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Evaluation of CIDA's Ukraine Program

2004-2009

SYNTHESIS REPORT

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Sincerely,

Goberdhan Singh

Director General

Evaluation Directorate

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List of Abbreviations

APPR	Annual Project/Program Performance Report (CIDA)
CDPF	Country Development Programming Framework
CEAA	Canadian Environment Assessment Act
CEA/EA	Canadian Executing Agency
CED	Community Economic Development Project
CFLI	Canada Fund for Local Initiatives
CIS	Commonwealth of Independent States
DAC	Development Assistance Committee (OECD)
DFAIT	Department of Foreign Affairs and International Trade
DG	Democratic Governance (sector)
DIP	Democratic Institutions and Processes
DMST	Decentralized Management of Skills Training
EBRD	European Bank for Reconstruction and Development
ED	Economic Development (sector)
EMM	Europe, Middle East and Maghreb (CIDA Directorate)
FARM	Facility for Agriculture Reform Project
GDP	Gross Domestic Product
GNI	Gross National Income
GoU	Government of Ukraine
ICPS	International Centre for Policy Studies (Ukraine)
IFC	International Finance Corporation
IRDP	Integrated Regional Development Project
LFA	Logical Framework Analysis
MDGs	Millennium Development Goals
MoE	Ministry of Economy
MoF	Ministry of Finance
NBU	National Bank of Ukraine
Oblast	A Ukrainian administrative division comparable to a province
ODG	Office of Democratic Governance
OECD	Organization for Economic Cooperation and Development
OSCE	Organization for Security and Cooperation in Europe
PAR	Policy Advice for Reform Project
PBA	Program-Based Approach
PSD	Private Sector Development
PTL	Project Team Leader (CIDA)
PWCB	Partnership with Canadians Branch (CIDA) Formerly Canadian Partnership Branch
PROGINT	Promoting Ukraine's Global Integration Project
PRISM	Policy Reform and Implementation Support Mechanism (CIDA project)
Rayon	A Ukrainian administrative unit comparable to a district
RGD	Regional Governance and Development
RTCCP	Regional Training and Consulting Capacity Project
SDC	Swiss Agency for Development and Cooperation
SEPPAC	Socioeconomic Potential and Performance Project
SME	Small and Medium Enterprise
TPCBP	Trade Policy Capacity Building Project

UCUSP	Ukraine Credit Union Strengthening Project
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
USAID	United States Agency for International Development
WB	World Bank
WTO	World Trade Organization

Executive Summary

1. Evaluation Approach and Methodology

As part of the Canadian International Development Agency's (CIDA) learning and accountability requirements, the performance of the Ukraine Country Program was evaluated over the period 2004-2009. The evaluation focused on achievements at the outcome level and how results were attained in terms of management processes.

The evaluation team was aware that the Ukraine Program had been going through numerous changes during the period covered by the review including a decentralization process. Moreover, the Program team had been concerned for some time with the balance between responsive¹ and directive² delivery modes, multiple-phase projects, policy shifts, human resource issues and the role of experts within the Program. Many of these issues are not specific to the Ukraine Program but influenced by corporate trends.

The methodology for the evaluation draws on a generic model developed by the Evaluation Directorate. The evaluators selected a sample of projects for review, based on criteria identified in the Terms of Reference. The sample of 20 projects represented 57.4% of program disbursements over the period 2004-2009. It was structured to reflect the program's predominant features, that is bilateral projects in the two main sectors of concentration - Democratic Governance and Economic Development - which accounted for 95% of program disbursements.

To address the question of what has been achieved with Canadian funds, the evaluation used the following criteria: relevance, effectiveness sustainability, and integration of cross-cutting themes (gender equality, youth and environment). How those results were achieved was considered in reference to the criteria of coherence, efficiency, Paris Declaration management principles and performance management. Project information was gathered into detailed project assessment grids for comparative roll-up, and substantiated through some 105 interviews in Canada and Ukraine.

2. Country Context and Technical Cooperation

The period under review coincided with political and economic upheavals – on the front end with the Orange Revolution, and on the back end with the global financial crisis. In between were the rising and falling expectations of Ukrainians, through frequent elections and constant Parliamentary turnover. There were parallel changes in both structure and staff of government

¹ Responsive delivery model: used when CIDA agrees to support development initiatives conceived by a proponent.

² Directive delivery model: used when CIDA takes the lead in designing development initiatives.

ministries and oblast administrations. These volatile political circumstances affected the Government of Ukraine's (GoU) capacity to implement reforms. The recent election of a President inclined toward centralizing power in the Presidential Administration is both promising and worrisome. Donors welcome the prospect of a firmer hand to direct economic reforms but civil society watches with concern over the potential impact of power centralization on hard won democratic freedoms. Considerable governance problems continue to impact the foundations of sustainable economic and social progress – including issues related to the management of public resources, public administration reform and the rule of law.

On the economic front, Ukraine made promising strides with annual growth rates averaging around 7% for several years. However, Ukraine shows many features typical of a middle-income country such as income disparity, particularly when drawn along a rural-urban axis, as well as large numbers of working poor just below the poverty line who are especially vulnerable to economic downturns. The financial crisis of 2008 hit Ukraine hardest among countries in the region – exposing fundamental weaknesses in the financial and economic sectors of the country. Ukraine's reputation as a more difficult business environments in the world hampered entrepreneurial confidence and the country's ability to continue attracting needed foreign direct investment.

Ukraine's administrative structures have ample, well educated staff. However, years of working within a command economy have left the country deficient in both the technical skills and attitudinal requisites for effective transition to a democratic market economy. A legacy of inter-ministerial dysfunction, poorly delineated roles and responsibilities and lack of independent inspection or audit could significantly limit progress at the political and economic levels. Despite improvement on many fronts, many challenges remain to improve the effectiveness and transparency of the public administration, public spending, the judiciary as well as business regulations.

The logic of CIDA's engagement in Ukraine rests on a traditional poverty alleviation mandate, strategic foreign policy objectives and the interests of an active Ukrainian-Canadian diaspora. Canadian programming in Ukraine goes back to the earliest days of the country's independence in 1991. Over the period 2004-2009, CIDA's disbursements for Ukraine totaled about \$99 million, earning Canada the rank of fourth largest bilateral donor. Ukraine is currently a country of focus for CIDA, the only one in Eastern Europe.

The 2002-2006 Country Development Programming Framework (CDPF) guided the Program for most of the period under review. A two year gap ensued before the 2009-2014 CDPF received approval. In the interim, project selection largely followed the contours of the 2002 document. The program initiatives were directed at governance structures and institutional capacity on the one hand, and civil society on the other. It highlighted two main areas of intervention – policy making and the rule of law – in niches where the Government of Ukraine (GoU) had made full and real commitments to reform. Although governance was the umbrella concept, economic well-being was targeted through agriculture, trade, and SME development with the same top-

down, bottom-up approach. The document was soundly positioned in relation to needs.

CIDA enjoyed a comparative advantage vis a vis other donors with the involvement of diaspora members with relevant expertise. It developed a niche in areas such as policy formulation at the central government level, credit union development and agricultural technology.

Canada was among the top five bilateral donors during the period covered. Top bilateral donors in Ukraine in the period covered were the US, Germany, and Sweden in that order. In the lead by a significant margin was the European Union, which has an important stake in Ukraine's goal of EU integration. Smaller players like Canada and Switzerland had to be flexible and innovative.

3. Major Findings in Governance and Economic Development (ED) Sectors

As a general statement, the evaluation team is confident in its estimation that projects in the bilateral Ukraine Program have performed well over the period 2004-2009.

Relevance. Governance and Economic Development sector projects scored highly on relevance in terms of needs that both the GoU and international sources have identified as critical. Projects were well aligned with the 2002 CDPF, individually and as a set of mutually reinforcing initiatives. The best indicators of relevance were repeat requests from the GoU for ongoing engagement with increasingly targeted technical assistance, for example, in the agriculture sub-sector. Though not an explicit objective of any project, several evidenced social relevance in their beneficiary reach – for example disadvantaged rural communities or unemployed youth.

Effectiveness. Most projects achieved their intended objectives and several exceeded their targets. Profound effects could be seen in terms of new institutional structures, laws, policies, and processes. These positive outcomes are further confirmed in the fact that the Program nurtured many “firsts” – that is, pilots that were later replicated by the original implementing agency, other donors, central and oblast government administrations or community bodies. Projects that offered practical tools, skills and opportunities to mentor the implementation of plans demonstrated sustainable outcomes in terms of continued use of materials, methods and trained trainers.

In the Economic Development sector, early evidence of income generating potential and value chains secured the buy-in of individuals, community associations and government bodies. Results such as those recorded in this report have been noted by GoU officials and local project beneficiaries as outstanding examples of donor support in the sector. An important unintended result in the governance sector has been the attitudinal and behavioural change of public servants who now see an advantage in having communities identify their own priorities.

By and large, projects were judged cost effective based on the fact that objectives were achieved or surpassed within budget. Pilots could offset the initial costs of innovation through replication. Many projects were able to leverage their resources through the use of volunteer experts, as well as financial or in-kind contributions from various stakeholders. Several projects capitalized on competent local managers and staff and some attracted additional funding from other donors.

Sustainability. Both sectors benefited from the generous timeframes allowed to achieve objectives - often in multiple phases intended to consolidate gains or extend project frontiers. Again, CIDA stood out among donors for this positive feature of programming. Economic Development projects fared somewhat better than governance ones on the sustainability criterion, mainly because of the latter's more limited financial capacity. The income generating premise and demonstrated profitability of several Economic Development projects, as well as linkages with pre-existing institutions, secured their continuity. In the governance sector, prospects for sustainability were best where results could be routinized in processes, or anchored in institutions, or secured in laws.

Cross-cutting themes: While major efforts and investments were made regarding gender equality, results have not been at the level expected for a variety of reasons including, but not limited to, strong patriarchal attitudes in Ukrainian society, a lack of Government of Ukraine commitment to gender equality (i.e CEDAW) and a lack of local expertise. While CIDA-HQ put much effort into preparing gender equality strategies, guidelines and trainings, the Program encountered some resistance among certain Ukrainian partners. Themes of youth and environment could have benefited from more attention given the potential return on investments especially in the area of technical training, economic development, cooperative and agriculture support.

4. Main Findings on the Management Performance of the Program

Coherence. In principle there was scope for projects to interact with other CIDA or donor projects to mutual benefit. In practice, there were some missed opportunities. In the Governance area, the resistance of the Ukrainian Government to assume leadership of donor coordination affected the dynamic of external actors. In the Economic Development sector there was a better record of coherence, with regular contacts and even working relationships established with others having congruent objectives. Implementing agencies – preoccupied with their own commitments and accountabilities - would welcome a proactive CIDA role to bring projects together for substantive sector discussions and exchange of experiences.

Efficiency. With a few exceptions, projects scored well on efficiency, as evidenced by conscientious management of financial and human resources. Reasonable overheads, optimizing of currency exchange and use of local professional staff on an as-required basis were indicative. CEAs weighed the costs and benefits of short or long term Canadian expert

visits to Ukraine or of bringing Ukrainians to Canada. A number of CEAs commented that their own efficiency was sometimes affected by staff turn-over at CIDA and slowness of CIDA decision-making or changing requirements. These considerations are not specific to the Ukraine program and are consistent with the findings of the Auditor General review of CIDA's programs in 2009.

Management principles. At the project level stakeholder ownership was excellent and often a defining feature of successes. Ownership as understood in the Paris Declaration, however, was lacking because the GoU had no national development plan with prioritized actions around which donors could rally. Donors aligned as best they could with expressed needs but made minimal use of local systems. The consequence was seen in low levels of harmonization – that is, a piecemeal approach and elevated system-wide costs in relation to results.

Management performance. The evaluation found weakness in implementation of Results Based Management principles at the program, sectoral and project levels. High turnover of CIDA staff during the evaluation period reviewed contributed to uneven expectations regarding results and reporting. Half of the projects reviewed had been subject to an independent evaluation and many subject to external monitoring. Given the importance of building a corporate memory, such practices were considered very appropriate. The context of decentralization may require a different approach including more use of local expertise.

5. Findings on Delivery Modalities

Shifting priorities. The interim between CDPFs proved to be an extended period of uncertainty in which policy change was considered and communicated verbally but not clearly understood by implementing partners or Ukrainian stakeholders and government officials. New policy directions intended to focus on aid effectiveness resulted in a certain level of frustration on the part of CIDA's partners. Canadian, Ukrainian and international partners will not be in a position to focus or harmonize their initiatives unless they have a full understanding of how CIDA sees the program as a whole.

Multi-phase programming. Multi-phase programming was a major factor in achievement of results and their sustainability, while mitigating risks of long term engagement. The continuity of relations and the commitment this approach represented were repeatedly remarked upon by Ukrainian stakeholders interviewed. Underlying their appreciative attitude toward projects, and by extension towards CIDA, was the responsiveness to real needs identified in the field. However, the renewal of arrangements with the same executing agencies created frustration of and pressures from potential competitors. Towards the end of the period reviewed, the Program addressed these issues by improving the balance between directive and responsive.

Human resources and expertise. The nature of CIDA's business implies relying on multiple sources of information and expertise to ensure continuity and corporate memory. To compensate for limitations in terms of in-house expertise and staff turn-over, the Program used

external monitors, consultants, CEAs and locally engaged staff. In the context of decentralization, Ukraine itself offers experts with the professional background and international experience to serve as a valuable resource base.

Delivery models. The evaluators consider that with decentralization there is room for a new perspective on the responsive-directive debate. The responsive model has proven itself and a decentralized program will be in a strengthened position to exercise oversight and generate coherence between projects. Given adequate delegation of financial authorities, a decentralized program also should be able to design projects that are well adapted to the needs and operational constraints within which projects have to produce results. It likely will offer more scope for dialogue with the GoU and local partners, access to country and sector experts and therefore strong analyses.

Delivery channels. Bilateral remains the channel most appropriate for delivering technical cooperation to Ukraine. The exception is future election observer missions, which the evaluators believe should be funded through Partnership with Canadians Branch.

Investment types. The record shows that small responsive funds have been a valuable, complement to bilateral programming in Ukraine. If there is a move toward larger and fewer projects, such funds will not only be valuable but indeed, essential as a way of maintaining responsiveness and flexibility.

