larysa Milchenko, the community organization’s head.

Like most CBA local community groups around the country, Batkivska Turbota has been led and inspired mainly by women from the start. This newly insulated gym has sparked an enthusiasm for sports beyond martial arts as well. Children are now learning team sports such as volleyball, as well as sport dance classes and other physical fitness activities.

9 грудня

КОРУПЦІЯ ЦЕ



Towards a Corruption-free Ukraine



Ukraine ranks
131 out of 176
countries

in 2016 Transparency
International's corruption
perception index

Corruption is endemic in Ukraine as it penetrates the upper echelons of power as well as everyday situations affecting all parts of society. Average Ukrainians have struggled with highly sophisticated corruption schemes, often benefitting powerful elites and involving well-connected politicians.

Transparency International's latest corruption perception index for 2016 ranks Ukraine in the bottom (131 of 176 countries), just a minor improvement over the past three years.

Although the corrupt schemes and patronage networks have shown to be resilient against reforms, such practices are met with ever more determined demands for change by anti-corruption activists, civil society and Ukraine's international partners. In 2016, UNDP Ukraine has made steps to promote transparency in government, but also to help citizens to demand it from their leaders.

UNDP supported Ukraine in launching the National Agency for Corruption Prevention (NACP), the agency responsible for developing and implementing preventative anti-corruption measures. UNDP provided the NACP with best-practice advice on its institutional framework as well as its website and helped it set-up the ground-breaking e-declaration system for assets owned by senior civil servants and public officials.

As part of UNDP's strategic support, staff and managers of the NACP participated in an exchange with senior managers from the Romanian corruption prevention agency, ANI. One of the results was learning international best practices and methods to ensure cooperation between corruption prevention agencies like the NACP and investigative bodies like the National Anti-Corruption Bureau of Ukraine (NABU). This will be critical to the NACP's long-term success in preventing and reducing corruption.



September 2015

Ministry of Justice requests UNDP to develop an e-declaration system

25 July 2016

UNDP presents a pilot system to representatives of NACP, Ministry of Justice, State Agency on e-Governance, State Service for Special Communications and Information Protection and the World Bank

27 July 2016

Based on positive conclusions of Quality Assurance Group and Inter-Agency Working Group, the software is transferred to the NACP

15 August 2016

Original target date for the system launch; NACP decides to launch the system in a test regime

August 2016

International partners and civil society advocate for full launch

1 September 2016

The system is launched

30 October 2016

More than 100,000 officials successfully file their asset declarations

1 January 2017

Phase Two of e-declarations starts

1 April 2017

Phase Two of e-declarations ends for additional 700,000 officials.

A Key Step for Accountability: E-declarations



During the second phase
of declarations from 1 January
till 1 April 2017,

over 700,000
additional officials
are expected to declare
their assets.

For the first time in Ukraine's history, in 2016 public officials were required by new anti-corruption laws to declare their income and assets through an open-source, online platform designed by UNDP.

Upon request of the Ministry of Justice, UNDP Ukraine had worked on developing this system since September, 2015. The e-declaration system had to allow government officials' assets, income, and expenses to be entered, monitored, and accessed by all interested citizens. One year after UNDP was requested to support the preparation of a new e-declaration system, the new system was officially launched by the National Agency for Corruption Prevention (NACP) on September 1st, 2016. By October 30th, over 100,000 high-ranking public officials had disclosed not only their own income and assets but also those of their immediate family. This included the President of Ukraine, the Prime Minister and Cabinet Ministers, high level judges and prosecutors, and members of parliament and local administrations. The NACP is mandated and expected to verify the declared information, identify any fraud or excessive wealth, and transfer cases of violations to the National Anti-Corruption Bureau of Ukraine (NABU) for investigation.

However, putting data online is not sufficient for preventing corruption. UNDP led anti-corruption awareness-raising campaigns and workshops to encourage more than 3,700 civil servants, 335 civic activists, 35 media representatives and 1,250 high school students to use the e-declaration system, prevent conflicts of interest and exercise anti-corruption oversight.

Apart from the work of the central level specialized anti-corruption bodies, there has been some progress in terms of openness, transparency and integrity mechanisms in different sectors and levels of government. UNDP is active in a number of related areas, such as: the procurement of medicines for the Ministry of Health in an effort to reduce corruption risks; work with the Ministry of Infrastructure on transparency in the construction sector and to build a Clean Construction System for the road sector based on a model developed by Seoul (Korea); work at the local government level to institute champions of anti-corruption in municipalities (based on a model developed in Romania); the effort to mainstream anti-corruption components into recovery and restoration of governance in conflict affected areas of Donbas, not least by participating in and supporting a new Regional Development Agency for Donetsk Oblast as single procurement entity, and undertaking of a Public Expenditure Tracking Survey on the regional health sector. UNDP has also formed a partnership with the European Investment Bank (EIB) to help reduce corruption risks in the implementation of the EIB's 200m recovery loan for local governments in the five eastern oblasts of Ukraine.



Open Data, Open Parliament, Open Government



Ukraine is at 4th place in the list of most open governments in Eastern Europe



Ukraine is the third country worldwide to develop an open parliament action plan

Government agencies produce terabytes of information yearly. This includes financial information such as incomes, expenditures and transfers, monitoring and statistical data, and data related to business processes and procurement, as well as draft laws, votes, meetings, hearings, regulatory databases, and more. This data is often stored in governmental archives that can be impossible to access for the media, civil society and the general public. Public access to information and open data initiatives provide citizens easy access to this information and enforce a culture of accountability and transparency among officials, as everything they do in their official capacity can be available online.

