



**Executive Board of the
United Nations Development
Programme and of the
United Nations Population Fund**

Distr.: General
13 December 2001

Original: English

First regular session 2002

28 January to 8 February 2002, New York

Item 3 of the provisional agenda

Country cooperation frameworks and related matters

**Second country cooperation framework for Ukraine
(2002-2005)**

Contents

| | <i>Paragraphs</i> | <i>Page</i> |
|---|-------------------|-------------|
| Introduction | 1 | 2 |
| I. Development situation from a sustainable human development perspective | 2 - 10 | 2 |
| II. Results and lessons of past cooperation | 11 - 13 | 4 |
| III. Objectives, programme areas and expected results | 14 - 38 | 4 |
| A. Objectives | 14 - 16 | 4 |
| B. Sound governance | 17 - 22 | 5 |
| C. Human security and development | 23 - 31 | 6 |
| D. Environmental protection and sustainable development | 32 - 38 | 8 |
| IV. Management arrangements | 39 - 43 | 9 |
| Annex | | |
| Resource mobilization target table for Ukraine (2002-2005) | | 11 |



Introduction

1. In the last decade Ukraine has progressively advanced, expanding its choices and opening up to the outside world. As the new socio-economic system continues to undergo transformation, however, there has been a marked decline in human development and increased vulnerability of citizens. The second country cooperation framework (CCF) for 2002-2005 responds to the challenges and opportunities of this ongoing process of transition. It flows directly from the analysis contained in the common country assessment (CCA) and the strategies of the recently completed United Nations Development Assistance Framework (UNDAF). It also builds upon the findings of the country review completed in 2000 and the strategic results framework (SRF) for 2001-2005. The CCF is based on extensive consultations with the Government both at national and local levels, United Nations organizations, bilateral donors, multilateral institutions, and representatives of civil society and the private sector.

I. Development situation from a sustainable human development perspective

2. Ukraine became an independent state in 1991. With a population of almost 50 million and a land area of 603 700 sq. km, the country has significant assets for development. It has a high level of human development, largely a result of pre-transition social investments; extremely fertile "black earth" zone that made Ukraine the "bread basket" of the former Soviet Union; and abundant mineral resources, including manganese, uranium, iron ore and coal. There is a large gap, however, between the country's potential and actual development outcomes. In its transition from a socialist to a democratic system of governance with a market economy, Ukraine experienced a steady economic decline. The gross domestic product (GDP) per capita of \$700 in 2000 was around 50 per cent of what it was a decade ago. At the same time, the process of reform has proceeded slowly; the banking system is weak; the capital stock is largely not competitive; investment and saving levels are low; and a soft budget culture led to large budget deficits.

3. Progress has been made toward building a democratic system of governance. Ukrainian citizens enjoy freedom of

choice and expression and access to multiple media sources. Although still nascent, civil society is starting to grow and non-governmental organizations (NGOs) are becoming more common. Similarly, elected authorities are serving at the village and municipal levels. The system of governance, however, continues to be centrally oriented. Ukraine continues to face significant challenges in strengthening and building a democratic system of governance. Yet to be achieved is the full inclusion of people in public decision-making processes on issues affecting their lives and accountability and transparency in the use of public resources. The application of laws and regulations is arbitrary; the flow of information is limited; and local administrators are less than fully empowered to meet citizens' needs.

4. The Cabinet of Ministers introduced the reforms for prosperity programme, which was approved by the parliament as a central policy statement for 2000-2004. It designates human development, poverty reduction, a competitive economy and integration into the European Union as the top strategic priorities for prosperity. This policy document is based on the human development perspective, which has been disseminated in the annual *Human Development Report* of UNDP and which, with recent presidential and government declarations, has been a reference point for defining CCF activities presented in this document. Full implementation of the programme, however, requires the development of a complex mosaic of policies, based on public support and consensus at the presidential, governmental and parliamentary levels, for the long-term well-being of the Ukrainian people. The Government therefore needs continued support in improving policies and in promoting capacity building for participatory development.