6. Lessons Learned, Recommendations, Corporate Considerations

The factors that contributed to project and Program successes include the following:

- Well known features such as adequate timeframes, trusted relationships, tested methodologies and competent, committed executing agencies;
- High quality of technical assistance in terms both of specialized knowledge and style of exchange;
- Institutionalizing project innovations in existing structures can optimize sustainability;
- When behavioural changes and early buy-in from beneficiaries or partners are needed, study-tours can be useful tools for demonstrating practical, concrete and innovative practices;
- Working through “champions” can give an entrée into the right niches for impact;
- Consultative design and flexibility in implementation can ensure ongoing relevance, adaptation to changing circumstances and ability to respond to opportunities;

- Innovation based in a nuanced grasp of what is possible and what is not, and the steady nurturance of it until stakeholders see benefits materialize; and,
- The introduction of strategic processes at community level that can withstand political change and the attendant turn-over of staff at multiple levels of government administration.

There also are some cautionary lessons to be taken from areas showing room for improvement:

- Uncertainties regarding CIDA's orientations can negatively impact project efficiency and partner relations; and,
- Rapid shifts in Agency priorities risk confusing rather than sharpening focus for aid effectiveness.

The Evaluation Directorate will disseminate the lessons learned from this evaluation . Given, the new directions given by the 2009-2014 CDPF focusing on economic growth and food security objectives, the Program still needs to recognize that governance continues to be a fundamental component for effective development in all areas. It also needs to find a judicious balance between focus and consistency, on the one hand, and flexibility on the other to ensure ongoing relevance in a rapidly evolving Ukrainian context. Following are recommendations for the Program's consideration:

Recommendation 1: Strategic Orientations: As part of the 2009 CDPF's focus on sustainable economic growth and food security, the Program should continue to integrate governance as a cross-cutting theme in its key areas of focus, particularly in strategic areas of evidence-based public policy processes and community level economic development.

Recommendation 2: National and Regional Levels: The Program should continue to explicitly build project and sector level coherence through the top-down (national and regional governmental levels), bottom-up program model (local government and civil society, private sector levels), and to promote horizontal linkage among partners where warranted.

Recommendation 3: Directive and Responsive: In the context of CIDA's Business Modernization Initiative, the Program should in the future seek an appropriate balance between the corporate requirement for directive programming and the record of success of responsive projects.

Recommendation 4: Sharing Information for Real Partnership: To ensure appropriate synergy and coherence among development partners, the Program should place a high priority on ongoing and systematic strategic communications with partners and stakeholders on all matters affecting the program.

Recommendation 5: Gender Equality & National Context: With decentralization, the

Program should review its approach to promoting the gender equality theme to optimize its practical value and appropriateness for the Ukrainian context.

Recommendation 6: Environmental Sustainability: Where viable, the Program should actively raise the profile of the cross-cutting theme of environment by defining strategies and deliverables at the project level and by monitoring results.

Recommendation 7: Monitoring and Evaluation: In the context of decentralization, the Program should continue to strengthen its strategy for comprehensive monitoring and evaluation of its projects, taking into consideration CIDA staff resources, local expertise and Canada based expertise.

Corporate Consideration:

The evaluators recognize that the Ukraine Program is subject to the policies and priorities established at ministerial and corporate levels. Given the particular history of the Program and the character of the Ukraine context, the evaluators offer the following suggestions for corporate consideration:

In its Business Modernization Initiative and Aid Effectiveness Agenda, the Agency may wish to distinguish between the needs of emerging middle-income economies and low-income countries. This may include recognizing responsive modalities based on knowledge sharing and exchanges and smaller projects as being appropriate for certain contexts and allowing programs to make that choice. This could also imply adjusting the Agency Aid Effectiveness Action Plan to incorporate guidance that is more in line with the Middle-Income Countries (MICs) needs, including possible transitional strategies.

Some of the characteristics of the Ukraine program (such as its responsive/directive mix, the multi-phase approach to programming and flexibility in the framework that offers room for innovation and strategic opportunism) suggest that an open program with limited resources can work well.

Given that a policy regarding middle-income countries is presently under consideration in the Agency, the findings of the current Ukraine Program Evaluation will be shared with the team involved in such process. We recognise however, that such Policy must take into consideration numerous complex elements that transcend one country program evaluation.

1.0 Evaluation Approach, and Methodology

1.1 Rationale, Purpose and Objectives of the Evaluation

The rationale for this evaluation lies in the Federal Accountability Act (2006) which requires that programs undergo evaluation every five years. The last evaluation of the Ukraine Program (2005) covered the period 2001-2004. This evaluation took the relay, covering the period 2004-2009.

The purpose of the evaluation was to assess outcomes and management performance in a way that might be useful for the imminent decentralization of the Ukraine Program. This document is a summary of the 217-page Technical Report, which provides comprehensive analysis and substantiating detail for all observations.

The audience for the evaluation is primarily the Canadian International Development Agency's (CIDA) Evaluation Committee and the Ukraine Country Program. It may also be of interest to the management of other country programs, and policy or sector experts. The Synthesis Report will be accessible to the Canadian public and Parliament in both official languages.

The objectives of the evaluation were:

- 1) To take stock of the results achieved by the Ukraine Program over the period 2004-2009;
- 2) To assess the Program's overall performance in achieving these results;
- 3) To assess the Program's channels of cooperation and delivery models; and,
- 4) To provide lessons learned and recommendations for improvement where indicated.

1.2 Evaluation Criteria, Questions and Strategic Considerations

The evaluation criteria for determining **what** the Ukraine Program had achieved were:

- **Relevance:** Did projects and the program align with Ukraine's development needs and context? Were they consistent with CIDA policies and Canada's foreign policy objectives?
- **Effectiveness:** What outcomes have been achieved? Have they contributed to poverty reduction? As far as can be determined, were projects cost effective?
- **Sustainability:** Were project timeframes adequate for achieving sustainable results? Is there evidence of financial and institutional capacity to sustain results?

- **Cross-cutting Issues (CCIs):** Were the program's CCIs of gender, environment and youth adequately addressed? Were there baseline studies, strategies, and dedicated resources?

The evaluation criteria for determining **how** the intended results were achieved included:

- **Coherence:** Did the ensemble of projects constitute a coherent program? Was the program proactive in facilitating linkages between CIDA projects and those of other donors?
- **Efficiency:** Were projects efficient in their use of financial and human resources? Was there adequate provision to approve, manage and monitor projects and program efficiently?
- **Management Principles:** Is there evidence of ownership by GoU or local stakeholders? Have donors aligned with national objectives and harmonized their efforts?
- **Performance Management:** Have Results Based Management (RBM) tools and approaches been used well? Has CIDA exercised due diligence with monitoring and evaluation (M&E)?

Strategic issues arose in the course of the evaluation and have been included in the analysis, at points logical to the information flow – for example:

- Engagement rationale for Ukraine as a lower-middle income country;
- Relative strengths and weaknesses of responsive versus directive programming;
- Expertise and human resource capacity; and,
- Long-term continuity through multi-phase projects.

1.3 Evaluation Approach, Sampling and Data Gathering Methods

The **general approach** was defined by a generic model for program evaluations that was built into the Terms of Reference (TORs). A summary of the TORs can be found in Appendix A. The main feature of that approach was completion of project assessment and meta-evaluation grids designed to standardize information in a way that could provide numeric ratings to roll up for Program and Agency level comparison.

Sampling parameters were delineated in the TORs. Only projects valued over \$250,000 would be selected for review and only those active in the period 2004-2009. A focus on outcomes meant that projects needed to be completed or nearing completion. An emphasis on secondary

sources of information meant that all those initiatives that had been evaluated would be included in the sample. The sample was to represent at least half of the program budget and 40-50% of sectoral values.

The final sample as agreed with the Ukraine Program, Embassy in Kyiv and Evaluation Directorate comprised 20 projects representing 57.4% of program disbursements. A joint decision was made to forego technically representative coverage, in order to better capture features of the program that clearly were predominant.³ Thus all projects in the sample were delivered through the bilateral channel of cooperation, all but one were “project” investment types. All fell under the two main sectors: Democratic Governance (DG) and Economic Development (ED). See Appendix B for the list of projects in the finalized sample, and for a detailed table of sample characteristics.

Data gathering proceeded in five stages. A preliminary phase involved review of strategic CIDA documents and researching of international sources for contextual and comparative perspectives (See Appendix C for a List of Documents Reviewed). It included discussions on the nature of the program with CIDA management, staff, experts, and monitors. This phase culminated in a work plan with finalized sample, evaluation matrix and interview protocols for all categories of interviewees.

A second stage concentrated on examination of basic document sets, including for each project: the Project Approval Document (PAD) and/or Project Implementation Plan (PIP); latest Project Performance Report (PPR) or Management Summary Report (MSR); latest monitoring report where applicable; evaluation report where it existed; and end-of-project report. This phase culminated in a Desk Review Report with completed project assessment grids, meta-evaluation grids and an annotated bibliography.

In a third stage, the evaluation team interviewed two to four representatives of executing agencies (EAs) responsible for each project in the sample. This information filled gaps, brought new perspectives, provided an initial triangulation of data and assisted in the identification of stakeholders to be interviewed in the field. This phase culminated in a mission plan.

Phase four, the evaluation mission, was conducted in Ukraine October 12-28, 2010 and included interviews with Embassy officials, local project representatives, partners, think tanks and government officials. Interviews were conducted in Kyiv, as well as at project sites in the east (Dnipropetrovsk) and the west (Uzhgorod, Stryi, Ivano-Frankivsk and Lviv) of the country.

In all, the evaluators conducted 105 single or group interviews in Canada and Ukraine. See Appendix D for a List of Persons met. Project assessment grids, cross-referenced with these sources, constituted both a substantiation of observations and a foundation for analytical roll up and comparison. See Appendix E for the framework that guided data gathering and program

³ According to data provided by the Evaluation Directorate, 96% of funds were channelled through Geographic Programs Branch (EMM), the two main sectors accounted for 95% and project investment types for 97%.

analysis. The fifth and final stage was analysis and preparation of a detailed technical report that was reviewed by the Ukraine Program. Based on the adjusted technical report, this synthesis report has been prepared.

1.4 Evaluation Challenges and Limitations

External evaluators cannot access CIDA's Electronic Data Retrieval Management System (EDRMS) for independent file review and must depend on Agency staff. At the same time, the transition from manual files to automated (J-Drive) to EDRMS has left discontinuities in the data, with missing files and document sets split across the three systems. Perseverance by all parties and adjustments to the evaluation workflow offset the constraints.

Late into mission planning, the Embassy also confirmed a high level official visit which would require its attention. This confluence presented a scheduling challenge for the mission but, again, pressures were overcome with good will on all sides, as well as with the critical logistical support of a consultant engaged locally by the evaluation team. In that context, the Evaluation Team would like to reiterate its acknowledgement to the Ambassador and Head of Canadian Cooperation in Ukraine for allowing the evaluation visit to take place within the timeframe suggested by the Evaluation Directorate.

Although expectations around the consultant team's TORs were discussed in initial meetings at CIDA, the respective roles and responsibilities regarding the organizational aspect of the field visit could have been better defined including respective role of the evaluation team members and protocol, and the management of logistical aspects of the visit.

Finally, among the limitations, the information available does not allow the Evaluators to aggregate results, and more specifically outcomes results, at sector or program levels. However, this is not specific to the Ukraine program and is characteristic of most program evaluations undertaken at CIDA. As a corrective measure, the Agency is establishing a new annual program reporting system. The Ukraine program was involved in the development of this new methodology. Unfortunately, results concerning the new program reporting system were not available at the time of completing this evaluation.

2. Country Context and Technical Cooperation

Both the front end and the tail end of the period being evaluated saw dramatic political and economic swings in Ukraine. The uncertainties that accompany turmoil underscore some of the challenges of working in a newly democratizing, dynamic country with a high literacy rate, enormous but poorly harnessed resource potential and a legacy of Soviet rule. In weather forecast language we could talk of "changing winds".

2.1 Country Context⁴

Political Highlights. In 2004/05, the Orange Revolution swept reform-minded Viktor Yushchenko into power with the promise of more transparent politics and commitment to rule of law. Yushchenko's election victory buoyed expectations that reforms would accelerate and that Ukraine would move closer to European standards. That period also coincided with the first enlargement of the European Union (EU), which began pursuing a vigorous European Neighbourhood Policy that included Action Plans for cooperation with countries to the east and south of its new borders. The EU-Ukraine Action Plan was negotiated through 2004 and became the foundation for the Government of Ukraine's (GoU) development framework.

Yushchenko's Presidency did not meet all expectations of Ukrainian and international partners. Political infighting and vested interests stalemated progress on legislative, regulatory and institutional reform. Constitutional reforms created ambiguity in the roles and responsibilities of the main institutions of governance – the President, the Prime Minister and Cabinet, as well as legislative, judicial and executive functions. Perceived weaknesses in the management of public funds affected popular confidence and private sector development. In 2009 the World Bank ranked Ukraine below the 50th percentile in all six of the governance indicators it tracks.⁵ There was little improvement in rankings from 2005 to 2008.

By the end of the period under review, the political climate was ripe for another change. Presidential elections were held in early 2010 bringing to victory a long-standing, Moscow-favoured rival, Viktor Yanukovich. Early indications are that this new era may see the Presidential Administration re-centralizing power. There are warning signs of decreased democratic freedoms. On the positive side, observers look forward to more stability in the leadership of the country. As did earlier incumbents, the President has reaffirmed the commitment to economic reforms and integration with the EU.

Economic Overview. Ukraine enjoyed strong economic performance between 2000 and 2007, with annual growth rates around 7.5 %.⁶ Macroeconomic reforms, increased Foreign Direct Investment (FDI), and favourable conditions for Ukraine's main exports were contributing factors. Unemployment rates were falling from their 11-12% peak in 2000 and poverty was seeing a downturn from its 32% peak in 2001. Unfortunately, the rapid growth also led to overheating of the economy by late 2007, threatening macroeconomic stability. Inflation rose to 25% due to higher food and energy prices, threatening gains in poverty reduction.