Ukraine has become one of the leaders of the global openness movement. Adopting and implementing several open data initiatives, the Ukrainian Government and Parliament are making strides to become more inclusive, accountable and transparent to their citizens.

In February, 2016 three key documents were adopted: the Open Data Roadmap for Ukraine, the Open Parliament Action Plan and the Declaration on Parliamentary Openness. In spring 2016, UNDP launched the Open Data Portal together with the Ukrainian NGO Civil Network OPORA and the Parliament. This platform is meant to make it easier for citizens to access information on Parliament's activities.

For Ukrainians, UNDP's initiative "Rada for Europe", funded by the EU, has become a long-awaited opportunity to connect the expectations of civil society for more legislative responsiveness with the commitments for reform made by Parliament's new leadership, which aim at bringing the parliament closer to European standards and implement reforms recommended by the European Parliament.

"By turning challenges into drivers for reforms, we believe that 'Rada for Europe' will bring Ukraine closer to Europe for more balanced and responsible decision making, open governance and public participation"

- Cihan Sultanoğlu, assistant Secretary-General of the United Nations, assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States (RBEC)



Швейцария и Европейский
Союз
Комплексный проект
Развития
Сельского хозяйства
и
Малого бизнеса



КШ
Т

Supporting Civil Society for Civic Engagement and Human Rights

Throughout 2016 UNDP continued to prioritize the development of civil society organizations for stronger civic engagement and human rights promotion across Ukraine.



In 2016, only 15% of Ukrainians were satisfied with their ability to influence the government

Following the President's approval of the National Strategy for Civil Society Development in Ukraine (2016-2020), UNDP took the initiative to support four civil society organizations as regional hubs for civil society development in Dnipropetrovsk, Donetsk, Kherson and Zakarpattia oblasts.

The hubs conducted awareness-raising campaigns to inform public officials, civic activists, and journalists about the Strategy, engaging over 1,300 stakeholders in more than 45 towns. Thanks to their joint efforts, the Subnational Coordination Councils for Civil Society Development were established and are now fully operational in three oblasts.



1,300
stakeholders



45
towns

ТЕСЯ
ЇХ
АДЯН

РІВНІ
ПОЛІТИЧ
ТРАД



Human Rights in All Regions

The Regional Network of the Ombudsperson - 2016 in figures



3,857
consultations
for citizens



716
visited court trials
in regions



273
visits to the places
of detention

UNDP Ukraine broke new grounds in 2016 helping the Ukrainian Parliamentary Commissioner for Human Rights, known as the Ombudsperson, to establish a subnational network covering all regions in the country. This network is now providing the Ukrainian National Human Rights Institution with “hands, eyes and ears” at the local level.

The subnational network serves to amplify the Ombudsperson’s mandate on the local level through combined efforts of Regional Representatives (who are civil servants) and Regional Coordinators (UNDP-supported human rights activists, serving on behalf of and under the authority of the Ombudsperson).

In 2016, the Ombudsperson’s Office increased its presence to all 24 regions, up from 10 in 2015

The Ombudsperson’s Office responded to 2,400 inquiries in 2016, compared to 1,550 in 2015

“There is a need to expand the network of Regional Coordinators of the Commissioner for Human Rights. They are virtually the only human rights defenders with the appropriate mandate of the Commissioner outside of the capital, who can help people in emergency situations in the regions.”

Mr. Vadym Pyvovarov,
Executive director of the Association of Ukrainian Human Rights Monitors
on Law Enforcement



Rethinking Social Policy and Social Protection Systems

About 9.1%

Ukraine's
unemployment rate

Poverty reduction is a top priority for UNDP in Ukraine. With UNDP support, in 2016 the Ukrainian Parliament adopted the Poverty Reduction Strategy - as a part of the Action Plan for the implementation of the Association Agreement between Ukraine and the European Union.

UNDP's support to the Government in order to make it more responsive to the social needs of large parts of the population has focused on social policy reforms, a vital element of the current reform processes, but one which has not received as much attention as it should have. UNDP initiated a discussion on social policy reform in the context of decentralization. Both the design and delivery of social benefits and employment services need to be reconsidered, to follow the changes in the ways citizens access their right to adequate social protection across their life cycle as well as to help generate inclusive growth, especially at the local level and in marginalized areas.

One major challenge for the people of Ukraine is related to employment and the labour market. Jointly with ILO, in 2016 UNDP developed specific recommendations to support the reform of the state employment service and transform it into a modern, proactive and client-oriented service. Key to the reform is also the promotion of social inclusion, based on an individual case management approach. This approach will help Ukraine's employment services reach out better to women, people with disabilities, youth, long-term unemployed, ex-prisoners, people at pre-pension age, internally displaced persons, and other groups which tend to be left behind by traditional employment policies.



Procuring Medicines and Promoting Public Health Reform



UNDP's transparent and competitive procurement processes saved the country nearly

\$5.5 million
in 2016

UNDP procured \$46.5 million of life-saving medicines and vaccines and delivered 99.7% of the planned amount. The savings allowed to procure 74,000 additional units.

In the past, various corruption schemes linked to the purchase of medicines led to artificially long procurement times, delays, and high prices for patients. Under civic pressure, in 2015 the Ukrainian Parliament temporarily transferred the emergency procurement of life-saving medicines to international organizations including UNDP. In 2016, UNDP bought and delivered to government warehouse medicines for eight programs: TB diagnostics and treatment; HIV diagnostics; pediatric and adult hepatitis; pediatric hemophilia; orphan diseases; and selected immunizations.