5. The steady economic decline of the 1990s had a serious and long-term impact on the income and well-being of the population. The erosion of social benefits and services resulting from cuts in overall public expenditures, combined with a policy of gradual cost recovery on social services, have aggravated the human development situation. Wage arrears have reached large proportions and public sector employees, especially in health care and education, have been hit hardest. The poverty assessments of the Government indicate that almost 26.7 per cent of the population lives below the poverty line (subsistence level of approximately \$22 per month). This figure would be significantly higher (70 per cent or more) if internationally recognized standards were considered. At the same time,

the informal economy has grown substantially and now accounts for an estimated 40 per cent of GDP. The informal sector provides seasonal and regular employment for many workers, but social protection and labour standards are lacking and states taxes go unpaid. The Government has recognized poverty alleviation as a major concern and a development priority.

6. It is widely recognized by the Government and the donor community that the process of economic recovery has begun. Since 2000, Ukraine experienced a positive growth rate of 5.8 per cent and an inflation level of 25 per cent. This trend was expected to continue in 2001 with concrete growth, control of inflation and the near balancing of the national budget. There are indications of growing wealth in Kiev; however, the gap between the wealthy and the poor continues to expand. Policy-makers face the challenge of sustaining growth while providing the poor greater access to market economy opportunities. In this context, agricultural production is a key area on which the Government is concentrating. The educational system is likewise being reformed to meet the challenges of global competition. Strong emphasis is also being placed on developing information technology.

7. Related to increased poverty is the decline in social expenditures, which has negatively affected not only vulnerable groups but also the population at large. Its adverse impact is visible in several health indicators, such as the declines in life expectancy and birth rates. Ukraine is already facing a full-blown HIV/AIDS epidemic – currently the highest per capita in Eastern Europe. To respond effectively the Government and NGOs must develop their capacity-building efforts, with intense focus on prevention and care. With a human development index (HDI) of 0.742 in 1999, Ukraine ranked 74 out of a total of 162 countries, declining from its position of 45 (HDI 0.823) in 1992, according to the *Human Development Report 2001*. Ukraine is also experiencing negative population growth, with a decrease from approximately 52 to 50 million in the last few years of transition.

8. The Government continues to face human security challenges. In the Autonomous Republic of the Crimea, the process of resettlement, integration and development of about 260 000 formerly deported people is ongoing. Local efforts, with the support of the United Nations, have successfully maintained peace and stability in the area, but the situation remains tense and requires continued support for conflict prevention and peace building. A major challenge is also the long-term social, economic, environmental development and psychological

rehabilitation of the communities affected by the Chernobyl nuclear power plant accident. The Government, however, does not possess the necessary resources and donor “fatigue” is making it increasingly difficult to mobilize international support. The last block of the Chernobyl power plant closed on 15 December 2000 and a \$720 million internationally financed programme is building a new more solid sarcophagus around the contaminated reactor. Nevertheless, the human consequences of the Chernobyl accident continue to harm the region with persistent social, economic, environmental and health hazards and an inability to sell agricultural products from the region.

9. The overall environmental degradation and pollution levels in Ukraine remain unacceptably high. Ukraine accounts for about 6 per cent of global carbon dioxide emissions, primarily the result of inefficient industrial technology and energy systems. During the transition period, the process of biomass and wetland area depletion has increased, affecting negatively the wealth of European biodiversity. Besides climate change and biodiversity and wetland issues, urban environment management is a growing concern for the Government. Waste management and the enhancement of healthy lifestyles are gradually becoming important issues at both the national and local levels.

10. These development priorities accord with the government reforms for prosperity programme, which is oriented towards investing in human and institutional capabilities and capacities through social, economic and environmental interventions. Similarly, the United Nations Development Assistance Framework (UNDAF) highlights the importance of the United Nations system in supporting the country's transition toward democracy and a market-oriented economy. It also aims to address the needs of the vulnerable groups that are adversely affected by the transition process. UNDAF gives priority to: (a) improving governance institutions and practices; (b) promoting economic growth with equity to overcome poverty; (c) enhancing access to and quality of social services to sustain human capital; and (d) furthering the sustainable use of the natural resources.

II. Results and lessons of past cooperation

11. The review of the first CCF, which was completed in 2000, noted that despite limited financial resources UNDP has been an important development partner in Ukraine. Having the confidence of the Government, civil society and donors, UNDP has been successful in building national capacity and responding to both the immediate and long-term needs of the Government and society.