The financial crisis of 2008 was a severe test of Ukraine's nascent financial institutions. By the fourth quarter of 2008, capital inflows came to an abrupt stop and export markets all but shut

⁴ Unless otherwise indicated, this brief overview draws loosely on 1) Freedom House Nations in Transit Reports; 2) Assessing Democracy Assistance in Ukraine by FRIDE; and 3) CDPFs 2002-2006 and 2009-2010.

⁵ World Bank. (2009) Governance Matters 2009: Worldwide Governance Indicators 1996-2008

⁶ World Bank. (2010) *Country Brief, 2010*.

down. Ukraine's GDP contracted by 14% in 2009, and its currency fell by 40% against the US dollar. The Central Government's budget deficit almost doubled and unemployment surged. The crisis exposed Ukraine's lack of effective reform and demonstrated that a longer term outlook was needed to address governance and institutional deficiencies. Underlying this weakness was the country's poor record of business conduct. Transparency International's 2009 Corruption Perception Index ranked Ukraine 146th out of 180 countries - a ranking shared with Zimbabwe and Sierra Leone as being among the most corrupt and difficult business environments.⁷

Looking forward, another economic swing is on the horizon. Barring a double dip recession, there are some signs that Ukraine is beginning to recover from the crisis.⁸

Institutional and Bureaucratic Culture. Ukraine's administrative structures have ample staff and a high degree of specialization but are still heavily hampered by Soviet era bureaucratic practice. A 2007 Capacity Assessment Report by the Ukraine Ministry of Economy (MoE), and interviews with think tanks, highlighted many shortfalls in institutional capacity that make it difficult for the GoU to mobilize for change.⁹

Fifteen years after independence, Ukraine's government apparatus is still saddled with the command and control mode characteristic of Soviet-style planned economies. The country's administrative structures boast more than adequate staff levels and a high degree of specialization but are ultimately unable to meet the requirements of a modern economy. Capacities to efficiently plan and deliver public services are low: policy and planning skills and results-based management and accountability systems are in short supply.¹⁰

A 2008 joint publication by key ministries analysed the link between institutional shortcomings and sustainable economic growth. The report looked at 42 indicators including diversion of public funds, burden of government regulations, favouritism in decisions of government officials, judicial independence, and business costs of corruption. Ukraine did poorly on virtually all the 42 indicators, ranking 41st of 43 countries on aggregate score. The report concluded that: "Ukraine not only lags behind developed countries in terms of institutional development but is also inferior to many Eastern European countries and some CIS countries."¹¹

Environment. At the beginning of the review period, Ukraine had an industrial structure that was not conducive to maintaining a favourable environmental record. A concentration of heavy

⁷ Transparency International. (2009) *2009 Global Corruption Barometer* (Corruption Perception Index)

⁸ Standard & Poors, May 2010 Rating Outlook

⁹ Interviews in Ukraine with the International Centre for Policy Studies and representatives for CIDA's Policy Advice for Reform project (October 2010); also see Ministry of Economy of Ukraine and United Nations in Ukraine. 2007. *Joint Capacity Assessment Report: Aid Effectiveness, Coordination and Management in Ukraine*. p. 7

¹⁰ Ministry of Economy of Ukraine and United Nations in Ukraine. 2007. *Joint Capacity Assessment Report: Aid Effectiveness, Coordination and Management in Ukraine*. p. 8

¹¹ Ministry of Economy, Ministry of Finance and National Bank of Ukraine. (2008) *Potential and Performance of Ukraine*. p. 41

industry in the east significantly contributes to low air and water quality in the region. There will be major costs involved in replacing Ukraine's outdated production technology, which generated one of the world's worst energy/output ratios. It is estimated that heavy industry in Ukraine uses eight times the European average in energy consumption per unit of output. A 2004 report indicated that a minimum of 50 billion Euros would be required to bring Ukraine's environmental situation in line with European standards.¹²

Towards the end of the review period, in 2009, the EU-Ukraine Action Plan Progress Report on the environment assessed the country's performance on measures needed to protect against further environmental deterioration. The average score over seven key tasks set out in the Action Plan was a disappointing 40.2%.

Social Dimensions. During the 2004-2009 period, the adoption of a Ukraine-specific set of Millennium Development Goals (MDGs) constituted a parallel agenda for reform efforts, alongside EU integration. Two key MDGs pertain to poverty reduction and gender equality (GE).

The MDG National Report for Ukraine 2010¹³ expressed considerable concern over poverty features that had emerged as a cost of transition and by-product of rapid economic growth. As described in the Report, the country's previously egalitarian society had backtracked with very high levels of inequality. This trend was expressed in disparities with respect to incomes, health status, life expectancy, living conditions, quality of life and access to basic social services. The Report set out a number of pro-poor growth and inclusive governance goals to improve the social dimensions of progress in a way concordant with European standards.

The Human Development Report for 2009 ranked Ukraine 85th on the Human Development Index - a drop of nine positions from 2005 when Ukraine ranked 76th out of 177 countries. As is well known, there is a direct correlation between the level of human development and the degree of gender equality in a country. In the 2005 UN Human Development Report, Ukraine ranked 66th out of 80 countries on the Gender Empowerment Measure (GEM), well below its neighbours Poland which ranked 27th and Slovakia which ranked 33rd.¹⁴ Ukraine's MDG goal for promoting gender equality set two targets: a) equal opportunities in socio-political life and public administration; and b) reduction of the income gap between men and women.

2.2 Rationale for CIDA's Engagement in Ukraine

Logic in Terms of CIDA's Poverty Mandate. The OECD-DAC classified Ukraine as a lower-middle income country (MIC) on the basis of its Gross National Income (GNI) per capita.¹⁵ In

¹² EU Committee on Environment Policy, 11th Session, Geneva. (October 2004) Improvement of the Environmental Situation in Ukraine.

¹³ Ministry of Economy. Millennium Development Goals Ukraine - 2010 National Report

¹⁴ ITC and UNIFEM. 2009. Report on Monitoring and Assessment of Official Development Assistance for Meeting Gender-specific Goals in Ukraine in 2008-2009. EC/UN: Kyiv, p.5

¹⁵ Countries with a 2007 GNI between \$936 and \$3,705 were classified by OECD-DAC as lower-MICs for purposes of

2009, the World Bank ranked Ukraine at 135th out of 213 countries on the basis of GNI per capita, between Samoa and Morocco.¹⁶ As recognized by the United Nations (UN), the MIC category encompasses a range of economies still facing severe development challenges. Not the least of these challenges is the fact that MICs are home to almost two-thirds of the world's poor, living on less than \$2 a day, according to the UN.¹⁷

In 2005, the World Bank and Ukrainian experts conducted a Joint Poverty Assessment and developed a relative poverty line considered more appropriate for the severe climate conditions and high cost of energy in Ukraine.¹⁸ By that measure around 19% of the population lived in poverty in 2003. The Assessment noted that the poverty incidence in rural areas was more than twice that of large cities - the lowest by far being in Kyiv. Also evident were marked regional disparities and a high level of poverty among youth.

The trends above continued to be prominent in the 2010 MDG National Report, which confirmed that poverty was one of the uppermost social issues in Ukraine. It stated that in 2008 19.9% of the population was consuming less than the actual subsistence minimum. Other concerns included poverty among the employed due to low wage standards and a high concentration of the population close to the poverty line. While a number of different poverty figures are in circulation, the definitions and numbers set out in the MDG Report are important because they are what the GoU will be using to measure progress toward its poverty reduction MDG for the period 2010-2015.

Although, Ukraine cannot be considered as a “poor country”, important pockets of poverty, especially in remote regions, and rising inequalities make it a fertile soil for development cooperation.

Logic in Terms of Ukraine’s Strategic Importance. Donors interviewed were frank about the political dimensions of their choice to continue supporting Ukraine’s ongoing transition to democracy and a market economy. For the EU, rapprochement with Ukraine clearly has political, commercial, environmental and security imperatives, as articulated in the EU-Ukraine Action Plan.

Canada also sees strategic value in supporting Ukraine for commercial and security reasons. The 2005 Ukraine Program Evaluation made it clear that strengthening Euro-Atlantic security structures was a foreign policy objective from the outset. Interviews at the Canadian Embassy confirmed that CIDA offered a key venue for constructive engagement with Ukraine. Canada has an interest in seeing the growth of Ukraine’s economy and a maturation of its political and

reporting 2009 and 2010 ODA flows. Ukraine’s 2007 GNI was US \$2,570 using the Atlas Method. See www.oecd.org/dataoecd/32/40/43540882.pdf

¹⁶ See World Bank site: <http://siteresources.worldbank.org/DATASTATISTICS/Resources/GNIPC.pdf>

¹⁷ UN Secretary-General. (2009). Development Cooperation in Middle Income Countries.

¹⁸ The adjusted poverty line defined a level of income sufficient to cover the cost of a food basket of about 2500 calories per day, together with this essential allowance for non-food goods and services. See World Bank. (2005) *Ukraine Poverty Assessment: Poverty and Inequality in a Growing Economy*. pp. vii-xix

legal frameworks. In 2009, the two countries signed a “Road Map,” signalling their mutual desire to deepen bilateral cooperation and determine priorities in economic, political, security, humanitarian and cultural spheres.¹⁹ In May 2010 the two countries launched negotiations for a bilateral free trade agreement.²⁰

The friendly relations between Canada and Ukraine are also underpinned by a large, active diaspora that has a vested interest in an independent Ukraine. Canada is home to some 1.2 million Ukrainian-Canadians. Informed and dynamic, many have been engaged in CIDA projects, adding value to Canadian programming relative to other donors. Their language and cultural familiarity, and sense of solidarity provides a basis for partnerships. They have been prominently involved in election observation missions over the evaluation period as well.

As a middle-income country with strategic importance and considerable development and poverty reduction tasks remaining, Ukraine’s own stated goal is: “to raise Ukrainian living standards to European standards through a socially-oriented economic model.”²¹ Even with modest contributions, the impact of technical cooperation can be multiplied by the effect of making necessary changes to help the country achieve these critical goals.

2.3 CIDA’s Program of Technical Cooperation in Ukraine

As the first Western country to recognize Ukraine’s independence, Canada has maintained its commitment to the country, with a history of technical assistance programming since 1991. In 2006/7 the Organization for Economic Cooperation and Development (OECD) ranked Canada as the fourth largest bilateral donor in Ukraine.²² In 2009, CIDA designated Ukraine as a country of focus - one of the 20 countries to which 80% of bilateral funds would be channeled for a more efficient, focused and accountable aid agenda.

Since 2002 the Agency has defined priorities for its technical cooperation in the form of Country Development Programming Frameworks (CDPFs)²³. The documents provide updated assessments of the Ukraine context, reform achievements and challenges that need to be addressed by the donor community. They consider Canadian comparative advantage vis à vis other donors, and draw on lessons from previous programming periods to arrive at a strategy that can guide project selection.

For most of the period under review, it was the 2002-2006 CDPF that guided the Ukraine

¹⁹ See Ukrainian Embassy website: www.ukremb.ca/canada/en/27175.htm

²⁰ Canadian exports to Ukraine were \$112.1 million in 2009; imports in the same year totalled \$94.3 million. See DFAIT website: www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/ukraine/index.aspx?lang=en

²¹ MoE and UN in Ukraine. (2008). *Joint Capacity Assessment Report*. p. 12

²² CIDA, Country Development Programming Framework 2009-2014, p. 11

²³ Programming in previous periods was guided by multiyear Country programming strategies.

program.²⁴ In the period 2007-2009, no new CDPFs were approved as the Agency reviewed its strategic objectives and the role of CDPF in supporting these objectives. In the absence of a new programming framework, the 2002 CDPF continued to serve as the primary programming reference for Ukraine during this period. (A Logic Model, produced on the basis of information provided in Ukraine Programming Framework 2002-2006 is included in Appendix G. However, for the sake of consistency and comparability the structure of the current Ukraine Program Evaluation has been based on the Generic Terms of Reference utilized by all country program evaluations (CPE) undertaken by the Evaluation Directorate.) Some development partners expressed concerns over the absence of clear new strategic orientations during this period.

According to the 2005 Country Program Evaluation report the Ukraine Program was a non-typical program during its initial phase 2002, in the sense that it had investments in the traditional CIDA areas of Governance, Private Sector and Economic Development, as well as, the non-traditional areas of Nuclear Safety and Non Proliferation. However, the phase under consideration 2004-2009, concentrated more on the traditional sectors. The Nuclear Safety and Non-Proliferation component was transferred to DFAIT based on recommendation of this evaluation.

Historically, the Ukraine country program has been mostly responsive in character, drawing on the experience of partners well positioned to put forward strong, relevant proposals. While maintaining that advantage, the 2002 CDPF attempted to refine and focus program activities more on governance institutions and civil society. Its overall goal was "... to ensure the successful integration of Ukraine into the global market economy and to assist in the peaceful development of a democratic system of government driven by the rule of law."²⁵ Working from a predominantly governance focus, the program would support "Economic Well Being, Social Development and Environmental Stability and Regeneration" - a Key Agency Development Result. It would integrate three crosscutting themes of environmental sustainability, youth and gender equality. It would work in areas where the GoU had made a "full, real commitment to reform."²⁶

These general principles allowed a good margin of flexibility for project selection, while structuring a program delivery model that would work "top-down/bottom up." The top-down component would aim to strengthen governance structures and institutional capacity, including policy formulation and rule of law initiatives. The "bottom-up" element would strengthen civil society with concrete assistance at grass-roots level, including mechanisms for dialogue between government and non-government organizations (NGOs).

The strategy anticipated cooperation with CIDA's multilateral program and strategic use of the Branch's regional program. It would also link to other Canadian government departments with

²⁴ CIDA. (November 2001) A Path to Reform: Ukraine Programming Framework 2002-2006

²⁵ Ibid, p. 37

²⁶ Ibid, p. 39

interests in Ukraine, including Trade, Agriculture and Defence. While remaining essentially responsive in character, it would allow for directive programming in priority areas. In its broad themes, the CDPF was well positioned in relation to the country context.

The 2005 Country Program Evaluation also addressed the directive/responsive issue:

Directive versus Responsive: the findings and recommendations from the March 2005 Ukraine Program Evaluation

- Canada was among the first international donors to mobilize a response to Ukraine.
- Canada made early contributions to the reform and legal processes.
- Despite significant accomplishments the goal of institutionalizing public policy was yet to be achieved.
- An unexpected and durable result was the number and quality of on-going partnerships.

