

## Data Sheet

<b>USAID Mission:</b>	Ukraine
<b>Program Title:</b>	Good Governance
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	121-0224
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$6,930,000 FSA
<b>Prior Year Unobligated:</b>	\$3,437,000 FSA
<b>Proposed FY 2006 Obligation:</b>	\$7,300,000 FSA
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** This USAID program promotes assistance aimed at: supporting autonomous and responsive local self-governance; a more effective, independent, and representative legislature; and adherence to the rule of law.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Support Democratic Local Government and Decentralization (\$5,230,000 FSA, \$2,950,000 FSA carryover). USAID plans to make a three-year grant directly to the Association of Ukrainian Cities to increase the scope and content of professional training to municipal officials, and the capacity to develop and implement legislation at the national level to promote local government fiscal and political autonomy. Principal grantee: U.S.-Ukraine Foundation (prime).

USAID has launched a comprehensive five-year program of Local Economic Development (LED), which will directly impact 50 participating cities and indirectly benefit hundreds more through dissemination of LED Best Practices. The project will establish an enabling environment in municipalities to nurture the growth of business activity, employment income, and local tax base. Principal contractor: Chemonics International (prime).

USAID will continue its assistance to critical communal water services, waste water management, and district heating systems. Over the next two years, 40 communal service enterprises will receive technical assistance in strategic planning, accounting, rate setting, and citizen participation. Principal grantee: Planning and Development Collaborative International (all prime).

A new three-year Municipal Budget Reform project will provide intensive technical assistance to 130 cities in developing and implementing performance based annual budget programs. Participating cities will learn to apply critical analysis in budget preparation, the use of institutionalized citizen participation, multi-year financial planning, and capital budgeting. Principal contractor: to be determined (TBD).

USAID will begin its sixth year of support to five Regional Training Centers (RTCs) that serve the needs of local government officials. Principal grantee: U.S.-Ukraine Foundation (prime).

Strengthen Democratic National Governance Institutions (\$1,700,000 FSA). USAID's Parliamentary Development Program will continue working towards three objectives: more effective, democratic internal management systems in Parliament; improved legislative-executive relations; and increased access/feedback of citizens to the legislative process. PDP will prepare manuals and conduct training sessions that will cover important areas of the legislative process. Principal grantee: Indiana University (prime).

Improve Justice Sector/Legal Framework (\$487,000 FSA carryover). USAID will continue to support network of legal advocacy centers, legal education for lawyers and judges, support for student legal clinics, and independent judicial associations. Principal grantee: American Bar

Association/Central and Eastern Europe Legal Initiative (prime).

**FY 2006 Program:** Support Democratic Local Government and Decentralization (\$5,205,000 FSA). USAID believes that the success of the local government program in recent years has been based upon a balanced offering of technical assistance in three subject areas: municipal association building that unites cities into a powerful national political force, which contributes to legislative advocacy; broad based city management skills improvement, which incorporates citizen participation in transparent municipal decision making; and, visible improvement in the supply and quality of basic municipal services, such as water, district heating, and transportation. USAID anticipates transferring \$1,500,000 FSA to Development Credit Authority (DCA) to establish a Municipal Development Credit Authority to provide \$30,000,000 in loans through commercial banks to communal service enterprises. USAID will continue to support five Regional Training Centers that serve the needs of local government officials. Principal grantee: U.S.-Ukraine Foundation (prime).

Strengthen Democratic National Governance Institutions (\$2,000,000 FSA). USAID's Parliamentary Development Program will continue working in three areas: more effective and democratic internal management systems in Parliament; improved legislative-executive relations; and increased access and feedback of citizens to legislative process. Principal grantee: Indiana University (prime).

Improve Justice Sector/Legal Framework (\$95,000 FSA). USAID will continue to support its network of legal advocacy centers, legal education for lawyers and judges, assistance to the court administration system, support for student legal clinics, and independent judicial associations, as well as providing targeted assistance as opportunities arise to institutions of governance with a legal/judicial focus. Implementing partners is ABA/CEELI (prime). Principal grantee: TBD.

**Performance and Results:** The Budget Code has been amended to provide formula based budget transfers from the Government of Ukraine (GOU) to all 450 cities. An AUC-backed law on defining municipal property rights was finally enacted and signed by the President after being vetoed twice. A law providing special GOU support to 300 small villages was enacted. Some 75% of those cities served by the Communal Services project have already improved service duration and quality, set tariff rates at or near full cost recovery and made at least one capital improvement to a major system. AUC remains self-sufficient financially, and the membership has agreed to a doubling of member dues to better support the 25 regional offices.

With respect to the Parliament, activities in FY 2004 achieved the following: 1) increased efficiency and transparency in the legislative process through improved institutionalization of committee hearings and by providing greater access to such hearings (60 hearings open to the public were held during FY 2004); 2) Parliamentary approval of a Strategic Information Plan, which international experts, including USAID-supported experts, helped prepare; 3) increased transparency of Parliament through approval of regulations that enabled greater public access to the institution; 4) development of common approaches to legislative drafting; and 5) passage of key pieces of legislation, reflecting a strengthened and more effective legislative branch. In the judicial sector, FY04 activities achieved the following: 1) increased availability of legal counsel; 2) an increase in levels of election-related legal services; and 3) launch of a voter education campaign, focusing on legal aspects of voting.

## US Financing in Thousands of Dollars

Ukraine

121-0224 Good Governance	FSA
<b>Through September 30, 2003</b>	
Obligations	4,071
Expenditures	257
Unliquidated	3,814
<b>Fiscal Year 2004</b>	
Obligations	8,606
Expenditures	5,510
<b>Through September 30, 2004</b>	
Obligations	12,677
Expenditures	5,767
Unliquidated	6,910
<b>Prior Year Unobligated Funds</b>	
Obligations	3,437
<b>Planned Fiscal Year 2005 NOA</b>	
Obligations	6,930
<b>Total Planned Fiscal Year 2005</b>	
Obligations	10,367
<b>Proposed Fiscal Year 2006 NOA</b>	
Obligations	7,300
Future Obligations	0
Est. Total Cost	30,344