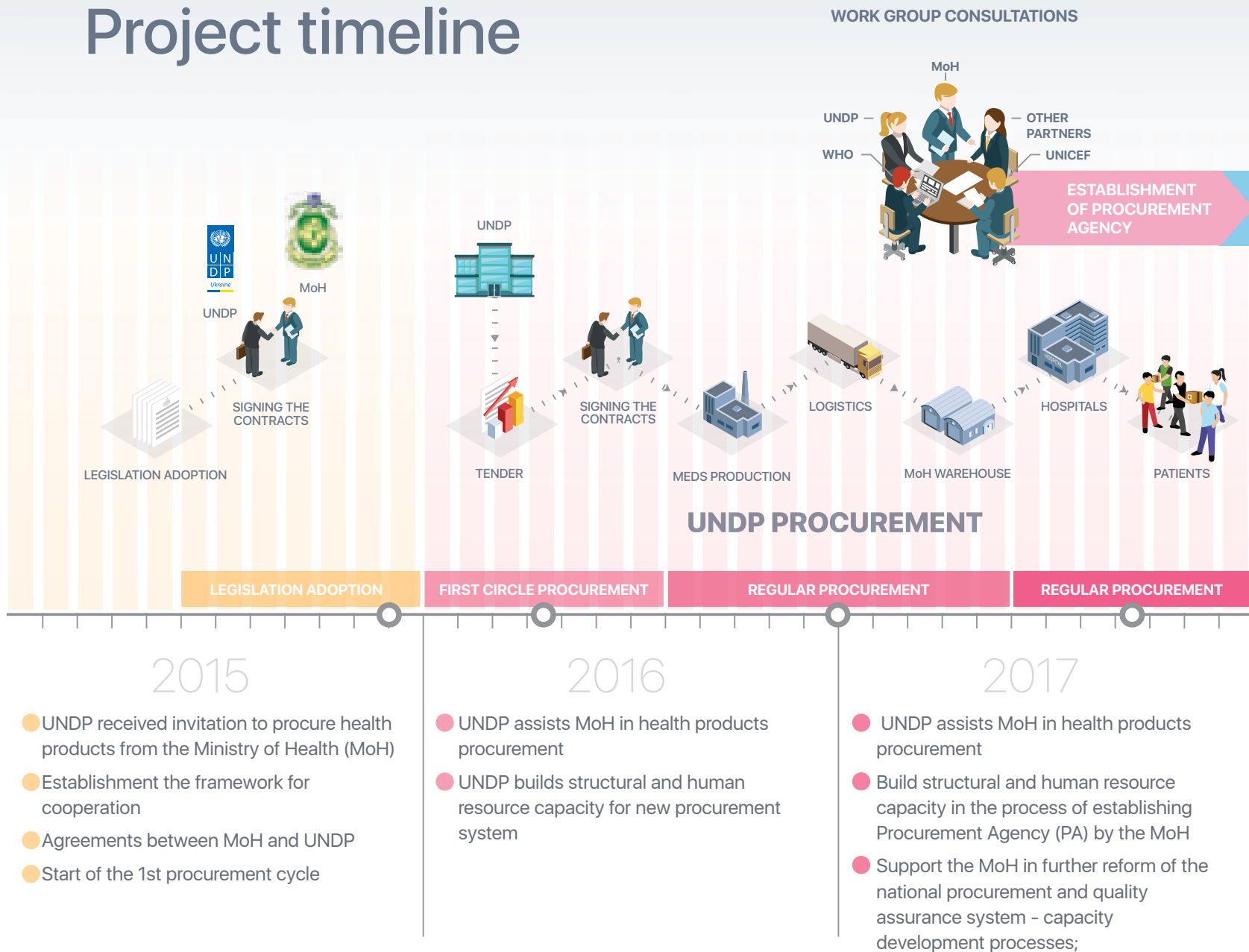
UNDP's transparent and competitive bidding processes strictly applies a "best value for money" principle. Ukrainian and international companies were given equal opportunities to submit bids, resulting in many more manufacturers and distributors participating in the bidding process compared to previous years.

UNDP is also actively engaged in building the capacity of the state health procurement system to support transparency and cost-efficiency. Two digital monitoring and stock management systems were launched during 2016: "E-Liky," jointly developed with the patient community in two oblasts; and a digital stock management system, developed with the state enterprise Ukrvakcina. To reduce corruption risks at the local level, a Sector Integrity Vulnerability Assessment was done for the Ministry of Health, and a Public Expenditure Tracking Survey for the public health sector was carried out in Donetsk and Luhansk Oblasts together with the World Bank.

Those involved in procurement on the ministerial and regional levels took part in seminars and workshops on anti-corruption, sustainable procurement and human rights. Joint activities with patient groups and civil society have built a system of checks and balances, which ensures public oversight. These components will also work with the new medicines procurement agency, to be created in the future in collaboration with UNDP Ukraine.