As a potential area for improvement and recommendation the Evaluation suggested:

“With regard to implementing the goal of shifting toward more directive programming in the program’s future strategy, CIDA should consider the level of resources and expertise required to support this shift, and develop a business plan and risk management strategy to guide the Ukraine Program’s transition to a balanced and flexible mix of directive and responsive programming that benefits from the extensive experience of its Canadian partners.”

Ukraine Program Evaluation, Evaluation Division, PKMB, CIDA, March 2005, p.xi

2009-2014 CDPF. In 2007, CIDA commissioned a number of strategic analyses²⁷ as background papers to inform its future programming directions. A new CDPF was approved in December 2009. As proposed by the background papers, it built on the strengths of the Agency’s previous programming but placed private sector development as the strategic heart of the program, with governance as a supporting and cross-cutting theme. This inversion of the strategic approach taken in the previous CDPF, was based on two main factors: the announcement of three thematic priorities for CIDA programming which included sustainable economic growth and a consensus that the thrust for economic reform had survived frequent changes in government in Ukraine and continued to be a priority.²⁸

In order to achieve more measurable results, the new framework proposed focusing on a smaller number of regions – that is, five oblasts instead of the 17 in which CIDA had previously

²⁷ These papers addressed issues in the areas of Civil Society, Decentralization, Private Sector Development, Public Administration and Rule of Law.

²⁸ CIDA. (December 2009) Country Development Programming Framework 2009-2014, Ukraine Program. p.7

been active. The program now would work primarily in Lviv, Ivano-Frankivsk Dnipropetrovsk, Zaporizhzhya, and the Autonomous Republic of Crimea. Citing CIDA's relatively modest programming budget, the CDPF set out the concept of piloting innovation in these focus regions and then leaving replication on a national scale to Ukrainian partners.

The new CDPF also proposed fewer and larger projects as a means of making better use of resources, and improving the program's monitoring and reporting functions.²⁹ These orientations were in line with the direction taken by the Agency, including the response to the Auditor General's Fall 2009 Report, and its chapter on strengthening aid effectiveness.

The new CDPF envisaged a "whole of Agency" approach, involving Partnerships with Canadians and Multilateral and Global Programs Branches to reinforce the bilateral program thrust. It identified other national and provincial government departments and agencies that might partner in delivering the new program.

Portfolio of Projects 2004-2009. Program disbursements totalled about CAD \$99 million over the period being evaluated. Projects over \$250K represented expenditures of \$96,119,789. Although the two CDPFs called for a "whole of Agency" approach, 96% of the funds were disbursed through the Europe Middle East and Maghreb (EMM) Directorate of the Geographic Programs Branch which is responsible for the delivery of bilateral funds. About 3% of funds were channelled through Canadian Partnership Branch (CPB) and 1% through the Office of Democratic Governance (ODG).³⁰ That said, roughly one fourth of bilateral projects were delivered through multilateral institutions. Others were delivered through federal government departments or agencies, academic institutions, NGOs, provincial government bodies or private sector firms.³¹

In terms of delivery mode, almost three-quarters (74%) of the projects active in the period under review were coded as responsive (on the basis of unsolicited proposals and contribution agreements). The remainder were coded as directive (that is, designed by CIDA and contracted to executing agencies (EAs) on the basis of Requests for Proposal (RFPs) and competitive bidding).

Consistent with the predominance of responsive modalities is the concentration of projects executed by a relatively small number of agencies. Ten executing agencies accounted for approximately 57% of total expenditures by the Ukraine country program. Many projects with the same implementing agency were multi-generational. They could be repetitions, a follow-on phase to earlier years of CIDA support, or new iterations addressing needs tracked in a previous project. Towards the end of the period reviewed, a few more directive projects were in the planning stage but they were not reviewed in the context of this evaluation.

²⁹ It can be noted that a much improved logic model and PMF are included as part of the new CDPF.

³⁰ The Europe Regional Program was not part of the evaluation but will be discussed further in Section 5 of the report.

³¹ See Annex F for a full picture of program disbursements over the evaluation period.

The largest disbursements were in the Economic Development (ED) sector, comprised of agriculture and private sector development (PSD) initiatives, totalling \$47.4 million. The second largest sector by investment value was Democratic Governance (DG) at \$43.9 million. These relative sector values represent a slight departure from the governance emphases contained in the 2002 CDPF, although project numbers redress the balance. There were 26 DG projects with an average value of \$1.68 million, and 21 ED projects with an average value of \$2.25 million. There were some overlaps between the two in components addressing enabling environment and community empowerment.³²

Projects in the governance sector fell into four sub-sectors: 1) Rule of law and democratic development; 2) Support to institutions of governance and public administration (including policy); 3) Local government and decentralization (including community development and community economic development); and 4) Electoral assistance. Projects in the Economic Development sector fell into three sub-sectors: 1) Agricultural productivity enhancement; 2) Small and medium enterprise (SME) development; and 3) Trade facilitation.

2.4 Other Donors Providing Technical Assistance in Ukraine

The 2008 Capacity Assessment report of the Ukrainian Ministry of Economy (MoE) indicated that there were 30 donors active in the country in 2006. Together they provided assistance in the range of US \$1.5 billion with about one third of that amount being in the form of technical cooperation.³³ Other support came in the form of humanitarian aid, grants, credits, loans and financial budgetary contributions.

When CIDA's 2002 CDPF was prepared, the United States (US) was by far the lead donor, followed by the EU, United Kingdom (UK) and Germany. Attention to the social sector was evident in the early programming of several donors (US, Switzerland, Sweden, Germany, UK), in addition to government reform and private sector initiatives. Some niche work was evident in local/regional governance (UK), in environment (Netherlands, EU), in agriculture or agri-business (EU, Sweden, EBRD), and finance (WB, EBRD).³⁴

The Capacity report further observed that Ukraine's aid landscape was changing with a ramping up of EU's joint programme of assistance through the European Commission (EC). Over the period 2005-2008 the EC had overtaken the US as lead donor; it contributed \$580.5 million, which represented 59% of total disbursement by the top 10 donors.³⁵ There were other marked shifts as well over that period.³⁶ Declining levels of contribution were apparent for Switzerland and the UK. Germany and Sweden were on an upward incline, as were Japan, Denmark and Norway, albeit with more modest levels overall. By comparison, the pattern for Canadian

³² For purposes of this evaluation the Canada Fund for Local Initiatives (CFLI) was treated as DG though coded ED.

³³ MoE and UN in Ukraine. (2008). *Capacity Assessment Report*. p. 7.

³⁴ CIDA CDPF 2002-2006, Appendix II, pp. ii-iii

³⁵ EU documentation provided to the evaluation team.

³⁶ See Comparative table in Appendix G.

contributions held steady, averaging US \$17.3 million a year.

Alongside the shifts in financial contributions, there also were shifts in orientation. The 2009 CDPF noted that European donors were now focusing more on ensuring conformity with EU standards. Interviews with selected donors confirmed that there is a trend toward repositioning for niche. The EC, for example, identified its own comparative advantages as being in legislative reform and approximation, through instruments such as Twinning and through large-scale programs for sector-wide reform. Traditionally the EU worked with central government but its recent strategy documents emphasize regional and local initiatives, noting a huge continuing need for governance support at those levels. It also has been actively gearing towards a program based approach (PBA). Currently 57-60% of programming funds under its European Neighborhood Partnership Instrument are allocated to sector budget support.

Unlike the EU, the US is not yet using PBA approaches but it has set a target to have 15% of the budget going through local systems by 2014. Historically, the United States Agency for International Development (USAID) has worked with economic institutions like the Ministry of Finance (MoF), banks, securities, and pensions but it now is shifting to energy efficiency, resource management, agriculture and climate change. USAID's strategic objectives still place democratic governance at the forefront of its agenda (media, civil society, Freedom of Expression), together with Rule of Law (courts administration, strengthening of parliament, development of political parties).

The Swiss Agency for Development and Cooperation (SDC) indicated that it would be increasing its contributions substantially. It would focus these resources thematically and geographically, with a strong social orientation to ensure "equal access of people to decision-making processes, social justice, rule of law and to the benefits of a market economy."³⁷

The shifting donor landscape illustrates that donors have to be nimble because both the country context and combination of development actors require it. The range of initiatives is both similar and different from CIDA's in focus, scale and style. Large donors can envisage large-scale projects but these necessarily lock them into more cumbersome processes, with a more complex risk configuration. Smaller players like Canada and Switzerland have seized the advantage of being flexible and innovative.

3. Major Results and Findings by Sector

This section of the report provides sector level roll-ups of project assessments for the criteria of relevance, effectiveness, sustainability and cross-cutting themes. It includes explanations and examples to provide an overall snapshot of results achieved with Canadian dollars.

³⁷ Swiss Agency for Development and Cooperation. *Cooperation Strategy Ukraine 2007-2010*. p. 13.

3.1 Governance Sector: Relevance, Effectiveness and Sustainability

3.1.1 Relevance

Governance projects in the sample fared well on the relevance criterion, with a weighted average scoring in the *highly satisfactory* range. As indicators of relevance, the evaluation considered the extent of alignment with: a) country and sector needs; and b) CIDA policies and priorities.

Relevance to country and sector needs typically would be assessed with reference to national development plans and MDGs. The former were not well articulated over the review period but a key GoU report in 2008 identified strengthening of the institutional base for sustainable economic growth as critical for the country.³⁸ Among top priorities noted were the effectiveness of public administration, protection of property rights and fair court process. These and related governance issues have been amply documented in external sources.

As noted in Section 2.1, institutional change on the scale required would be challenging and time consuming. World Bank data since 1996 show a long history of poor ratings in all governance categories measured.³⁹ Today, one of the five priorities in the President's economic reform program for 2010-2014 remains improving "the efficiency of public administration by reforming the civil service and executive authorities."⁴⁰

Implementation of MDGs in Ukraine depends equally on democratic governance, that is: "accountable state institutions, effective locally developed strategies, based on national consultation, participation through representative political structures and consolidation of the efforts of the major actors of society, including the Government, business and the public."⁴¹ On these fronts, the 2008 Economist Intelligence Unit (EIU) placed Ukraine 53rd of 167 countries on its Democracy Index, describing it as a "flawed democracy".⁴²

The 2002 CDPF as outlined in Section 2.3 was situated squarely in relation to governance needs highlighted by independent analysts and the GoU alike. It followed the logic that improved governance and democratic functioning would form the foundation of economic growth and social development. It proposed institutional capacity building, policy formulation and rule of law as areas for support; it also envisaged strengthening civil society so that

³⁸ Ministry of Economy, Ministry of Finance and National Bank of Ukraine. (2008) *Potential and Performance of Ukraine*. Ministries of Economy and Finance and National Bank of Ukraine, Kyiv. p. 41.

³⁹ The WB ranks countries by: voice and accountability; political stability; government effectiveness; regulatory quality; rule of law; and, control of corruption.

⁴⁰ Economic Reform Committee (for President of Ukraine). (May 27, 2010). *Wealthy Society, Competitive Economy, Efficient Governance: Economic Reform Program for Ukraine*. Draft Discussion Paper.

⁴¹ United Nations in Ukraine. Overview of MDG National Report.

⁴² The EIU rankings are based on 5 criteria sets: electoral process and pluralism; functioning of government; political participation; political culture; and, civil liberties. See Economist Intelligence Unit. *Index of Democracy 2008*.

communities could collectively prioritize their needs and advocate them to government. The largely responsive character of the Ukraine Program at that time also ensured that projects were designed to fulfill distinct needs identified on the ground, or even explicit requests coming from the GoU.

Consistency with CIDA policies and priorities. The logic of CIDA's engagement in Ukraine was found to be sound. Although poverty was not directly identified as a priority element in the 2002 CDPF, the evaluators found evidence in both interviews and in project results that it was taken into account in program and project design. Furthermore, three projects not included in the sample addressed health and education MDGs. Those included in the governance sample were found to be consistent with the 2002 CDPF, the parameters of which continued to be applied through the 2007-2009 period when there was no formal CDPF approved for the program.⁴³ Many projects in the economic development sector included significant governance elements as well, dealing with capacity building in government institutions or support to systemic change.

3.1.2 Effectiveness

The governance projects reviewed also scored well on effectiveness, with a weighted average near the top of the *satisfactory* range. The main indicators used to make that determination were: a) outcomes in relation to objectives, including unexpected results; and b) cost effectiveness.

Examples of Results: Governance Sector

Project level evaluations, monitoring reports and PPRs provided evidence that most projects had achieved their intended objectives at the output level, as a first step toward outcome level results. As confirmed by interviews and project site visits, several had exceeded their targets and were demonstrating profound effects in terms of new institutional structures, laws, policies, and processes. For example:

- The Judicial Cooperation (JC) project introduced a new court administrative system secured in national legislation;
- The Policy Advice for Reform (PAR) project is credited by stakeholders with bringing the concept, methodology and practice of public policy formulation to Ukraine;
- The Regional Governance and Development project (RGD) initiated consultative strategic planning processes that are now used by several oblasts, including the two original pilot oblasts;

Projects that offered practical tools, skills and opportunities for mentored implementation of

⁴³ The exception was elections support, which was not articulated in CDPFs but clearly relates to governance.

plans also demonstrated outcomes in terms of continued use of materials, methods and trained trainers:

- Building Democracy (BD) produced materials on democracy that now are part of the high school curriculum and are even in use at the Ministry of Interior Universities;
- SEPPAC facilitated the publication by the GoU and the International Center for Policy Studies (ICPS) of two *Potential and Performance* reports which continue to be widely referenced;
- Peoples Voice II influenced governments at the local level to become more responsive to civil society; its materials are in high demand by other international agencies, training institutions and governments;
- PROGINT trained instructors who are now beginning to deliver courses themselves at the Diplomatic Academy of Ukraine, as well as at similar academies outside the country.

Replication of models also allowed some projects to extend their beneficiary reach beyond original targets:

- World Bank is using its contacts to disseminate the experience of Peoples Voice and to replicate the proven use of Citizen Report Cards;
- Centres not initially involved in RGD and Community Economic Development (CED) have adopted the consultative approach and strategic planning guides introduced by these projects;
- Courts outside the coverage of the JC project are learning from its model courts; the Ministry of Justice distributed the project's manual for court operations to all courts in the country.