12. During the first CCF period, UNDP support was provided in three major programme areas: (a) good governance; (b) income generation, employment and social protection; and (c) environmental conservation and management. Some of the successful results that will be the baseline for the current CCF are:

(a) In the area of governance, policy advice for reforms with the Office of the Prime Minister, state committees and leading ministries led to inclusive decision-making systems between the Government and the public. Civil-society feedback on the programme and performance of the Government was initiated. Similarly, human development reports impacted on government thinking, with key concepts influencing their policies. This lays the framework for further assistance in the area of democratic governance;

(b) In the area of social protection and sustainable livelihoods, UNDP appropriately utilized pilot projects to demonstrate how people's lives can be enhanced. The small- and medium-sized enterprise (SME) project demonstrated business planning and employment generation schemes that can become the basis for helping to bring about poverty reduction. Similarly, the Crimean integration and development project succeeded in creating conditions for formerly deported peoples of Crimea and other nationalities to live in peace and stability through community-based integration and development;

(c) In the area of environmental management, experience in the social and psychological rehabilitation of the Chernobyl-affected communities is widely recognized. This allows for further expansion of rehabilitation efforts to cover social, economic, environment and agriculture sectors as well.

13. The following includes additional lessons for the formulation of the second CCF, largely based on the country review and subsequent feedback from the Government and UNDP headquarters:

(a) The first CCF was included many interventions that were not programmatically coherent. It is therefore important to change the strategy to incorporate programme-orientation into UNDP assistance and to concentrate on fewer areas where UNDP can demonstrate a distinct comparative advantage and take the lead in coordination;

(b) Given the scarce resources available to UNDP, the practice of using pilot projects to demonstrate results and which lead to resource mobilization should be continued. The country office should continue to tap the opportunities for resource mobilization from the donor community. Focus should also be given to resource mobilization from the Global Environment facility (GEF), Capacity 21 and the private sector;

(c) UNDP should implement programmes at both the grass-roots and national policy levels since they provide an ideal platform to bring the lessons learnt at the local level to the attention of national policy-makers;

(d) Most projects are nationally executed. It is important for UNDP to establish an effective system for national execution management; and

(e) UNDP should enhance result-based monitoring and trace the impact of its interventions on people's lives. Tracing mechanisms should be introduced during the design phase and results monitored in a dynamic way throughout the life of the programme.

III. Objectives, programme areas and expected results

A. Objectives

14. In accordance with government priorities, UNDP will support the efforts of the Ukrainian people in their transition towards a democratic system of governance and a market-oriented economy. The objective of the CCF is to support the Government and the people in building human and institutional capacities to develop and implement policy and thereby create a pattern of sustainable and equitable high-quality growth that promotes human development, protects human security and reduces human poverty.

15. UNDP support will focus on three interrelated and mutually reinforcing programme areas: (a) strengthening democratic governance; (b) promoting human security and

development; and (c) enhancing environmental protection and sustainable development. Gender mainstreaming will be an integral part of all programme areas.

16. UNDP will promote an integrated and gender-sensitive approach to assistance. To ensure demand-driven assistance and sustainability of results, all programmes will adopt institutional and partnership-based strategies. This will include the use of UNDP core resources, as seed grants, to facilitate resource mobilization from a range of external and internal sources. A strategic approach, built around development opportunities, partnerships and dialogue, will be adopted through which UNDP will continue to be the core partner of the Government in strengthening the process and results of transition. All UNDP-assisted programmes will adopt the following principles:

(a) *Policy formulation.* All programmes will focus on supporting policies for sustainable and equitable growth, human development and poverty reduction through innovative advisory services backed by research and local-level operational experiences;

(b) *Policy implementation.* All programmes will emphasize capacity building for implementation of policies, including the active engagement of the local authorities and civil society in demanding quality public services;

(c) *Partners.* All programmes will undertake partnership-based strategies. In this regard, UNDP will partner with the Government, local authorities, private sector, NGOs and civil society organizations (CSOs). UNDP will also partner closely with other United Nations organizations, Bretton Woods institutions, bilateral donors and international NGOs. UNDP will also play a critical role in donor coordination, with the resident coordinator playing an important role in supporting cohesive United Nations support to Ukraine as now covered in the UNDAF;

(d) *Participation.* The principle of the new constitution of Ukraine – that citizens are free to determine the direction of their own lives – will be the bedrock of UNDP programmes. The outreach of the Government and local authorities to civil society will be emphasized to enhance consensus around important policies;

(e) *Performance.* The country office and all programmes will utilize results-based management to measure both performance and impact, especially on quality of life.