Procurement Support Services to the Ministry of Health of Ukraine

Project timeline





PROCUREMENT AGENCY CAPACITY BUILDING



PROCUREMENT AGENCY WORKS INDEPENDENTLY



THE OVERALL GOALS

UNDP PA



UNDP + PA PROCUREMENT

REGULAR PROCUREMENT

2018

PA



PA PROCUREMENT

31 MARCH 2019
Start of work of Procurement Agency

REGULAR PROCUREMENT

2019



To procure medicines and medical products for the National Public Health Programmes for 2015-2019 years as needed



To strengthen the capacity of the Ministry of Health of Ukraine to ensure transparency, accountability and effectiveness of the public procurement of medicines and other medical products

- UNDP assists MoH in health products procurement.
- Gradual transfer of procurement activities back to the MoH or designated Procurement Agency
- Working group of MoH, UNDP, UNICEF, WHO, civil society organizations and other partners help MoH to build capacity of the Procurement Agency

- Procurement cycle is conducted by new fully-functioning Procurement Agency.
- Working group of MoH, UNDP, UNICEF, WHO, civil society organizations and other partners further assist PA to grow its potential and consult on expertise.
- UNDP works on increasing overall effectiveness of Agency's work.
- UNDP supports capacity building of the Procurement and Supply Chain Management system for wider strengthening of the Ukrainian healthcare system and creating a transparent pharmaceutical policy.

For a Greener Ukraine

“We have to act vigorously to prevent threats provoked by climate change and degradation of the environment”

President of Ukraine Petro Poroshenko
at United Nations Sustainable Development Summit



Energy and Environment

Ukraine is home to some of the richest natural environments and resources in Europe.

In fact there is enough black soil in Ukraine to provide all of Europe with grain. However, it is also one of the most heavily polluted countries in the region.

Old-fashioned policies aimed at raising industrial and agricultural productivity with little regard to environmental considerations have had a devastating long-term effect. Ukraine ranks 24th among the world's largest emitters of greenhouse gasses.

Energy efficiency is a high priority for Ukraine's path to energy independence and sustainable development. UNDP supports efforts in Ukraine to address climate change mitigation on the policy level through advocacy and advice, and on the ground through physical initiatives and projects at the community level.



Ukraine ranks

24th

among the world's largest emitters of greenhouse gasses.



Saving the Ozone Layer, Protecting the Planet



Over 5,000 mt ODS and 50,000 ODS-based air conditioning systems were stopped at the border thanks to UNDP-supported testing with specialized equipment

It is well-known that the ozone layer in the upper atmosphere protects against ultraviolet radiation coming from the sun. Without its protective capacity, both humans and the environment are exposed to serious risks.

Ukraine is a part to the Montreal Protocol, an international agreement to reduce the use of ozone-depleting substances. These are gases that damage the ozone layer, and have traditionally been used in refrigerators, air conditioners, fire extinguishers, aerosol propellants, solvents and blowing agents for insulation foams. But how to make sure these substances are effectively phased-out?

UNDP has been working with Ukraine to reinforce its capacity to implement the provisions of the Montreal Protocol. In 2016, as part of the phase-out program, UNDP helped implement an investment program to convert the production line of a key factory and of its 54 users and steer them away from using Ozone Depleting Substances (ODS) and towards new ozone-friendly technologies. This resulted in a reduction of the use of dangerous ODS foaming agents by 70%.

But responsibilities lie also with the public sector. UNDP is supporting the State Fiscal Service of Ukraine strengthen its capacity to help the phase-out of ozone-depleting substances by exercising its control function at customs. The role of the Fiscal Service is in fact essential to verify the presence of dangerous substances in equipment that is imported into the country. To this aim, UNDP trained 45 customs officials to be able to implement the provisions of the Montreal Protocol.

To make sure such initiatives can continue in the future, UNDP organized and equipped two separate training facilities, in cooperation with the Ukrainian State Ecological Academy, so that further training sessions may be provided both for customs officials and environmental specialists. UNDP helped procure the specialised equipment needed to efficiently detect ozone-depleting substances in line with international best practices, namely refrigerant analyzers and chromatograph mass spectrometers.



Restoring Peatlands, Bringing Back Local Incomes

UNDP is supporting the restoration of degraded agricultural peatlands to prevent carbon dioxide emissions and rehabilitate habitats with high biodiversity values.



4,500
people

will benefit from this initiative to save the peatlands

In 2016, UNDP worked to restore approximately 3,000 hectares of peatlands, to strengthen the protection of existing peatlands, and to increase protected peatland areas by 6,100 hectares in Ukraine.

With EU funding and UNDP support the Clima East Pilot Project in Ukraine is working to restore and promote the sustainable use of peatlands in Ukraine's Nizhyn district (Chernihiv region), one of ten regions in Ukraine where 95% of the peatlands have been drained. To make sure these beautiful areas stay that way, UNDP was able to register 6,100 hectares as the Nizhynskiy Regional Landscape Park, which now protects over 40 endangered species.

Not only the nature, but also people in the local communities have benefited from this project. Rehabilitated pastures provide forage for local cows; and with UNDP support, residents have created farming cooperatives to save on equipment and processing. Once the habitat is rehabilitated, the economy can start growing again and farming can thrive. Overall, more than 4,500 people will benefit from this initiative to save the peatlands.

Зникає ліс – зникаємо ми...



☉ *One of the motives of UNDP's national campaign on the environment.*

Ukraine's Campaign on Climate Change

Climate change is a matter of global concern. Unless the global community is successful in mitigating and adapting to climate change, the world is likely to suffer catastrophic consequences, affecting the poor disproportionately. In Rio de Janeiro, 25 years ago, states agreed to collective action to stem this dangerous, trend. UNDP supports countries around the world to live up to their commitments and do their share for a more stable global climate.



**Ukraine
is responsible for**

1.04%
of global emissions

Ukraine's 2016 national campaign on the environment, supported by UNDP, emphasized the impact of climate change on society, for example in the form of increased flood risk, climate migration, and the extinction of certain species. Ukrainians were encouraged to choose more environmentally-friendly technologies in agriculture and prevent the illegal extraction of natural resources. Thanks to a pro-bono partnership with a prominent advertising agency, people passing through any city in Ukraine could see billboards spreading the messages of the campaign.