Many projects also were credited with having produced unintended results, such as:

- Supporting public dialogue around public policy (and election) issues of immigration and female retirement age (SEPPAC);
- Building capacity and future partnership opportunities (Democratic Institutions and Practices -DIP);
- Improving relations between levels and Ministries of government (RGD).

Probably the most important unintended result has been attitudinal and behavioural change, an outcome observed in several cases. RGD stakeholders interviewed, for example, reported that public servants routinely are paying much more attention now to community identified priorities. The experience of community based planning has convinced them that their jobs can actually

be made easier by adopting the new approach.

Poverty reduction was not included as an indicator of effectiveness because the CPDF did not prioritize it explicitly and none of the projects reviewed addressed that goal directly. As noted earlier, however, there is agreement among donors and recognition by the GoU that improved governance is essential to improving living standards. Projects involving community empowerment were closest to directly achieving such goals.

Cost effectiveness. For the purpose of this evaluation, cost effectiveness was judged as reasonable if: a) intended results were achieved within budget; and b) projects succeeded in leveraging resources. By these measures, projects reviewed were considered to have been relatively cost effective, for example:

- The BD project exceeded its objectives over a longer period without an increase in cost, due to high quality management and financial oversight by the locally engaged project manager⁴⁴;
- RGD was “cost-effective in the field in relation to the level of effort involved...the project managed to achieve more than was planned for a given budget”⁴⁵;
- DIP significantly improved cost effectiveness and improved monitoring by engaging a local coordinator halfway through the project; and,
- Replication, as in cases cited above, also can be seen as a way of offsetting costs of innovation.

Some projects appeared to be less cost effective but had extenuating circumstances:

- SEPPAC worked in a specialized area of intervention; several participants dropped out of training but the small number of “graduates” remain in positions of key influence and the project produced a significant and influential body of work; and,
- The cost per person fielded under the Elections Support project was double the norm for observer missions but the mandate was successfully carried out as required, within the set budget.⁴⁶

By definition, responsive programming requires contributions from implementing partners, and many projects achieved significant leveraging of resources:

⁴⁴ Interviews with Canadian and Ukraine implementing partners.

⁴⁵ Gombay, C., Hershkovitz, L. and Palyvoda, L. (April 2010) Regional Governance & Development Project—Ukraine Evaluation Report.

⁴⁶ The Elections Support project was implemented on extremely short notice in response to a Government of Canada commitment aimed at addressing a potential political crisis in Ukraine.

- CED attracted more than 25% of the value of the project from outside sources to support community projects. The CEA, participating communities and implementing partners also provided in kind contributions amounting to \$2.344 million, around half again the value of CIDA's investment;
- CED, RGD and other projects used a large contingent of high quality volunteers for technical assistance; and,
- Projects working at the oblast level (CED, RGD, Peoples Voice II) attracted funds from government, other donors, or community philanthropy.

3.1.3 Sustainability

Sustainability ratings for governance projects fell into the low end of the *satisfactory* range, although, only the Elections Support Project- never intended as anything more than a short term observer mission - was rated unsustainable. Indicators used to establish this rating were: a) time to attain results; b) institutional capacity to maintain results; and c) financial capacity to maintain results.

Time to attain results. The attitudinal change sought in governance interventions takes a long time to occur in an institutional environment such as the one in Ukraine which is still affected by the old-regime apparatus. Particular note was made of CIDA's willingness to support front end investment in building relationships, multiphase initiatives and project extensions where appropriate. A very high proportion of interviewees emphasized the fact that often a four or five year project is unrealistically short, especially in the governance area. This was an area where CIDA programming was identified as standing out in relation to that of many other donors who arrived with significant resources, aggressively implemented a project over three years and then left.

Institutional capacity. Outcomes already noted are a testimony to sustainability insofar as "outcomes" often represent results that have endured beyond the project timeframe. In some cases, capacity building focused on individuals. Where activities had short horizons, sustainability remained open to question (e.g. some sub-initiatives under DIP, PAR and CFLI). In other cases project results were well anchored in an institutional setting or standardized process, suggesting better prospects for sustainability, for example:

- Changes in institutional structure secured by law or state policy - e.g. separation of court administration from administration of justice (JC project), condominium law (CED), policy analysis units (PAR);
- Retention in permanent practice of processes and work methods - e.g. benchmarking techniques (SEPPAC), interactive teaching methodology (PROGINT), strategic planning processes (RGD);

- Production of manuals, guides or curricula that are still in use e.g. - manual produced for Presidential Secretariat (SEPPAC), condominium material on the Ministry of Housing web site (CED), curriculum in Community Development Institutes in Lviv and Dnipropetrovsk (CED), gender and court administration curriculum at the Judicial Academy (JC); and,
- Continued viability of new community organizations created with support of CIDA projects - e.g. Vovkiv community ecotourism venture.

Financial capacity. Unless they were institutions (e.g. National Academy of Public Administration, Diplomatic Academy of Ukraine, Dragomanov Pedagogical Institute, State Courts Administration) project partners in the governance sector had limited prospects for financial sustainability. That said, stakeholders reported that success in attracting external resources often could be attributed to strategic planning learned through CIDA projects. Also, some of the models developed in CIDA projects were taken up by other donors - often in a better funded and more widespread way - effectively replicating the Canadian experience. Such was the case with policy analysis units established under PAR and the new courts administration model developed under the JC project.

The evaluation found evidence of successful programming and results achievement in the governance sector, despite deep capacity deficits and major political upheaval. Implementing agencies have been well regarded for their expertise, quality of partnership, commitment and flexibility to adapt to changing circumstances. For the Ukraine Program, the caveat will be continuing to integrate governance as a cross-cutting theme and ensuring that there is enough flexibility in the system to maintain ongoing relevance in a context of flux.

3.2 Economic Development Sector: Relevance, Effectiveness and Sustainability

The indicators used to assess criteria for the Economic Development (ED) sector are the same as those used for projects in the governance sector and, for the sake of brevity, will not be redefined here.

3.2.1 Relevance

Paralleling governance sector ratings, projects in the ED sector scored in the *highly satisfactory* range on the relevance criterion. Projects reviewed were found to be fully consistent with Ukraine's needs and development plans in both agriculture and private sector development. Broadly speaking, the GoU's over-riding economic reform goals during the evaluation period were EU integration and accession to the WTO.

Over the review period, agriculture and food processing made up 20% of Ukraine's GDP and

accounted for 10% of the country's workforce⁴⁷. Structural changes in the sector were still working themselves out following the privatization of land, as economies of scale increased the number of large farms and small holdings were leased out to large operators.⁴⁸ Most jobs were being created by SMEs - that is, companies of 250 employees or less. A 2007 IFC report on the business environment in Ukraine indicated that SMEs accounted for 57% of total sales in the country and provided 67% of total employment.⁴⁹ Given the structure of Ukraine's manufacturing sector and the demise of much of the large Soviet inspired heavy industry, SMEs also provided the best employment opportunities for the socially vulnerable and needy.

At the same time, major regulatory constraints within the agriculture and private sector stalled productivity gains and discouraged investment. Foreign investors were reluctant to risk long term capital given well-known perceptions of Ukraine's poor business climate. A lack of corporate governance standards and complex, burdensome tax regimes further compounded the challenges for sustained growth. GoU ministries have themselves noted: "The real deterrents in attracting greater volumes of foreign investment are Ukraine's institutional and regulatory problems."⁵⁰ This view is reinforced by a 2008 World Economic Forum Report which concluded, "Under-developed private institutions are among the most serious competitive weaknesses of Ukraine and the issue of weak corporate governance standards should be addressed urgently."⁵¹

Ukraine's highly skilled and relatively low cost labour force argues for a program emphasizing improvements to an enabling environment, rather than a transfer of basic skills. CIDA's programming guidelines directly addressed these opportunities and responded to the realities and challenges impacting on development of Ukraine's private sector. Relevance was also demonstrated by the very positive response to projects in the sector on the part of GoU officials, as seen in repeat requests for continuation of Canadian technical assistance and wider take-up of the project models.

CIDA policy and priorities are clearly reflected in the Ukraine Program's approach to the ED sector. Ukraine was recognized in the 2002 CDPF as a lower middle income country where general improvement of living standards (including poverty alleviation) could be pursued through support to an emerging private sector. Although that document placed governance in the foreground, PSD and agriculture were highlighted and linked with the Key Agency Result of Economic Well Being. An important focus was the wresting of agriculture and rural areas from the effects of a command economy to a market-based economy built on private ownership. At the beginning of the review period (2004), much work had to be done not just on the technical side but on creating a culture of taking decisions independently from central dictates.

⁴⁷ IFC, MIGA, WB. (2009). Investment Climate in Ukraine as Seen by Private Businesses.

⁴⁸ According to an interview with IFC, there are now approximately 10,000 large farms (more than 2,000 ha) and some 40,000 small farms in the country.

⁴⁹ IFC. (2007). Business Environment in Ukraine 2007: Ukraine Business Enabling Environment Project. 2007.

⁵⁰ MoE, MoF and NBU. (2008) Potential and Performance of Ukraine

⁵¹ World Economic Forum. (2008) The Ukraine Competitiveness Report 2008 .

Projects in the ED sector were found to be fully consistent with the priorities set out in the 2002 CDPF and other guiding documents. They built on many years of successful programming aimed at strengthening the agriculture sector, fostering a business culture and creating an environment that would attract investment and instil confidence in entrepreneurship. The ED sector portfolio included a range of project types to improve access to credit, training and institutional and trade capacity building. Several projects addressed rural poverty implicitly and had social relevance, consistent with Agency and Ukraine-specific MDG goals.

3.2.2 Effectiveness

Economic Development sector projects achieved an overall weighted average at the top of the *satisfactory* range on the effectiveness criterion, a touch above governance sector ratings. By their nature, ED project achievements have been somewhat easier to quantify meaningfully.

Examples of Results: Private Sector

The range of mechanisms to achieve sector goals was well suited to deliver mutually reinforcing results, which often could be discerned at early stages of project execution. As in the governance sector, most projects amply achieved **outcomes in relation to objectives** at project, sector or institutional level and several exceeded their targets – for example:

- Under the Facility for Agriculture Reform (FARM), the number of producers adopting new crop varieties and cultivation technologies was four times the original target; partnerships between extension services and education/research institutes were triple the scale targeted; the number of community development programs undertaken was vastly in excess of what was planned;
- The Agriculture and Corporate Development (ACD) project worked at several levels (including institution building with wholesalers, storage owners, creditors, crop insurance) for significant increases in productivity and crop sales; ACD also was responsible for creating 8 laws adopted by parliament enabling a much less restrictive agricultural regime;
- The Decentralized Management Skills Training (DMST) project introduced a market oriented approach to six pilot institutions – the success of which resulted in a complete change in the *modus operandi* of vocational training institutes in Ukraine; and,
- The Ukrainian Credit Union Strengthening project (UCUSP) is recognized as the driving force behind the revival of the credit union movement in the country. Under UCUSP's tenure, credit unions grew by 30-40% a year. They generated 9,000 jobs directly and at least 25,000 through businesses receiving loans.

A less tangible but significant accomplishment is the degree to which projects were able to get early buy-in from Ukrainian partners. Counterparts soon became active participants, trainees soon became extension workers, community workers soon became community leaders,

students soon became instructors. New high yielding crops were planted by initially sceptical farmers and new credit instruments were being recognized by financial institutions and government. Not surprisingly, a common characteristic of ED projects was the degree to which pilots were replicated - for example:

- From the establishment of the first successful grain quality labs another 19 were soon replicated over the project area (Grain Quality and Credit Commodity Exchange - GPCCE)
- Rayon Business Centers were replicated by the government across the oblast, based on models set up under the Small Business and Economic Development in Ivano-Frankivsk Regional Networks (SBEDIF-RN) project;
- From the six pilots introduced under DMST, the ministries responsible replicated the model to all 900 vocational training institutes in the country;
- Under FARM a Canadian model of agricultural extension services was replicated across four oblasts; and,
- The practices of model credit unions under UCUSP were replicated across 40 others, with most credit unions in the country having benefited from direct training or exposure visits.

Results such as those recorded above have been noted by GoU officials and local project beneficiaries as outstanding examples of donor support in the sector. The Ministry of Agrarian Reform confirmed to the evaluation team that CIDA's recent appointment as the co-chair of the Agriculture Sub Committee (Council of Donors under the MoE) was based on recognition of the quality of its program in that sub-sector.

As was the case for governance, **poverty reduction** was an implicit, not an explicit result expected of the economic development portfolio. Sector projects worked directly with rural, disadvantaged communities to support transformation of their economies (FARM and the Integrated Regional Development Program – IRDP), to provide access to credit (UCUSP) or to expand markets for production (TPCB).

ED projects also performed well with regard to **cost effectiveness**. In the case of UCUSP, for example, every dollar of CIDA investment was estimated to have generated \$58 in assets. More broadly indicative were:

- Replication and outcomes in excess of targets but within given budgets, as noted above;
- Use of volunteer experts and in-kind contributions from implementing partners and beneficiaries to leverage resources (UCUSP, ACD, DMST, SBEDIF); and,
- Strong management by highly trained local staff.

3.2.3 Sustainability

Economic Development sector projects were found to have a stronger record of sustainability than those in the governance sector, with an overall weighted average at the top of the *satisfactory* range.

Time to attain results. Projects were found to have been of a reasonable duration to attain expected results. All nine ED projects in the sample were implemented by partners with long standing experience in Ukraine or the region, and most built on previous experience. As was the case with governance projects, CIDA was willing to invest time and resources in building relationships that enhance both results and the durability of these results, sometimes through multiple phases.

Financial capacity to sustain results in the ED sector is mostly rooted in practical outcomes that improved revenue and profit for beneficiaries, for example:

- The FARM project's practical services of soil testing and animal husbandry created fee generating businesses that will be self-sustaining;
- RTCC has developed several income producing streams, based on original Ukrainian case study material and fee producing business training in an SME support unit equipped by the project.
- The Grain project introduced more profitable, high yielding types of vegetables and grains;
- The high value horticulture and efficient drip irrigation systems introduced under ACD will not only continue to expand but will more broadly set the trend for a positive structural shift in rural agriculture; and,
- Four of the five Business Centers established by SBEDIF-RN have a diversified income base.