B. Sound governance

17. Improved governance is required to promote sustainable and equitable growth and human development in Ukraine. The programme on governance will support the Government in developing enabling policies and institutional capacities, which will help the people to realize their potential. An inter-linked package of support will target: (a) policy dialogue for human development; (b) government capacity for policy-making and implementation based on broad social assent; (c) decentralization and strengthening of local government; and (d) informed decision-making by both CSOs and unofficial citizen organizations.

Policy dialogue for human development

18. The primary UNDP vehicle for advocacy on human development, human security and poverty reduction will continue to be the national human development reports (NHDR). Future reports will reinforce the growing Ukrainian practice of relying on research, public debate and consensus-building to improve public policy-making. The next four NHDRs will constitute a series that focuses on the linkages between human development and governance. The process of producing NHDRs will primarily involve national institutions, such as government at the national and local levels, academia, CSOs and the media. The process will emphasize the capacity building of these partners for data collection, analysis and transparency of discussion and dissemination of findings.

Participatory governance and development

19. As Ukraine approaches a new phase of reforms, a reconceptualization of the role of the state and its relationship to the private sector and civil society is essential. UNDP will continue to support the reform of the Government to make decision-making more transparent and accountable. This will be linked to increased citizen participation in the policy-making and decision-making process as an essential component of the reform. In this regard, the participation of civil society groups, promotion of human rights, incorporation of transparency and accountability mechanism, use of information and

communication technology and other outreach modalities for increased access to information by the public will be of priority.

20. UNDP will continue to support decentralization efforts by consolidating legislation that enables the devolution of authority to the regional and local levels and by strengthening the capacities of local government. Local governments are key development players, which have a variety of roles to play in encouraging and supporting local economic and human development. For instance, they are crucial for establishing favourable policy and institutional conditions and support for local SMEs and in the production and provision of both public and private goods and services. UNDP will support the Government in strengthening the capabilities and capacity of local authorities. This will enhance local governance through social, economic and environmental interventions, focusing on the delivery of both public and private goods and services. New partnerships between local authorities, the private sector and CSOs will be a priority, as the means to improve public services and stimulate local economic activities. Best practices that emerge will be utilized to influence national policy and institutional changes

Integrity and civil society

21. UNDP support for policy development and decentralization will be linked to the capacity building of government and local authorities and CSOs to influence and practice public policy that focuses on transparency, accountability and human rights. Such support will directly contribute to enhancing the performance and capacity of government and local authorities and will enable the people to participate in and take advantage of opportunities for their development. This effort will also encompass organizations – such as those providing social services for the poor and vulnerable – that provide assistance to HIV patients and support democracy, human rights and the rule of law. UNDP will provide these organizations with a neutral space for their engagement in policy dialogue and public consensus building.

Partners and expected results

22. The programme area corresponds to the SRF goals of enhancing participatory governance and gender

mainstreaming. The core partners will be the Government, local authorities and CSOs. Similarly, UNDP will partner with the United States Agency for International Development (USAID), the Department for International Development (DFID) of the United Kingdom, the Canadian International Development Agency (CIDA), the Government of Netherlands and other donors. The expected results, in line with the SRF and the Millennium Development goals, are that: (a) a significant number of policy and advisory outputs, such as NHDRs, are reflected in national and local policies; (2) national policies on reform, decentralization and civil society are formulated through participatory dialogue, with an impact on governance and poverty reduction; (c) increased levels of partnership between local authorities, NGOs, and civil society and private-sector organizations result from programme interventions promoting democratic governance and a market-oriented economy; (d) CSOs, reflecting community priorities, are increasingly involved in the formulation and implementation of national and local policies.

C. Human security and development

23. UNDP will support the Government in its efforts to make poverty reduction the top priority of its reform agenda. UNDP will thereby provide its distinctive perspective on poverty reduction, including the measurement of poverty, the inclusion of the poor in decision making, full consideration of gender concerns and ensuring that grass-roots experience are incorporated into policy making and implemented at both the local and national levels. In line with the UNDAF, emphasis will be given to growth policies that foster human development and poverty reduction and that direct support to human capital development, such as boosting educational attainments through the application of information technology.