Focusing on the active engagement of young people, UNDP met with high school teachers around the country to launch a competition for educational methodologies promoting sustainable development. More than 380 teachers submitted their ideas for promoting sustainable development in the classroom. And the Ministry of Education and Science approved a new environmental education module, already piloted in 25 schools, that includes core principles of sustainable development.



Boosting Energy Efficiency

UNDP is one of many actors who came together in 2016 to jointly increase energy efficiency across all sectors, promote energy savings, renewable energy sources, alternative fuels and efficient use of energy resources.

Most notably, a draft Law on the Energy Efficiency Fund was introduced and publicly discussed at the 2016 Energy Independence Forum. A new, specialised “Expert Hub” was created to provide advice and support to Ukrainian institutions working in the energy field. The Hub will analyse existing policies, develop alternatives and draft analytical documents and normative acts.

UNDP awareness-raising initiatives on energy efficiency reached over 10,000 students and their families



In 2016, UNDP supported

more than 600
local development energy-efficiency
microprojects,



400 of which
through Associations of Co-owners of
Multi-Apartment Buildings.



Lights Change: Moving to LED

In 2016, UNDP worked on an initiative to facilitate the Ukrainian market's transition to energy-efficient lighting technologies. The main idea is to phase out energy-inefficient lighting, introduce minimum energy performance standards and a compliance programme, and then ensure quality control for energy-efficient lighting products.



10 million
people

were reached by national
LED promotion campaign



3,000
households

successfully transitioned to
energy efficient light bulbs

The first step was to establish a network of over 150 mayoral offices, to facilitate energy-efficient lighting initiatives at the local level. To assist them in their initiatives, UNDP provided all these municipalities with specific guidance on lighting equipment standards as well as sample legislative documents for drafting local legislation.

To extend the outreach of the initiative, a national LED promotion campaign reached over 10 million people. A textbook explaining the details about energy-efficient lights and several guides were widely distributed to universities and technical schools, as well as municipalities. Partnering with a charity fund, UNDP facilitated the replacement of compact fluorescent lights and mercury containing bulbs with LED lamps. As a result, at least 3,000 households successfully transitioned to energy efficient light bulbs.

Eleven cities adopted legislation to phase out inefficient light bulbs, leading to cost savings of up to 70%

The share of energy-efficient lighting equipment grew to 73% in 2016 (from 5% in 2011), which will help municipalities save 20% of their energy budget



Promoting Biomass

One key way to promote environmental sustainability in Ukraine is through promotion of agricultural biomass: an affordable, easy-to-grow, and eco-friendly fuel. UNDP's approach has been to start stimulating the demand of bio-mass in the municipal sector, with the double effect of producing energy savings for Ukrainian municipalities, while also developing the bio-mass production sector. Communities in rural Ukraine have started buying into the biomass business, mobilising to repurpose their land to grow specific biomass crops. A win-win situation for the benefit of public budgets, the environment, and the economic success of farmers and communities.



UNDP piloted the installation of straw pellet boilers in municipal facilities across three regions.

The boilers increase efficiency by

450%
and represent annual savings of

USD 160,000

Willows have a high potential to produce biomass. To test and showcase the cost/benefit of cultivating the 'energy willows' for bio-mass production, UNDP partnered with local authorities and created 'willow nurseries', where special young willows are planted with the aim to produce biomass. UNDP established three five-hectare pilot energy crop nurseries in the Ivano-Frankivsk, Poltava and Zakarpattia regions. Over 310,000 special energy willow seedlings were imported from Sweden and planted. Ukrainian farmers involved in the pilot regions have already repurposed more than 20 hectares of land to grow energy willow for farmstead fuel and to establish a biomass-supply business.

UNDP has also worked to expand the use of biomass boilers in households and community buildings through its community-based local development project throughout the country. By switching from natural gas to biomass pellets, households and organizations will significantly reduce their heating costs and used the savings to install energy-efficient windows and insulation.

UNDP's interventions focused on energy inefficient sectors, supporting more than 150,000 people with energy savings, heat and water, including through installing pilot biomass boilers



Bioenergy: the future of Ukraine?

Energy savings and the use of renewable fuels is a priority for Ukraine - a country that depends on external supplies for over 50% of its energy and has one of the world's most energy-intensive economies.

The first three biomass, straw-fired boilers ever were installed in the Kyiv National Ecology and Nature Centre for Youth of Ukraine. These innovative and sustainable heating systems will help promote biomass use and its benefits for heating and warm water across the country.

These biomass boilers were part of a UNDP initiative that seeks to support biomass energy production over the next four years, help reduce its carbon footprint, improve energy efficiency across different industries, and expand the use of renewable energy.

With this and other initiatives, UNDP is helping Ukraine implement the "Energy Strategy of Ukraine to 2030," in particular to reach 7% of the country's annual primary energy supply for heating and hot water services supplied by agricultural biomass. It will also help mitigate climate change and help Ukraine comply with a number of European Union directives, while contributing to the Sustainable Development Goals.