Institutional capacity to sustain results is solid in a number of projects that had strong links with existing structures, or that had ensured extensive training for needed functions - for example:

- The Centre for International Trade and Development (CITD), created under the Trade Policy Capacity Building Project, is now used by the GoU for briefings and publication updates on WTO requirements;
- The Ministry of Agrarian Reform is now providing funds to keep FARM's newly established network of agriculture extension services functioning;

- DMST has changed the way institutions relate to their “markets” in forward planning; and,
- UCUSP, FARM and SBEDIF have invested heavily in training local management and staff, training trainers to carry forward the learning, and providing manuals and mentoring resources.

Given project outcomes in terms of income-generating potential and the prospects for sustaining those results through supportive frameworks, CIDA’s investments in the economic development sector have provided good value for the Canadian dollar.

The effectiveness of the ED portfolio was largely the product of relationship-building at the front end of projects. It was also the result of engaging CEAs that had depth of experience in Ukraine and were able to both design and deliver programs without undue experimentation or prolonged start-up costs. Canada has brought a wealth of expertise to the table on international trade issues, on new technology and agriculture pertinent to conditions in Ukraine and it has managed to mobilize respected educational institutions with international experience. These factors have coalesced to produce an effective ED sector program in Ukraine.

3.3 Integration of Cross-Cutting Themes

3.3.1 Gender Equality

According to a 2008 ICPS Report: “Ukraine does much more than other CIS countries in terms of legally ensuring equal rights and opportunities for men and women...However, the mechanisms to ensure gender parity in Ukrainian society do not appear to be performing well.”⁵² The 2010 MDG Report for Ukraine similarly expressed concern over a “deepening of gender-based socio-economic differentiation...[which] slows down opportunities for economic development, weakens the public administration system and reduces the efficiency of human development strategies.”⁵³ CIDA has long recognized these impacts on sustainable economic growth and governance. It has earned a lead position among donors for its conceptual, practical and actual contributions in the field of gender equality (GE). At the same time, it too has found the goal to be elusive. A 2008 corporate evaluation of CIDA’s GE policy implementation found that a dual track was needed – that is both cross-cutting and gender-focused approaches, with appropriate resourcing.⁵⁴

The 2002 CDPF provided only a brief synopsis of GE issues needing to be addressed and limited analytical guidance, other than to propose a dual track. The 2005 Program Evaluation noted that most projects limited their integration of GE to headcounts of staff or participants in project activities. A developmental lesson identified was that GE outcomes defined in project

⁵² International Centre for Policy Studies. (2008). *Potential and Performance of Ukraine*. ICPS: Kyiv, p.13.

⁵³ MoE. MDGs Ukraine—2010 National Report, p. 56

⁵⁴ Bytown Consulting and CAC International. (2008). Evaluation of CIDA’s Implementation of Its Policy on Gender Equality. pp. 5-6.

design seemed to be dissociated from sector imperatives. Subsequently, a review of CIDA's GE programming in Ukraine set out logical entry points for integration of GE in each sector and proposed earmarking 3-5% of bilateral project budgets for that purpose.⁵⁵ The concept of dedicated budget was novel among donors and a rarity even within CIDA. In 2009 the Program produced a GE strategy paper for Ukraine, as annex to its 2009 CDPF. The paper again proposed a dual track approach, as well as a requirement that all projects earmark 10% of their budgets for integration of GE.⁵⁶

In short, there has been an excellent evolution towards a stronger, more coherent strategy for GE at the program level, consistent with corporate policy. In support of implementation, the Branch Gender Equality Specialist provided feedback on project proposals, and developed tools, indicators and guidelines. GE training was provided for all staff in the Ukraine Program including at the Embassy, as well as for gender advisors on specific projects in Ukraine. In the field, a locally engaged professional provides GE expertise, while being responsible for other project files. She regularly monitors the GE outcomes of projects and brings gender experts together in workshops or roundtables for discussion on specific themes. Between CIDA-HQ and the field, it would seem that there is good level of support. In addition to having a gender specialist integrated in each project team, a local GE Advisor was in the process of being recruited at the time of the evaluation.

Examples of Results in Cross-Cutting Issues: Gender Equality

Governance Sector Development

The real surprise within the governance portfolio was the Judicial Cooperation project, which found an unexpected take-up of gender issues thanks to a very strong gender team. Interviewees described "unprecedented" and "unbelievable" interest on these issues among the participating judiciary, to the extent that other foreign funded projects have sought advice on a gender approach from the project. The permanent training curriculum that will form part of the project's legacy includes gender courses.

Private Sector Development

- DMST: This was one of the more proactive projects for delivering positive GE results. In order to gain acceptance and integrate gender as consideration, the project bundled gender equity with social equity. The DMST had to address a number of social issues in addition to carrying out its primary project functions – including the large number of female orphans under its protection. This provided an entry point which eased the concept into the project mainstream in a way that resonated with project officials. Through this project, and partly as a result of success using the above approach, a new function of gender/social equity

⁵⁵ Gander, C. (2006). Gender Equality in Ukraine: CIDA Programming. (a report prepared for Ukraine program, CIDA)

⁵⁶ CIDA. (2009) Gender Equality Strategy for Ukraine. 2009, p. 17

coordinator was mandated for all vocational schools under the Ministry of Education.

- **Trade Policy and Capacity Building:** The TPCB project did not have a gender equality strategy at the beginning of the project and consequently the project had limited success in addressing gender issues. Midway through the project, the CEA became active in pursuing GE objectives, primarily encouraging women to participate in project activities and attaining a gender balance among staff. This project bundled GE with intercultural sensitivity training, which allowed for a smoother entry of the concept. The CEA also worked closely with partner organizations to build up gender research capabilities. A related activity was the production of a 30 minute documentary “Women of Influence” which highlighted women’s roles in trade capacity building.

Agriculture and Corporate Development

In this project there was a good deal of cooperation with the pre-existing Association of Women-Farmers in Ukraine. The project formed a support group to this national organization – the “Women’s Group in Agriculture.” That initiative cascaded into the formation of regional associations of women-farmers dealing with all aspects of farm business. It should be pointed out again, that women were running many farms as husbands often were working in urban centres or overseas.

In terms of practical outcomes, the evaluators found a more mixed picture. Since the lapse of the highly successful and influential Canada-Ukraine Gender Fund in 2005, no projects in the Ukraine program portfolio have had gender equality as their primary focus. Although this project placed CIDA in a firm leadership position on GE and established strong links with practitioners (including those in government), there has been no further support to a gender fund in Ukraine. This approach was replaced by the inclusion in each project of a ten percent budget allocation for gender equality. Although, the evaluation is not in a position to make a full assessment on the relative merits of such approaches, the Program could assess whether restoring this type of funding mechanism could contribute positively to the achievement of gender equality results in the future.

A majority of projects fell in the *satisfactory* range, while 25% had problems integrating GE objectives. Indicators for that determination were: a) existence of gender strategies; b) sex disaggregated data; c) policy dialogue to promote GE; and d) dedicated resources. Roughly 50% had GE strategies of sorts and 64% collected sex disaggregated data. Only 4 projects found a means to engage GE in policy dialogue within their realm of activity. About 40% had engaged someone to deal with the GE dimension on a full time or part time basis; in some cases, however, the position was very junior and the incumbent lacked the necessary conceptual and practical tools to do justice to the task. The required 5-10% budget allocation was an innovation of the program and had good effect in some cases, while in other cases it was expended on marginal add-ons that could not be expected to be cost effective in contributing to sustainable GE results. Given that the gender budget allocation was introduced

towards the middle of the review period, the Program was still making adjustments to ensure optimal effectiveness through this new approach. This could explain the uneven results achieved.

There were some encouraging project results - for example within CED, RGD, UCUSP, FARM, ACD and IRDP, which ended up with solid performances. Several projects found meaningful ways to overcome initial resistance and integrate GE and even to champion the perspective once they got a better understanding of the issues at stake. These included techniques like using both male and female consultants in discussions of gender issues, or teaming up social and gender equality experts. One real surprise was the JC project, which had a very strong gender equality team. Interviewees described “unprecedented” and “unbelievable” interest on these issues among participating judiciary.

The Program has been conscientious in assuring the conceptual, methodological and financial means for moving the GE agenda forward. Need remains, however, for strong local advisory capacity to help projects optimize their approach within their stated objectives and in a culturally suitable manner, building on the experience of those projects that have found effective ways of incorporating the GE dimension. The Program also should keep its options open. For example, there may be a need for gender-specific projects that can help build local capacity, further consolidate a network of professionals who can take ownership of the GE agenda and seize the windows of opportunity to work with government.

3.3.2 Environment

The 2002 CDPF stated that all new programming would take environmental considerations into account and would meet the requirements of the *Canadian Environmental Assessment Act (CEAA)*. An examination of this cross-cutting theme revealed a rather limited performance at project level over the 2004-2009 period. Sample projects had a weighted average rating of only *moderately satisfactory*. Indicators used were: a) involvement of environmental experts; b) dedicated resources or specific initiatives; and c) pursuit of policy dialogue on environmental concerns.

Examples of Results in Cross-Cutting Issues: Environment

Results regarding Environment in Private Sector Development:

- The Agriculture and Corporate Development project, for example, provided training on correct pesticide application techniques and an integrated pest management pilot program was started by a vegetable processor. There was also some recycling of plastics at the Kherson recycling plant. On the Grain Handling project, methyl bromide was banned as a fumigant because of its ozone depleting characteristics.
- The FARM project was reasonably pro-active in pursuing environmental initiatives. Advanced tillage techniques designed to preserve soil from run-off was taught as were

Canadian best practices on soil preservation and energy efficient production. These were taught through the extension services created under FARM.

- The Integrated Regional Development Program had as its major project focus the provision of clean water for Crimean villages. Over 80 such villages were served under the project and a cooperative for solid waste management involving several communities is jointly managing the initiative.

While the environmental dimension of projects was signed off at CIDA HQ, thus meeting of the requirements of the CEAA, there was no regular involvement of environmental experts at either the program or project levels. The evaluation acknowledges the fact that, during the later part of the period under review, an attempt was made to involve the CIDA environment specialist more systematically on the project teams, especially in the agriculture and PSD related projects. There also was a limited record of resource dedication. Environment was never an explicit part of projects in the governance sector and, in four projects, the evaluators judged it simply not to have been relevant. In most others, the theme was absent from results statements, work plans and project reporting. The ED sector was equally limited in its attention to the environment. While several ED projects had potential for addressing the theme, the general view of those interviewed (CEA, CIDA and beneficiaries) was that environmental impact was marginal or that there was scant opportunity for any meaningful intervention. Given the present state of the environment in Ukraine, the case could be made for a more pro-active stance.

In both sectors, the environment-related activities that did occur existed as a relatively minor element of the projects or because they were identified as being of interest by the participating communities. A few projects (FARM, ACD, Grain Handling, SBEDIF) included limited environment support activities such as training on correct use of pesticides or community environmental clean-up. The Canada Fund for Local Initiatives (CFLI) was the most proactive in considering environment in a systematic fashion. Environment was a strategic orientation of the Fund as summarized in the 2008-2009 Annual Report, and all sub-projects were assessed for environmental impact. Roughly one third of the 18 projects approved by the fund dealt with environmental issues.

Environment as a cross-cutting theme needs to be better articulated and focused to be an effective part of the Program. This requires better definition of related objectives, greater emphasis in those projects where environment could realistically be considered and explicit coverage of the theme in project planning, implementing and oversight.

3.3.3 Youth

The 2002 CDPF identified youth as a counterbalance to the “vested interests and oligarchs that appear to have a stranglehold on decision making in Ukraine”⁵⁷. It emphasized that programming needed to include youth to prepare them for positions of influence, as a means of building consensus for reform and ensuring a reform-oriented bureaucracy and civil society in the future. There also were social and economic reasons to focus some resources on programming for youth. According to an International Centre for Policy Studies (ICPS) report and the MDG National Report, there are large numbers of unemployed young people who are at risk of lower income, higher poverty, and social exclusion throughout their lives. Moreover, “the disengagement of young people from mainstream society lowers the country’s competitiveness, undermines its economic potential and decreases social cohesion.”⁵⁸

Examples of Results in Cross-Cutting Issues: Youth

Results regarding Youth in Private Sector Development

- Agriculture and Corporate Development Project. A quote from an interview with an IFC official is telling: “IFC has found success in heavy use of local staff, particularly younger, more enthusiastic, motivated, in their 20s and early 30s”. Like the FARM program, IFC made good efforts to address youth needs through the introduction of 4H clubs.
- The FARM project. As part of its extension and community development work, the project established 4H clubs for youth throughout the area in which it was active. This is how farming is done in Canada and it would not have occurred to the CEA (STEP) not to proceed along the same lines. The approach had resonance for partners and beneficiaries because of the out-migration of men of farming age for work overseas or in urban areas. This meant that at times it was the youth (or women) who took over routine farm management responsibilities.
- There were some deliberately targeted youth initiatives outside rural areas. In discussion with an official of the Regional Training and Consulting Capacity project it emerged that one of the greatest strengths of the project had been that it “focused on the new generation, the

⁵⁷ CIDA 2002 CDPF p.10

⁵⁸ ICPS, 2008 *Potential and Performance* Report, p.12

youth of Ukraine bureaucracy.” This was a practical consideration as the courses were all taught in English. It was further indicated that “the younger generation thought differently and eventually the pro-western culture would win out.”

Over the period 2004-2009 only four bilateral projects were youth-specific and these were not included in the sample.⁵⁹ Examination of youth as a cross-cutting theme indicates that it has not fully conformed to the vision set out in the CDPF. The sample of projects had a rating of only *moderately satisfactory*. Indicators used were: a) age disaggregated data in analysis and reporting; b) specific resources or initiatives targeting youth; and, c) pursuit of policy dialogue focused on the youth demographic and its needs.

The CFLI was strategically oriented toward initiatives involving vulnerable groups including children and youth. The Fund’s Annual Report for 2008-2009 indicated that about 20% of the approved projects specifically targeted children or youths; another 16% targeted marginalized groups more broadly but may have included youth. By definition, high school curriculum developed under the BD project was relevant for youth but was not *per se* a project objective. In no other cases in the governance portfolio were strategies for addressing youth identified, or specific resources dedicated. In some projects, such as Elections Support or capacity building in policy formulation (PAR) youth would not have been a natural constituency. In the ED sector, SBEDIF and DMST specifically engaged youth as a natural target group given high levels of youth unemployment and the need for training.