Pro-poor policies and poverty reduction

24. UNDP will assist the Government in implementing its national poverty reduction strategy that was launched in August 2001. In doing so, UNDP will utilize its experience to help the Government to develop social and economic policies, strengthen agriculture sector reform and promote

SMEs. UNDP will continue to assist central and local decision-makers in accessing high-quality advisory support for the formulation of pro-poor, inter-linked macroeconomic, social policies. Similarly, UNDP will continue to support reform of the agriculture sector, which is crucial for any significant improvement in the well-being of the rural population. Besides the focus on transforming collective farms and land ownership through the use of market economic instruments, support will be provided to link the rural population to advisory, technological and financial services to enhance their livelihoods.

25. Coordination with central and local authorities to promote the local economy from a human development perspective will receive high priority. UNDP will build on the experience of the SME project in revitalizing existing enterprises for urban economic development, but will expand its support for income and employment generation interventions. Support for labour market regulations, skills enhancement with technology transfer, growth of small and medium enterprises in the private sector, business development services and provision of financial services, such as through credit unions or micro-finance institutions, will be critical. Special emphasis will be given to youth and women through training and enterprise development. Similarly, support for learning from the experience of neighbouring countries, such as Poland, Czech Republic and Hungary will be provided, as appropriate.

Education and information technology

26. The rapid changes in economic and social structures that Ukraine is experiencing require fundamental reforms in educational policies and systems. UNDP will help the Government to align educational services with the demand of a market-based economy.

27. Particular attention will be given to supporting modern information technologies and the wider use of the Internet for sharing knowledge and learning. UNDP will place emphasis on access to information technology by low-income groups, primarily in rural areas, in order to help close the expanding "digital divide" within Ukraine. Because of increasing globalization, educational institutions must ensure that graduates acquire basic modern skills, such as proficiency with information technology, to enhance the country's international competitiveness. UNDP will therefore support the application of information technology, which has great

potential to stimulate growth via the unprecedented access to knowledge, e-commerce, market information, investment opportunities and e-jobs. It will also attempt to link information technology with initiatives for more democratic governance through the increased flow of information and potential for more effective policy dialogues.

Prevention of HIV/AIDS

28. Current data on Ukraine suggest that HIV has reached epidemic proportions. Unofficial estimates place the number of HIV-infected people at 250 000 to 400 000 – the majority of them are young between the ages of 18 and 28 who have been infected primarily by drug injection. To address this alarming situation, UNDP, in a joint programme with five United Nations organizations called ACT NOW, will work closely with the Government and other development partners to provide comprehensive support in the implementation of the national plan on HIV/AIDS. UNDP support will consist of a capacity-building package that links policy and institutional development, networking to enhance preventive measures and applied human rights to strengthen care and treatment of the affected population. The package will include: promoting healthy lifestyles among young people; supporting demand-reduction efforts on drug abuse; enhancing the capacities of various professional and community organizations in the prevention of HIV/AIDS and sexually transmitted diseases (STDs); and conducting public awareness campaigns through the active involvement of the media and those who are HIV-positive. Emphasis will also be given to supporting peer groups among young people, encouraging HIV-positive individuals to organize, and fostering greater coordination of national efforts.

Enhancing human security and conflict prevention

29. UNDP will continue to expand its support to the Crimea Integration and Development Programme (CIDP), which entered a new phase in June of 2001. The main objective of CIDP is to assist the Government in maintaining peace and stability in Crimea through the peaceful resettlement and reintegration of over 260 000 people, mainly Crimean Tartars, who have now returned to

their homeland after having been deported at the end of World War II. CIDP focuses on boosting the human security of the residents of Crimea through: good governance, which contributes to dialogue, participation and capacity building; tolerance based on enhancing education and culture; and closing socio-economic gaps (through improved access to credits, business skills, basic social services and community infrastructure). Women and youth are priority beneficiaries of the programme. UNDP will work closely with the Government in expanding the CIDP approach to new communities of formerly deported persons, implementing an early warning system and drawing out the important lessons of the programme to influence national policy-making.