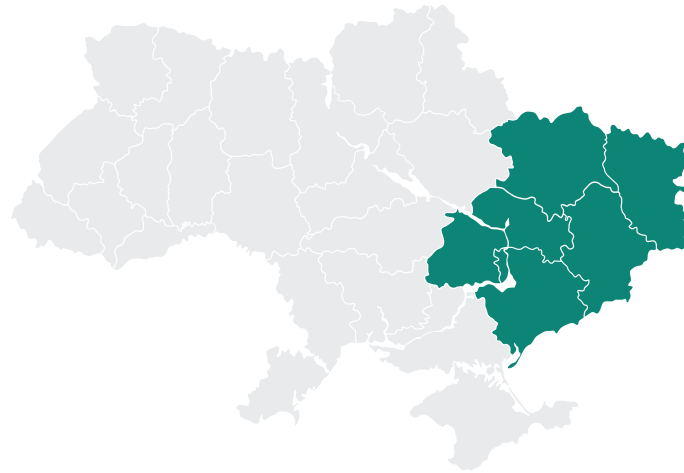
Eastern Ukraine: Recovery and Peacebuilding

“Sustained support is required to help conflict-affected communities recover from the violence in eastern Ukraine,”

Cihan Sultanoglu,
UN Assistant Secretary General and Regional Director
of UNDP for Europe and the CIS.

“People are the ultimate source of energy and development progress. Both the internally displaced and host communities are proving every day that it is possible to recover from crisis.”

UNDP was one of the first responders to the crisis in eastern Ukraine in 2014. Having worked at the community level on local development and civic engagement for many years, UNDP adjusted its activities quickly to respond to the most urgent needs, ranging from supporting displaced persons to rebuilding critical physical and social infrastructure.



In 2016, UNDP continued to assist economic recovery and restore critical infrastructure and supporting internally displaced persons (IDPs) in directly conflict-affected regions as well as in other oblasts, while stepping up its support to restoring and reforming local government institutions, and to empowering individuals for better community security and social cohesion.

UNDP also assisted in the revision of Regional Development Strategies for the two Oblasts, and helped the newly-established Ministry of Temporarily Occupied Territories and IDPs in the development of a State Targeted Programme for Recovery. It continued to work closely alongside the humanitarian effort, in light of the important nexus between humanitarian and recovery interventions.

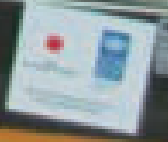
The conflict in eastern Ukraine has ultimately affected over 3.8 million people, 70 percent of whom are women, elderly, or children. Many of those have fled the conflict zone, and are now internally displaced in Ukraine, including in the government-controlled areas of Donetsk and Luhansk Oblasts, which host the highest numbers of IDPs and are facing the biggest challenges to meet their needs. Public institutions, services, labour markets, and communities have struggled to cope with this massive movement of people amid already weak infrastructure and a major economic downturn.



From
the People of Japan



Програма відновлення та налагодження мир



Boosting Local Economies, Improving Lives of IDPs and Local Communities



1.7 million
internally
displaced persons (IDP) –



61%
of them women –
were registered by
December 2016

Women make up of
the majority (68%) of
unemployed IDPs and face
significant barriers to (re-)
entering the labor market

One of the priority areas for UNDP's recovery programme in 2016 was the creation of jobs and livelihoods for people affected by conflict. As a result of UNDP's employment support programmes, over 2,000 conflict-affected persons, 70 percent of whom are IDPs, have thus received jobs in 2016. This support includes job co-financing and a small grants programme, both for launching new businesses, and rebuilding those that were destroyed due to the conflict. UNDP startup grants have helped create almost 250 businesses and start-ups.

“In Khartsyzk we had a newly-built plant. The entire shop floor had just been put into operation when the hostilities broke out, and we had to shut it down. We moved to Kramatorsk and started to set up the business again from scratch,”

Oleksandr Dobry,
Chief Mechanic at the metal-ware factory, Kramatorsk.

UNDP Ukraine has trained over 4,000 IDPs and local residents of the Donbas in business skills. Eleven new business support centers have been opened, and UNDP helped Public Employment Centers in Donetsk and Luhansk regions provide professional training for unemployed people. Working with seven business associations, UNDP helped them improve their capacity with intensive training and advisory support. For these associations, this meant being able to advocate for an improved business climate, while providing better services to over 2,250 micro-, small- and medium-sized enterprises throughout Ukraine, including in the Donbas region.

UNDP helped local business associations with networking events, training, and business consulting benefitting more than 500 women-led and women-owned micro-, small- and medium-sized enterprises. In October 2016, the regional Donetsk Chamber of Commerce launched a Committee on Women's Entrepreneurship to address the needs of women enterprises for services and advocacy and adopted a policy of equal opportunities in business.



Restoring Critical Infrastructure

The restoration of critical infrastructure was an immediate requirement for the economic and social recovery of the conflict-affected regions in eastern Ukraine.

With financial support from the government of Japan, UNDP restored ten critical infrastructure facilities in Donetsk and Luhansk regions, including water supply facilities, bridges, a post office and a fuel pellet workshop in 2016.

Restoration of essential services destroyed in the course of the conflict not only returns the bare essentials to society, but also a sense of hope and even solidarity. For example, when the main water pumping station was heavily damaged by shelling, the effect was devastating across the region. This facility, located in the small village outside Sloviansk, was responsible for supplying water to 95 percent of the Donbas' population. UNDP was able to fully restore the station which now provides water to the majority of the region's population on both sides of the contact line.

“We still work with our old colleagues on the other side of the contact line to keep the system working.”

Serhiy Suprun,
head of the Semenivka section of the canal near government-held Sloviansk.

“We are proud of what we do,” says Suprun, who has worked here for 34 years. “Millions of ordinary citizens rely on the water we pump. What we do is not politics - it's about getting water to people.”