In a number of other projects youth appeared as voluntary or involuntary beneficiaries, for example:

- Peoples Voice II, CED and RGD - youth participated in courses, and several specific sub-projects with a youth orientation were identified by communities for project support. Youth was not a focus, but “interesting things were happening with youth”⁶⁰;
- PROGINT - an unplanned consequence of courses being taught in English and the relative fluency of the current generation in this language resulted in some focus on the new generation of Ukrainian diplomats;
- SEPPAC - Though not a particular focus, indicators relating to youth were included in demographic work, benchmarking exercises and analyses of unemployment;

⁵⁹ The four bilateral projects were: Positive Children (AIDS), Inclusive Education for Children with Disabilities, Children for Health, and UNDP Youth and Human Security Program. In addition, CPB supported two Canada World Youth projects. Taken together these projects accounted for about 8% of disbursements.

⁶⁰ CEA staff interview

- DIP - some sub-projects focused on youth, simply as a result of who applied rather than specific criteria. A few targeted the mobilization of young voters by increasing their awareness of election issues; and,
- The FARM project established 4H-type clubs to help youth develop useful skills and attributes that would contribute to the future of rural communities and civil society (e.g. leadership, motivation and entrepreneurial skills).

Overall, the Program has engaged youth to a very limited extent in terms of positioning them as champions of lasting reform, as envisioned in the 2002 CDPF. To a greater (but still limited) extent, their prospects for social and economic security have been enhanced by the program. Only some of this has been the result of targeting of youth specifically; more often the impact was unplanned and accidental, and was driven by participants themselves rather than being the result of deliberate planning.

4. Major Findings on Management Performance

4.1 Coherence

In the roll-up of project assessments, coherence had a weighted average that placed it in the *satisfactory* range. The Economic Development (ED) sector had more projects scoring in the *highly satisfactory* range relative to the Governance sector which had more projects falling into the *moderately satisfactory* category. The indicators for assessing coherence were: a) internal coherence within the portfolio of projects; b) external coherence with other donors; and c) whole-of-government efforts.

Internal coherence was gauged at the level of programmatic planning and at the operational level, that is, project interaction in the field. The Ukraine Program worked consciously toward conceptual coherence, for example, through strategic planning processes such as CDPFs, the program delivery model and project selection aligned with CDPF parameters.⁶¹ As described in Section 2, CDPFs articulated a “top-down bottom-up approach” that would link grass-roots efforts with the policy, institutional capacity building and rule of law initiatives needed to foster an enabling environment. The 2002 CDPF further emphasized enablement through its umbrella theme of governance.

The logic of a vertically integrated program concept was best exemplified in the ED sector. At the grass roots level, for example, the FARM projects introduced more productive farming techniques for income generation. A step up in the chain, the ACD project provided

⁶¹ As noted in Section 5.3, elections related projects were an exception.

agribusiness skills and more specialized forms of agricultural support, such as high yielding crop varieties and drip irrigation. Both the ACD and FARM projects had policy-oriented components so that structural and regulatory reforms could move in tandem with expanded production. Meeting quality standards for export was the focus of the GQCCE project. A next step was access to foreign markets for the sale of export quality surplus through, for example, accession to the WTO. The TPCB project played a critical role in helping Ukraine achieve that objective. A similar logic chain could be seen in projects focused more generally on private sector development through support to market based vocational training, SMEs and micro-finance sub-sectors.

The governance sector tended to be more diffuse, with several independent themes that ran on parallel tracks. Decentralization and community development were predominantly regional in their focus, albeit with some connections to the national level. Electoral assistance, democratic development, rule of law, and support to institutions of public administration were mainly national in focus. DIP, a very successful electoral assistance project, functioned separately from the balance of governance sector programming and indeed from other elections related activities supported through funding to OSCE. Projects targeting national public service capacity were key for strengthening governance mechanisms, but they had no practical tie-in with other projects and limited scope for mutual reinforcement over the period being reviewed.

Working at all levels of government is an important lesson learned by the program given: 1) the duplication in responsibilities between all levels of government, 2) that local authorities are better positioned (and ultimately expected) to deliver services, 3) that national authorities need to be involved if know-how transferred is to be replicated elsewhere. This lesson was learned early through the DMST and RDG projects. The program continued to ensure that all 3 levels of government were involved in subsequent projects. The focus on economic growth will also help ensure further coherence between both sectors of involvement.

Coherence at an operational level implies networking, information exchange and synergies between CIDA-funded projects to the extent that these activities flow naturally from project objectives. At least half the sample projects evidenced some outreach or interaction, but there also were missed opportunities for complementarity within and across the two sectors. PROGINT and TPCBP, for example, had little or no contact yet they had overlapping objective and their project offices were within walking distance of each other. Time pressures and project focus are always an issue for CEAs bound by their commitments and accountabilities. The Ukraine Program was aware of the low level of project interaction and, toward the end of the review period, introduced a number of coordination measures, such as shared office space, joint steering committee meetings and joint project activities. CEAs suggested that CIDA could bring projects together more regularly with agendas that allow more substantive dialogue and the sharing of experiences out of which synergies could evolve. This had improved towards the middle of the review period when the program attempted to create more explicit links between projects in planning. Coherence between projects also became easier to achieve with the focus on five oblasts.

External coherence was assessed with reference to the level of communication and cooperation with other donors. The evaluation found that CIDA had a very positive attitude toward donor engagement. It participated in donor meetings chaired by rotation, as well as in donor-government working groups (DGWGs) including the Agriculture, Private Sector Development, Rule of Law and Anti-corruption sub-groups. CIDA's constructive role in these DGWGs was recognized by the MoE, both in interviews and in its recent invitation to co-chair a new Public Administration sub-group. Donors and CIDA indicated that these forums had been useful for information exchange but that the coordination value had been marginal, for reasons beyond their control. This issue will be taken up in more detail below, under management principles.

At an operational level, most projects evidenced a good record of contact with other donor projects. At the very least there was awareness of one another's activities so that duplication could be avoided. There also were examples of working together to mutual advantage. Generally, ED sector projects enjoyed good working relationships with similar initiatives funded by Sweden and the US. The DMST project coordinated some activities and shared information on teacher training and curriculum development with the EU, Austrians and Germans. UCUSP developed an internal audit manual jointly with the Germans and a training program for senior managers with EU. Projects executed by a multilateral agency were inherently coordinative for participating donors.

There also were notable examples in the governance sector. The Judicial Cooperation project worked regularly with a USAID project in the same sector, which ultimately adopted the Canadian project's model for court administration. The PAR model for policy units reportedly was used in various forms by the EU and UK. RGD enjoyed extensive coordination and information exchange with the EU, US, Germany, UK, UN, and WB. Some projects, like CED, developed links with other donors by encouraging communities to apply to their programs for funding specific initiatives. DIP was exemplary in its use of the multidonor Joint Project Preselection Initiative to select subprojects for funding, earning Canada the reputation of being a driving force in the area of elections support.

Whole of government efforts in Ukraine were not prominent but some examples of this form of coherence could be seen in three areas: a) information exchange; b) projects as a way for the Embassy to raise Canadian profile or engage government officials; and c) government departments acting in the capacity of executing agencies or sector experts. The Evaluation Directorate has been informed that there were also discussions about organizing working groups with implementing partners including other government departments. This would be useful as a means to strengthen program coherence.

Interviews confirmed that formal and informal communications between CIDA and Department of Foreign Affairs and International Trade (DFAIT) took place on a fairly regular basis in the years covered by this evaluation. A more structured form of interaction was apparent in the CFLI which has a management committee made up of Aid, Trade and Political sections of the

Embassy. In Canada, the Canadian Ukrainian Advisory Council convenes a working group on a regular basis with representatives from DFAIT, CIDA, Trade, Immigration and a number provincial governments and members of civil society.

The success of CIDA projects has definitely raised the profile of Canada and provided the Embassy with opportunities to engage key ministries. The Ambassador and the Head of the Political Section in Ukraine emphasized to the evaluation team that: “The CIDA program is the single most important component in the Embassy.” They noted that all senior Ukrainian officials including the President, Prime Minister and Deputy Ministers stress the importance of Canadian technical assistance. A number of trendsetting projects were replicated, providing tremendous visibility for Canada within key government bodies.

Within the review sample only four projects had Canadian government departments acting in the capacity of executing agencies. More commonly, CIDA projects mobilized the specific expertise of current and former public servants within projects such as PAR. From the perspective of the Ukraine Program, there is a healthy involvement on the part of other government departments. Legal issues around the international mandate of other Canadian government departments have been raised, and future initiatives involving them as partners will need to take these potential issues into consideration.

Internal coherence was well conceptualized within sector portfolios, but on the ground there were missed opportunities for CIDA projects to interact or collaborate with each other. There tended to be more regular contact with other donors having congruent objectives, particularly in the ED sector. It may be appropriate for CIDA to play a more facilitative role here, as this would strengthen coordination among Canadian and international partners.

4.2 Efficiency

Efficiency had a weighted average that placed it in the upper end of the *satisfactory* range. More than a third of the projects were rated as *highly satisfactory*. The indicators used were: a) efficiency in use of financial resources; b) appropriate use of human resources; and c) timeliness in decision-making.

Efficient utilization of financial resources is difficult to measure because projects are not always comparable and because no benchmarks have been established to guide evaluators. A rough proxy often used for cost per unit is the ratio of programming to administration costs. Overheads, however, are negotiated with implementing agencies and leave little room for deviation. Over and above negotiated overheads, efficiency more commonly is a subjective estimation of how carefully a project’s resources were managed and the adequacy of financial control systems.

Projects reviewed evidenced conscientious management of financial resources in a variety of ways - for example:

- Local professional resources were engaged on an as-required, part-time basis rather than full time;
- FARM and DMST carefully considered lease vs. purchase decisions;
- BD took advantage of currency fluctuations to extend local purchasing power; and,
- PAR, ACD and DMST kept overheads below approved levels.

Despite overall positive ratings, some projects suffered from inefficiencies in specific, identifiable areas. The Electoral Assistance project, for example, incurred double the cost for fielding an 8-day election observer mission, when compared with earlier rounds. The last minute time frame and the unprecedented number of people to be fielded in this case meant that speed was the critical driver. SEPPAC was effective in building individual capacity but an unexpected number of participants dropped out of the training, leaving the project with a high average cost per graduate. The Peoples Voice II project was hampered by bureaucratic delays because of the WB's Washington-based procurement processes. JC also ran into procurement delays related to the legal issues mentioned earlier in relation to government departments as EAs.

Whether prompted by desk officers, monitors, or evaluators, projects tended to self-correct over time to ensure that the variety of tools available for capacity building was optimized. CEAs weighed the costs and benefits of short term or long term Canadian expert visits to Ukraine or of bringing Ukrainians to Canada. Study tours, for example, were repeatedly cited as having created the foundation of relationships with counterparts in Canada and an atmosphere of enthusiasm and loyalty that endures, often beyond the end of the project. CEAs were well aware of the relatively high cost of study tours and learned to plan them strategically so that specific expectations were met and deliverables produced to complement other capacity building components.

Efficiency in the use of human resources depends on staff continuity and competence - within the executing agency and local project offices, within partner organizations and line ministries, and within the Ukraine Program at CIDA headquarters and in the field. Only one project, RGD, was identified as having suffered an unusual level of field staff turnover.⁶² The rest appear to have benefited from a high degree of stability. Ukrainian stakeholders expressed much appreciation for the quality of expertise that EAs brought to their capacity building tasks and they interpreted the continuity of EA staff as a mark of commitment. The multi-phase approach to many projects has also been a contributing element. Start-up costs were much lower when partners already knew one another and had agreed on a common approach and

⁶² The RGD evaluation noted that “the project was marked by staff turnover both at home and in the field. According to the project monitor, there was no international expert on RGD in 2007. This was a crucial time for the project and resulted in unnecessary delays in achieving project results.” (Gombay et al, p.41)

objectives.

For projects relying on specific ministries, there could be an added challenge in the staff turn-over that typically accompanies political change in Ukraine. Having to re-engage the commitment of new officials and re-acquaint them with project modalities involved a significant increase in the level of effort. Where this was a risk, CEAs adopted different mitigation strategies: for example, by working at several levels within organizations; by institutionalizing change in law; and by training for positions rather than individuals.

Project stakeholders expressed their appreciation for a relatively stable presence of CIDA officers at the Embassy, particularly the locally engaged officers who were familiar with projects and understood the local context within which they had to operate. Staff turn-over at CIDA headquarters was flagged by several interviewees as compromising their efficiency at times. Over their lifespan, most projects saw a succession of Project Team Leaders (PTLs), some of whom stayed for less than a year and barely had occasion to familiarize themselves with projects in their file. The Program ensured that there were orientations for new officers and a protocol for hand-over notes, but several interviewees commented on the amount of time they had to spend informing newcomers of project technicalities and the local context. Changing PTLs, changing analysts and even changing managers affected the stability of expectations with respect to reporting, communication style and project implementation.

The evaluators are not in a position to compare the level of turn-over in the Ukraine Program with that in other parts of CIDA, although there have been comments to the effect that the problem is not specific to the Ukraine Program.

Timeliness of decision-making or action on which EAs depended for efficiency was affected by a range of issues, including CIDA staff turnover and corporate decisions. The evaluators heard of numerous instances where CIDA decisions were slow or not successfully communicated. Such instances had the effect of stalling project activities, or increasing the time and resource costs for planned activities or even undercutting important relationships with Ukrainian stakeholders in the field. The 2005 Ukraine Country Program Evaluation noted that “CIDA is most respected for its responsiveness to Ukrainian expressions of priorities and the timeliness of its responses.”⁶³ Lack of timeliness in decision-making and unilateral decisions can place that hard won reputation at risk.

With a few exceptions, projects scored well on efficiency, as evidenced by conscientious management of financial and human resources. Continuity of project staff was excellent. Challenges noted with respect to CIDA’s turn-around time on decisions may be significantly addressed with delegation of financial and decisional authority to the field under a decentralized program.

⁶³ CIDA (2005), p.24

4.3 Management Principles

Ukraine is a signatory to the 2005 Paris Declaration, as is Canada – a mutual commitment to principles of ownership; alignment; harmonization; managing for results; and mutual accountability.⁶⁴ The evaluation focused primarily on the first three principles.