30. UNDP will also continue to support people in Chernobyl-affected areas in overcoming the human development consequences through psychological, social, economic and environmental rehabilitation and development. In spite of the fact that the Chernobyl nuclear power plant was closed in December 2000 (nearly 15 years after the disaster), the social, economic and environmental consequences will persist well into the future. In partnership with other United Nations organizations, UNDP will continue to support national and local authorities, community development centres and local communities in mitigating the long-term consequences of the disaster through development opportunities. Prevention measures will be pursued to avert further radioactive contamination of the Dneipro River, which is the source of water for about 30 million people.

Partners and expected results

31. This programme area corresponds to the strategic area of poverty reduction, gender and, to a certain extent, special development situations. The core partners will be the Government, local authorities and CSOs. Partnerships will also be developed with: (a) DFID, USAID, the European Union and the World Bank on poverty reduction; (b) the Government and private sector on education and information technology; (c) Italy, SIDA, USAID, the World Bank, United Nations organizations on HIV/AIDS; and (d) DFID, SIDA, the Swiss Agency for development and Cooperation (SDC), CIDA, Turkey, Greece, the United Nations system and others on human security. The expected results, in line with the SRF and Millennium Summit goals, include: (a) higher levels of employment, income generation and enterprise-development

opportunities thanks to pro-poor policies; (b) expanded access to educational, social and economic services with expanded connectivity to information and communication technologies in rural areas; (c) reduction trend in HIV/AIDS cases through preventive measures covering vulnerable areas and groups; (d) increased number of communities participating in integration activities and peace, harmony and development maintained through community-based approaches in the Crimea and Chernobyl.

D. Environmental protection and sustainable development

32. UNDP will galvanize efforts with national partners to promote the integration of the sustainable use of natural resources with policies for economic growth, human development and poverty reduction. The programme will support the Government in the design of appropriate policies and in developing capacities for sustainable management of the environment and promotion of viable approaches to sustainable development. This will help the Government to meet its national and international obligations, especially those related to international conventions. UNDP will support activities at both the upstream and downstream levels with the common focus of advancing sound policies and effective implementation. In doing so, awareness on social, economic and environmental linkages will be emphasized. UNDP support in this programme area will be done through the mobilization of support, primarily from the Global Environment Facility, Capacity 21 and the Thematic Trust Fund of UNDP.

Sustainable development

33. In keeping with commitments made at the United Nations Conference on Environment and Development in Rio de Janeiro, the Government has adopted a national sustainable development strategy. UNDP will build on this achievement to strengthen further national policies and institutional development for sustainable development. This will be done by starting with two strategic events – the United Nations World Summit on Sustainable Development (Rio+10) in 2002 and the Environment for Europe ministerial conference, Kiev 2003. Through these initiatives, UNDP will seek to support consensus building

on European environmental policies (with a special focus on newly independent states), providing a basis for public discussion of priorities in Ukraine.

34. In preparing for these events, UNDP will provide assistance, involving participatory approaches, in: (a) undertaking analysis and research in local and national trends; (b) facilitating cross-sectoral policy dialogue on national, regional and global problems; (c) sharing knowledge and experiences; and (d) defining opportunities for sustainable development. UNDP will seek to utilize this knowledge, especially the support for the Rio+10 conference in partnering with the Government in demonstrating effective decentralized sustainable development approaches, for example, in the mountain areas of Ukraine.

Environment conservation and management

35. Ukraine is rich in natural resources and biodiversity and its international waters are of global significance. The country's industrial activities and energy consumption have implications for global climate change. UNDP seeks, therefore, to enhance the capacity of the Government, NGOs and CSOs to utilize people-centred approaches to biodiversity conservation and the sustainable utilization of other natural resources (wetlands). This will be linked to preserving life-supporting biological systems, managing land and water resources, improving the quality of life and reducing poverty. This will be achieved by providing assistance for the effective management of protected areas and forest resources that are of significance for maintaining forest and mountain ecosystems.

36. Problems associated with industrial pollution, water quality and energy inefficiency will also be addressed in order to reduce environmental deterioration, especially in urban areas, and to mitigate global climate change. The urban-based industries and energy systems in Ukraine are significant contributors, impacting negatively on global climate change. Pollution control, energy efficiency, waste management and integrated soil management initiatives that promote local and community-level environmentally sound practices will be implemented.