#Одиночному

Promoting Peace through Social Cohesion

To support reconciliation and social cohesion in eastern Ukraine, UNDP has upheld the values of inclusiveness, dialogue and conflict resolution, as well as combating hate-speech and other forms of political and cultural intolerance. In 2016, a total of 150,000 conflict-affected people took part in UNDP's social cohesion activities, study exchanges, tolerance promotion events, and dialogue workshops.

UNDP engaged some 300 representatives of civil society, international organizations, local authorities and private enterprises from Luhansk and Donetsk oblasts to participate in exchange visits to find grassroots solutions to common challenges in the region. The result of these exchanges was extraordinary, with over 100 preliminary ideas for social cohesion projects. A quarter of them were finally financially supported by UNDP.

UNDP launched a nationwide campaign called "We Need Each Other" (#EachOther) to foster mutual understanding through breaking down stereotypes and prejudices that hinder the inclusion of people forcibly displaced from the Donbas region and Crimea.

"It is vital that positive narratives about IDPs be spread and amplified, and that stereotypes about them be stripped away,"

Janthomas Hiemstra,
UNDP Country Director in Ukraine.

With support from Sweden and Switzerland, UNDP established Citizens Advisory Bureaus in four locations to provide advice and assistance to the local population, often on issues related to the conflict. A total of 4,041 appeals (18% men, 78% women) were addressed within ten months.



Promoting Justice and Security in Communities

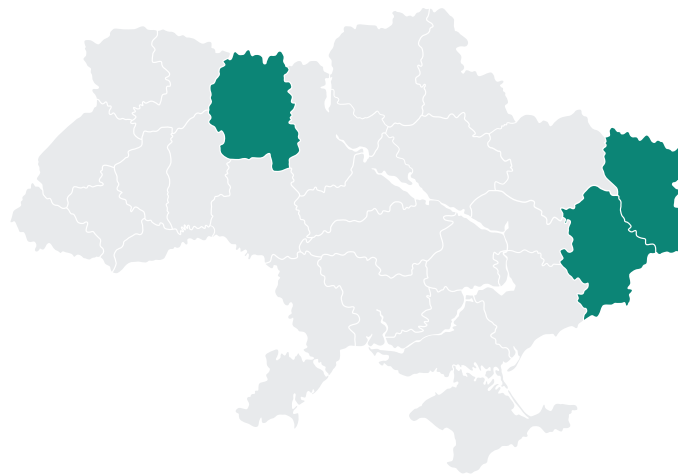
A large proportion of citizens do not feel safe, even in their homes.

Economic hardship is the dominant underlying cause of insecurity.

Justice actors are perceived as accessible, but justice itself reserved for the rich and powerful.

Key findings of 2017 Security and Justice Report funded by Netherlands.

A community-based approach is essential in transforming the security and justice situation in Ukraine.



This means the police, local authorities and justice institutions need to be more responsive to the needs of communities, while communities need to clearly identify their needs and start a dialogue with the institutions about how they can be met. For recovery in the conflict-affected areas, the restoration of community security and a real access to justice and legal assistance are true priorities.

UNDP gathered data on community security and justice issues for people in Donetsk, Luhansk and Zhytomyr regions. The data provided a detailed picture of citizens' knowledge, attitudes and experiences with justice and security issues, including domestic violence. Based on the data, UNDP identified priority areas where interventions are required, and evaluated the effectiveness of ongoing justice sector reforms and how to advocate for policy and legislative changes.



Supporting Regional Development



To support long-term goals, in 2016 both Donetsk and Luhansk Regions updated their Regional Development Strategies and implementation plans, with technical assistance from the UNDP. UNDP provided support to the newly formed Luhansk and Donetsk Regional Development Agencies, including with equipment that will help them conduct effective and transparent operations.

In pursuing an ambitious decentralization agenda, one of the main reform priorities of the government, Ukraine must enact territorial-administrative reform to consolidate units of local governance. Strengthening the capacity of local governments by improving transparency, accountability and responsiveness to community needs as well as equity and non-discrimination are fundamental if decentralization and other reforms are to have a meaningful impact. This entails improving 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.

To strengthen the institutional capacities of the local governments, UNDP recruited six advisors to work with Oblast administrations, cities, towns and villages on local governance reforms, in particular territorial amalgamation and fiscal decentralization, and thirty experts to work with 15 municipal administrations in Donetsk and Luhansk oblasts.



Women and Girls: the Most Affected by Conflict

The promotion of gender equality and the empowerment of women is central to the mandate of UNDP. Around the world, UNDP is giving special attention to women facing multiple and intersecting forms of discrimination. In Ukraine, this means strategically assisting those disproportionately bearing the weight of the ongoing economic crisis and armed conflict - rural and internally displaced women and girls.

