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DONOR COORDINATION FOR DECENTRALIZATION **REFORM IN UKRAINE**





The Swiss-Ukrainian Decentralization Support Project DESPRO is an international assistance project working in the reform of local self-governance (or "decentralization") in Ukraine. DESPRO is funded by the Swiss Confederation via the Swiss Cooperation Office and implemented by Skat, and has been active since 2007.



Introduction

Since 2014, a complex local self-government and territorial organization of power reform based on decentralization is being implemented in Ukraine under the lead of the Ministry for Communities and Territories Development (MinRegion). Between 2014 and 2017, the international community ramped up its support to the reform.

To ensure effectiveness and synergies between the Government's reform plans and the international projects supporting the reform, a Donor Board on Decentralization Reform in Ukraine was established in 2017, at the request of MinRegion. The establishment of the board was a joint initiative of the European Union (EU) and the Swiss Agency for Cooperation and Development (SDC), whereby DESPRO as an SDC flagship



project in the governance domain provided technical support to design the Board and then to maintain its work through a Secretariat.



The Donor Board is aimed at supporting the decentralization reform in Ukraine, created in order to ensure strategic coordination between the Government of Ukraine, the MinRegion, other central executive authorities and the donors to align the donors' support with the priorities of the reform.

A Common Results Framework (CRF)¹, which unites governmental strategies and intended reform results with objectives and plans of international technical assistance projects serves as a midterm framework for coordination. By reviewing the CRF progress annually, Minregion and its development partners identify current priorities in the reform implementation and gaps in donors' assistance coverage. At the end of 2018, the Ministry endorsed the electronic monitoring system based on the CRF².

The work of the Donor Board is structured at two levels – strategic (where coordination and dialogue between the heads of development agencies and MinRegion is taking place quarterly) and technical (where international assistance projects, specialists of Minregion, other relevant governmental agencies and local experts regularly meet). The technical coordination work relies on the mechanism of Working Groups (WGs) set around key themes of reform – namely, Territorial-Administrative Reform, Fiscal and Budgetary Issues, Local Democracy, Regional and Local Development, Public Services, Communication and Local Government (LG) training system. Organizational support to the



- ¹ <u>https://donors.decentralization.gov.ua/uploads/admin/donors_senate/file_en/files/58eb8e2c6783ec045d924a23/CRF_for_reporting_Minregion_eng.pdf</u>
- ² <u>https://donors.decentralization.gov.ua/donors_reports/all</u>

Donor Board and the Working Groups is provided by the Donor Board Secretariat. The Secretariat has two part-time staff members supported by DESPRO (one international backstopper and one national expert) who ensure the links between strategic and technical levels (the Board and WGs), reporting and update on WGs and Donor Board progress (news digests³); liaison with the Ministry; operational support to the WG meetings and update of information website⁴), support

Achievements (2017-2020)

Though other Ministries in Ukraine work closely with donors when implementing reforms in various areas, MinRegion is currently the only Ministry with an institutionalized and systematic donor coordination instrument. The Common Results Framework⁵ became an effective instrument for aligning the efforts of different stakeholders and monitoring progress of the decentralization reform implementation. The CRF electronic monitoring system ensures efficiency in tracking results and contributions of different international projects and is a tool in support of their transparency and accountability.

The Donor Bard proves to be effective in facilitating inter-ministerial coordination on important areas of the decentralization reform requiring multi-sectoral approach.

Regular meetings of working groups and of the Donor Board members also enabled coordination beyond an exchange of information, towards building synergies and added-value among different actors and projects. Some WGs produced very tangible products (methodologies, guidelines, toolkits, etc.) that allow Minregion to provide effective guidance to municipalities in the process of decentralization, as well as contributed to revision of laws and regulations in a coordinated manner.

The Donor Board platform allows the international community to elaborate joint positions on some critical reform implementation aspects and to

³ <u>https://donors.decentralization.gov.ua/en/news_digests</u>
⁴ <u>https://donors.decentralization.gov.ua/en/donor_board</u>

regular exchange between Minregion, donors and projects; identification of issues requiring coordination and follow up. Each WG has two coordinators (one from Minregion and one from an international project) that are responsible for managing the content and facilitating the work of their respective WG. Where relevant (especially in public services-related groups) the WGs include representatives from other line Ministries and public agencies.



speak in one voice. This coordination made it possible to effectively conduct a number of large decentralization related information campaigns, events and forums by drawing on joint efforts and resources of development partners.

Some facts about the Donor Board in figures:

- 15 states and international organizations members of the Board⁶
- 24 international projects and programs participating in the Board's WGs
- 12 line Ministries and public agencies participating
- 4 national Local Governance Associations involved
- 13 thematic working groups on various aspects of reform⁷
- ⁵ <u>https://donors.decentralization.gov.ua/uploads/admin/donors_senate/file_en/files/58eb8e2c6783ec045d924a23/CRF_for_reporting_Minregion_eng.pdf</u>
- ⁶ Donor Board members include: Canada, Council of Europe, Denmark, France, Germany, Estonia, European Union, OECD, OSCE, Poland, Sweden, Switzerland, UK, UN, USA
- ⁷ 13 Working groups include: On Administrative-Territorial Reform and Decentralization Legal Framework; Local Self-Government Finances and Budgeting; On local democracy and the development of forms of direct democracy; On regional and local development; On Administrative services, On municipal services, on Humanitarian Policy, On Education, On Culture, youth, sport and tourism; On Security; On Communication; On Knowledge management; On gender equality.

4 Lessons learned

- The commitment of Minregion's leadership and internal capacity for leading the coordination process and maintaining the linkages with other line Ministries and Agencies is key.
- The Common Results Framework based on reform objectives and international projects inputs is instrumental for monitoring of results and progress, decision-making and collaboration amongst stakeholders. A clear vision, concepts and strategies on decentralization for particular sectors, as well as funding for their implementation is an important pre-condition for establishing results-based cooperation.
- The activity of the WG depends to a large extent on the initiative of Minregion and group coordinators, the interest in certain decentralization themes and the volume of technical assistance and funding dedicated to this area. For instance, the Working Group on Municipal services is not active as there are few donors funding services provision.
- It is important to support and provide capacity building to the Ministry to have a system on board on how to work with donors and international projects, for M&E and decisionmaking. This will lead to institutionalization of



the Donor Board Secretariat to the division in the Ministry which works with international organizations.

- The quality of the technical support (capacity of the Secretariat) is essential for smooth Donor Board functioning and further development of Working Groups.
- The ability of the donor community to respond to emerging needs and decentralization priorities is crucial for ensuring smooth decentralization reform across the sectors.
- Higher level coordination at the level of the Cabinet of Ministers is sometimes needed to address effectively and efficiently issues requiring inter-ministerial solutions.

Resources

Website <u>https://donors.decentralization.gov.ua/</u> <u>donor_board</u>

Common Results Framework <u>https://donors.</u> decentralization.gov.ua/uploads/admin/donors_ senate/file_en/files/58eb8e2c6783ec045d924a23/ CRF_for_reporting_Minregion_eng.pdf

Digests <u>https://donors.decentralization.gov.ua/</u> <u>en/news_digests</u> TOR of the Donor Board <u>https://donors.</u> <u>decentralization.gov.ua/uploads/admin/donors</u> <u>senate/file_en/files/58eb8e2c6783ec045d924a23/</u> <u>ToR_DDB_Engl_final_version.pdf</u>