37. UNDP will help Ukraine to harmonize its practices with European Union environmental legislation, standards and guidelines, which is also essential for future integration. UNDP also seeks to support the Government in protecting the country's global assets through partnerships

with its regional and global initiatives. Regional projects dealing with international waters, biodiversity conservation and climate change, for example, will be utilized.

Expected results

38. The core partners in environmental protection will be the Government, municipal authorities and CSOs. Partnership with USAID and the United States Environmental Protection Agency (USEPA) will be continued and ties with new donor partners such as the European Bank for Reconstruction and Development (EBRD), the World Bank, the European Union and others will be developed. The expected results, in line with the SRF, include: (a) the development of policies that respond to international commitments on environmental protection and sustainable development; (b) the integration of environmental issues into national and local development planning and management; (c) utilizing viable approaches for reducing greenhouse gases; (d) implementing policy-oriented and community-based approaches to sustainable development in vulnerable mountain areas that have the potential for national replication or adaptation.

IV. Management arrangements

39. *Programme development and management.* The number of projects will be reduced in favour of programme orientation, focus and impact. A partnership approach will be used in programme formulation, in cooperation with the Government, local authorities, CSOs and donor organizations. As in the previous programming period, national execution will be the principal modality for UNDP-supported projects. The services of United Nations organizations will be used in accordance with their respective comparative advantages. Further training on the administrative modalities of national execution will be undertaken as well as support services to areas where national execution capacities are weak. NGO execution and direct execution will only be considered in special circumstances. Programme-oriented approaches will be promoted and will focus on the three CCF areas. Innovative and individual project or activity-oriented responses for policy advisory services will be provided through an umbrella advisory support facility.

40. *Monitoring, review and reporting.* All projects will be subject to UNDP monitoring and evaluation procedures, including progress and technical reports, tripartite reviews and project site visits. The country office will utilize the SRF and all programmes will be subjected to results-based work planning and management. The results-based management tools will be incorporated so that the Government and UNDP can better assess the performance and impact of programmes. Standard reporting will be provided to donors on the basis of cost-sharing agreements.

41. *Coordination and networking.* The resident coordinator will play a vital role in implementing the CCA and UNDAF mechanisms. The country team will move beyond information sharing to more cohesive programming within the United Nations system. The resident coordinator and UNDP as a whole will continue to assist the Government in its donor-coordination efforts. UNDP will also seek to develop advisory networks, covering government, non-governmental and private-sector expertise and institutions for sharing of knowledge.

42. *Strategic partnerships and resource mobilization.* Programme development, with the use of core resources, will be based on the promotion of partnership approaches to mobilize support and resources. Since annual core resources are currently projected to be around \$1 million, the country office will emphasize the mobilization of additional resources from both national and international sources. In light of historic patterns and early indications of forthcoming official development assistance (ODA), however, the annual amount could possibly rise to \$2.5 million. Innovative approaches will be explored with the private sector to support specific areas of UNDP intervention.

43. *Public information and media strategy.* In the context of the United Nations system information strategy, UNDP will take a dynamic and pro-active approach to presenting the development lessons of its programmes. Key media partnerships will be established both through programmes and the good offices of the resident representative. Regular press conferences and press releases will take place, with all media channels utilized and a heavy emphasis on communication through information technology.

Annex

Resource mobilization target table for Ukraine (2002 - 2005)

| <i>Source</i> | <i>Amount</i> <i>(In thousands of United States dollars)</i> | <i>Comments</i> |
|-------------------------------|---|---|
| UNDP regular resources | | |
| Estimated carry-over | (218) | Includes carry-over of TRAC 1, TRAC 2 and the earlier AOS allocations. |
| TRAC 1.1.1 | 4 885 | Assigned immediately to country. |
| TRAC 1.1.2 | 0 to 66.7 per cent of TRAC 1.1.1 | This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources. |
| SPPD/STS | 115 | |
| Subtotal | 4 782^a | |
| UNDP other resources | | |
| Government cost-sharing | 2 000 | |
| Third-party cost-sharing | 6 000 | |
| Funds, trust funds and other | 2 000 | |
| | of which: | |
| GEF | 1 800 | |
| Capacity 21 | 200 | |
| Subtotal | 10 000 | |
| Grand total | 14 782^a | |

^a Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application. Abbreviations: AOS = administrative and operational services; GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.