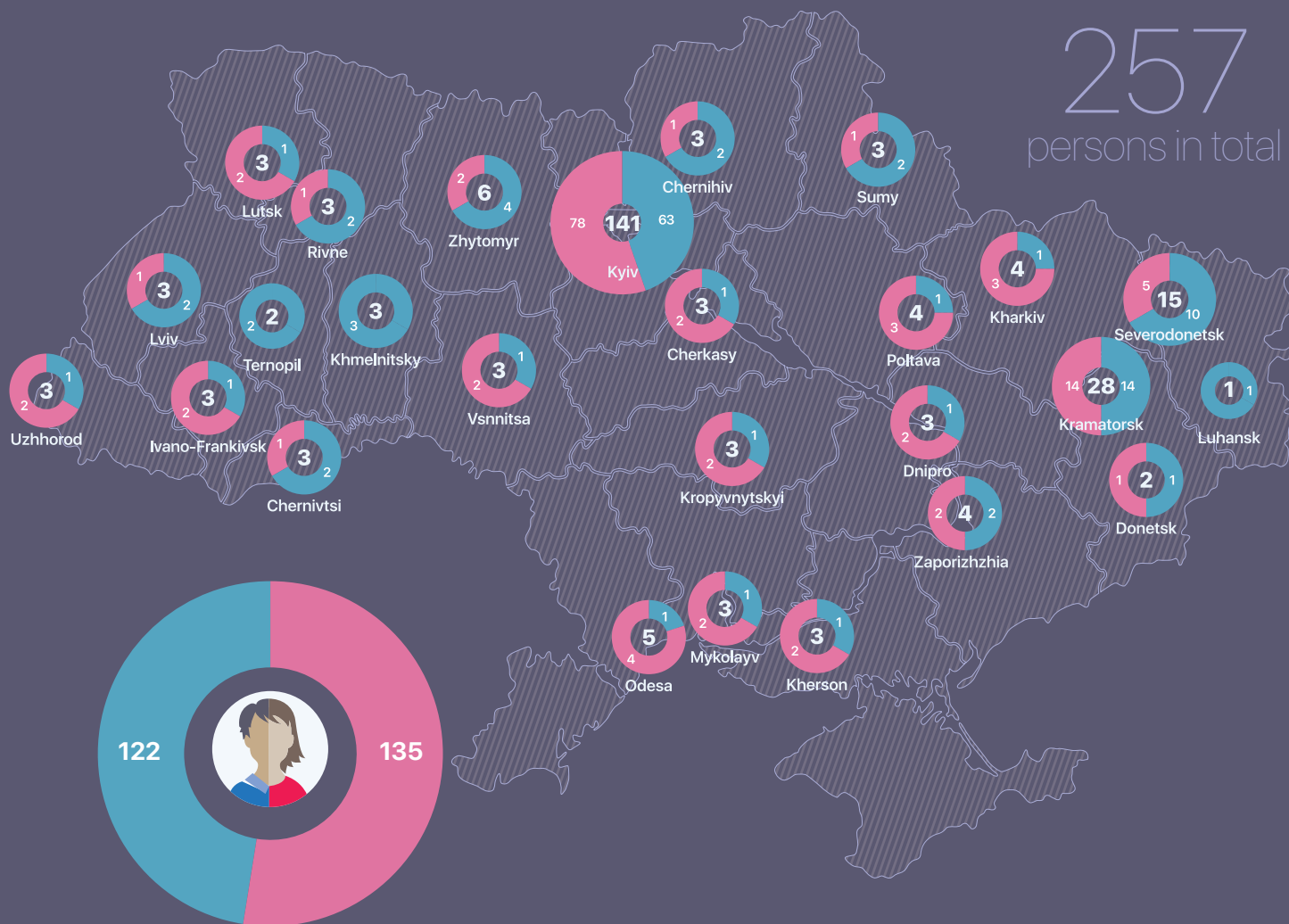
After the most basic level, when humanitarian needs are addressed and safety is achieved for women and girls, comes the most challenging step – full social and economic recovery.

As a result of targeted UNDP support in 2016:

- Overall, more than 1 million women, including female IDPs benefited from UNDP's socio-economic activities to reduce women's socio-economic disadvantages in rural areas.
- 500 women-led or women-owned enterprises benefited from UNDP business development services and technical and financial support to business associations;
- 1,000+ internally displaced women found a job.

UNDP Ukraine team

257
persons in total



● MALE ● FEMALE

Funding sources and financial data

In 2016, UNDP underwent an organizational restructuring to become more effective. Delivery doubled.

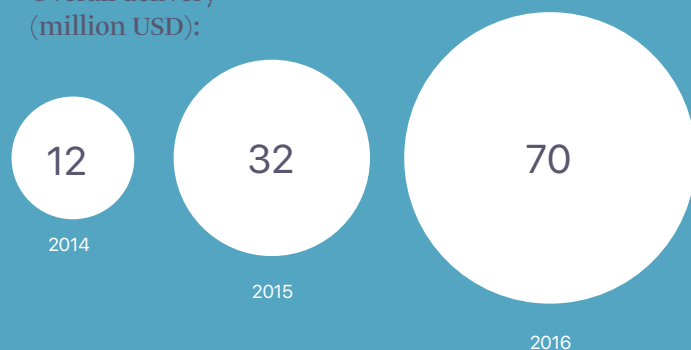
UNDP mobilized over \$101 million, exceeding the target of \$60 million.



2016 Programme budget

81,352,467
USD

Overall delivery
(million USD):



Donors	Total Count
Ministry of Health of Ukraine	50,598,269.42
European Commission	12,316,667.37
Japan	5,058,954.20
Global Environment Facility	3,997,095.00
EIB	3,000,000.00
Denmark	2,304,533.35
UNDP	1,213,836.95
Sweden	1,200,054.00
Netherlands	959,354.00
Switzerland	950,541.00
United Kingdom	931,805.89
Poland	730,000.00
Austria	530,000.00
Church of Latter-Day Saints	403,396.00
Czech Republic	338,740.00
Slovak Republic	222,542.00
Global Fund to Fight AIDS, tuberculosis	100,233.04
Turkey	100,000.00
Coca Cola	57,197.66
UNDP Seoul Policy Center	37,243.02

International partners



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