Ownership concerns a country's ability to: a) exercise effective leadership over its development policies and strategies; and b) coordinate the efforts of development actors. The former assumes that there is an authoritative country-wide development policy, which clearly identifies priorities. The latter assumes that there is sufficient capacity and cohesion within government to be effective in coordinating external aid.

In the period under review, two agendas represented Ukraine's national development framework: the EU-Ukraine Action Plan of 2004/5 and an MDG agenda which drew on a State Poverty Reduction Strategy adopted in 2001. The GoU produced a number of subsequent strategic plans but still faced a number of challenges around prioritization, sequencing of actions and the multi-year costing needed for decision-making. Donors agreed that none of those documents provided sufficient clarity or rigor for them to rally around in any coordinated way. The 2008 *OECD Survey on Monitoring the Paris Declaration* gave Ukraine a rating of "low" on ownership, based at least partly on this lack of a coherent, actionable strategy.⁶⁵

Ultimately the issue has been one of capacity. The 2007 *Joint Capacity Assessment* observed that national strategic direction originated from multiple centers of policy development; they were expressed in a number of core policy statements, which did not converge on all issues.⁶⁶ The Report further attributed the problem to: "competing and sometimes conflicting policy making authority and lack of coordination amongst the highest executive bodies of state policy." An interview with the MoE confirmed that in 2004, at the outset of the period being evaluated, there was legislation in place designating the MoE as responsible for coordination, but there was no-one actually employed in that capacity. As a result, donors resorted to working on a decentralized basis or with specific line ministries, resulting in high transaction costs for external assistance and sub-optimum results.

By 2006 MoE created a Department for International Technical Assistance and Cooperation with International Financial Institutions (DCITA). Donor-government working groups (DGWGs) were established in five areas. For each area, DCITA identified a ministry to co-chair with a donor country (on the basis of past experience). DGWGs were further broken down into 22 sector sub-groups, which proved to be too massive for practical purposes. Three years after being launched, some of the sub-groups had not had a single meeting. The five overarching

⁶⁴ Ukraine signed the Paris Declaration in 2007, by Presidential Decree # 325, April 19, 2007

⁶⁵ OECD. (2008). *Survey on Monitoring the Paris Declaration: Making Aid More Effective by 2010*. This was the first time that Ukraine took part in the survey. Responses came from sixteen donors; together they provided 63% of the country's ODA. See:), p. 51-2.

⁶⁶ MoE and UN in Ukraine. 2007. *Joint Capacity Assessment*. p.10

groups also performed unevenly.

Recently, the DCITA has resumed more vigorous ownership by restructuring the working groups.⁶⁷ It also is drafting a manual of rules and guidelines for each sub-group, although this has not yet been negotiated with donors. Significantly, a new national development plan for economic reform in 2010-2014 also has emerged. There is a general consensus among donors that, for the first time, this is a real strategic plan that meets the Paris Declaration criterion of ownership. The test, as with so many planning initiatives, will now be in the implementation.

Ownership, viewed as a commitment from the Canadian side, can be assessed in terms of how much buy-in and commitment projects were able to generate from Ukrainian partners. Most projects in both key sectors were significantly demand driven, as evidenced in a strong record of meaningful involvement in project design and decision-making by local stakeholders. Several projects engaged champions who were able to promote project objectives among their colleagues and peers, thereby enhancing a broad sense of ownership. Other projects generated products that were authored or adapted, and ultimately owned, by Ukrainian participants. In several cases State agencies were active stakeholders and undertook replication of project models. Overall a high level of buy-in and commitment were demonstrated in almost all projects.

Alignment of donors with national development strategies, institutions and procedures was lacking during the period being evaluated, for reasons noted above. From the perspective of some GoU representatives interviewed, this led to a certain amount of supply-driven programming. To its credit, CIDA was cited as one of the few donors committed to a more demand-driven approach.

MoE officials interviewed commented that technical assistance provided by Canadian projects had been highly appropriate, quality contributions when compared with some other donors. It is in recognition of such contributions that the GoU invited CIDA to co-chair sub-groups on public service and agriculture. The 2008 OECD Survey indicated that 86% of Canada's technical cooperation had been coordinated with country programs - surpassed only by the International Organization for Migration, Japan and the UN.⁶⁸

The ultimate goal of alignment is more than a tailoring of donor programs to expressed country needs and priorities, however. It also implies using country systems for the delivery and management of aid. Willingness of donors to commit to that route depends on the reliability of public financial management and the public procurement system. Donors need evidence that comprehensive budgets are linked to policy priorities, with systems to ensure that the budget is implemented in a controlled way and that accounting, reporting and audit functions are in place.

⁶⁷ The "Thematic group A on economic development, regional development, institutional development and management of the Government-Donor group" met July 21, 2010. The title again is broad, but the document describing it provides a fairly structured roadmap indicating: 1) main objectives; 2) for each objective, the measures already supported by donors; and 3) for each objective the additional needs for foreign assistance.

⁶⁸ 2008 *OECD Survey*, p. 7

At the very least they require evidence that efforts to build capacity in that direction are underway. Similarly, public procurement requires a legal framework in line with international standards, with the necessary institutional structures to ensure transparency and efficiency.

The 2008 OECD survey for Ukraine reported that: “only 1% of aid made use of public financial management systems, reflecting the perceived weakness of such systems” and that only 2% of aid made use of public procurement.⁶⁹ It noted that the EC planned budget support in the energy and trade facilitation sectors. Interviews with the EC confirmed that 56-60% of funding under its European Neighbourhood and Partnership Instrument was now allocated for sector budget support. The MoE made it clear that it would welcome a move in that direction by other donors as well. All parties concede that there are hurdles but that the GoU needs continuing support to build its capacity as a precondition for such approaches.

In light of these concerns, CIDA took a wait and see attitude toward PBA programming over the period being reviewed. Its 2009 Ukraine Country Strategy does note an intention to explore budgetary support with other donors but there is no echo of that in the 2009 CDPF. The latter in fact states: “as a technical assistance program, projects are typically smaller in financial value than in low-income countries and do not include program-based approaches”.⁷⁰

Harmonization implies more than the informal coordination efforts of donors and project interaction at operational levels discussed earlier. The principle requires serious consideration of collaboration opportunities offered by sector-wide approaches, sharing analyses and conducting joint missions.

Looking forward, the 2009 Ukraine Country Strategy stated that Canada would “continue to build Ukraine’s capacity to engage donor coordination by encouraging joint monitoring and evaluation of projects, sharing project results more consistently, and partnering with other donors.”⁷¹ The 2008 OECD Survey indicated that of eight donor missions conducted by Canada, none had been coordinated with other donors, whereas 10 other donors had done so in one or more cases. Only one of Canada’s 8 analytical studies was conducted collaboratively - scoring this time a notch above other donors, most of which had not collaborated on any.⁷²

The 2009 CDPF indicated that Canada is already working in complement to European donors by focusing on attitudinal and institutional change for better compliance with rule of law, while they focus on ensuring conformity with EU standards.⁷³ The EU Delegation suggested to the evaluation team that a non-European partner like Canada could have a very constructive influence given the more fluid character of its relations with the Ukraine government. Even without a financial contribution, it was suggested that complementary activities should be

⁶⁹ OECD, Op.cit. pp. 51-8,9.

⁷⁰ CIDA, 2009 CDPF, p. 19

⁷¹ CIDA, 2009. Ukraine Country Strategy 2009. p. 1

⁷² OECD, Op.cit. p. 51-14

⁷³ CIDA, 2009 CDPF, p. 11

explored, given that Canada and the EU are already working with some of the same partners in public administration reform.

A final word on harmonization concerns CIDA's decision to concentrate its activities on five oblasts (administrative regions) rather than the 17 in which it had previously been involved – namely, Lviv, Ivano-Frankivsk, Zaporizhzhya, Dnipropetrovsk and Crimea. Criteria used to select the five oblasts were mainly: i) previous track record ii) building on past efforts iii) willingness of oblast government. The decision of focussing on fewer regions (oblasts) was based on the idea of piloting new approaches in a small sample of oblasts and potentially disseminating the knowledge and practices country-wide if accepted by the Ukrainians. The experiment is too early to be assessed. The Program may want to consider undertaking a mid-term review of such experiences in collaboration with Ukrainian partners.

Harmonization as interpreted here is an admittedly challenging and risky proposition for all donors. Yet, it bears mentioning that the Auditor General of Canada's Fall 2009 Report commented on CIDA's faltering resolve to implement its 2004 action plan to promote harmonization.⁷⁴ The Ukraine Program may wish to retain some flexibility in order to maximize harmonization objectives.

CIDA has played a constructive role in donor groups but alignment and harmonization have been limited due to the lack of capacity of the GoU to articulate a national development plan around which donors could rally. Prospects for that appear to be improving under the new administration and the Program may want to keep options open for collaboration or repositioning with respect to oblast coverage.

4.4 Performance Management

Current Agency policy requires that all programs have a performance measurement framework and report annually on progress toward achievement of expected results. The Ukraine Program is working with its implementing agencies to develop a framework of indicators and reporting processes that will allow it to fulfill this requirement. In the view of the evaluators, regular updates will also provide a valuable tool for program management to identify strengths, weaknesses and opportunities for change.

However, the above initiatives postdate the period under review and although some effort may have been made in 2007 to develop results and indicators at the program level, there were challenges in terms of monitoring. Reflecting that situation, project scores for the performance management criterion were very uneven, with 45% falling in the very low end of moderately satisfactory and about 30% in the highly satisfactory range. Indicators used for that determination were: a) the quality and effective utilization of RBM tools such as Logical

⁷⁴ Fall 2009 Report of the Auditor General of Canada. Chapter 8, para. 8.28

Framework Analyses (LFAs) and Performance Management Frameworks (PMFs); and b) the record of monitoring and evaluation.

The quality and utilization of RBM tools presents a mixed picture. A majority of the LFAs developed at the outset of projects was found to be not satisfactory and only occasionally linked with an actual PMF that could be used as the basis for RBM reporting. Several LFAs were updated and improved during the course of the project, some as late as one year before its closure. From 2006 onward, the program invested time and resources to update project LFAs based on the new CIDA RBM policy with the assistance of a contracted RBM specialist.

Monitoring and evaluation are fundamental to due diligence within an RBM framework. In most cases project managers, CIDA in-house specialists, locally-engaged staff and project coordinators of executing agencies were assuming the monitoring responsibilities. Of the 20 projects in the evaluation sample, four had external monitors. They were generally recruited when a project was complex or when there was a lack of in-house specialists.

Monitoring by CIDA can be effective when officers have a reasonable level of expertise in the project area, regular interaction with projects, a common understanding of expectations, and travel budgets for field visits. The underlying assumption is that there is enough staff continuity to ensure consistency of knowledge and approach. The agriculture sector, for example, benefited from the presence of an experienced desk officer and in-house agricultural expert. The Embassy staff also played a major role in project monitoring, including visiting project sites once to twice a year. Some CEAs indicated that Project Steering Committee meetings were the main opportunity to meet with CIDA staff. The decentralization of the program will certainly change the context and conditions for addressing the monitoring function.

Most project budgets actually included provision for both monitoring and evaluation. In the case of UCUSP, an end-of-project evaluation was undertaken in 2010. In the case of SBEDIF, the Business Centre in Ivano-Frankivsk benefited from various visits, including visits from the Ambassador, Heads of Aid, Locally Employed Professionals (LEPs), and project officers from headquarters, as well as monitoring by Ukrainian stakeholders. The CEAs that had external monitors found that they contributed to re-establishing program direction and assisted with interpretation of CIDA guidelines on RBM, gender strategy and other implementation issues.

Evaluation offers an important learning opportunity and in the context of multi-phase projects it also is a necessity from the perspective of due diligence. It offers an in-depth snapshot that is complementary to monitoring. About two-thirds of the projects in the sample had been evaluated (about one-quarter of all projects in the program over the evaluation period). The meta-evaluation conducted as part of the present exercise concluded that most were well-substantiated and well-argued documents. Most interviewees considered them to be useful and in some cases even critical to project re-orientation. The 2005 Ukraine Country Program Evaluation itself was embraced by the Program as a source of guidance. An internal document (prepared by the Evaluation Directorate to track Agency response to evaluation recommendations) indicated that seven sectoral reviews and risk management strategies were

undertaken as a result, although not all of them were incorporated as annexes to the 2009 CDPF.⁷⁵

The evaluators believe that the Ukraine Program will benefit from decentralization in terms of its capacity to monitor projects more closely and with a more consistent and systematic approach, using a combination of internal and external resources.

5. FINDINGS ON DELIVERY MODALITIES

5.1 Comprehensive Analysis

Program results are achieved against a shifting landscape of needs, donor niches and domestic policy, as outlined in Section 2. They also are defined against a shifting suite of policies within CIDA, as well as features that have come to characterize the nature of the program. This section takes a wide-angle lens on delivery of the Program and includes some strategic issues that emerged in the course of the evaluation.

5.1.1 Policy Directions: How Flexible? How Consistent?

The evaluators are aware that the Ukraine Program operated within a corporate context which itself was influenced by ministerial dispositions, both of which shifted over the period reviewed. Yet, it remains important to credit those orientations that made the Program a success and to record some of the fall-out.

The 2002 CDPF provided a good basis for project selection, drawn from good analytical thinking about the options available to the program in light of the needs assessed. It concluded that: "...focussing on governance will provide Ukraine with the best Canadian programming possible."⁷⁶ At the same time, there was recognition of the need to remain nimble to maximize responsiveness to emergent needs and windows of opportunity: "The program does not envision a strict adherence to programming in one particular sector or another." That flexibility served the Program, its partners and its beneficiaries well, as seen in overall results.

Strictly speaking, only three of the five years being evaluated were covered by the 2002 CDPF. In interviews with Ukraine Program management and material provided by the Evaluation Directorate, there was an implicit assumption that it was "business as usual" in the interim period between CDPFs (2007-2009). CIDA continued to use the 2002 CDPF as the reference point, further informed by background papers as well as sector analyses and strategies

⁷⁵ CIDA Evaluation Directorate 2010. *CIDA Evaluations Monitoring Report 2010*, Annex F pp. 57-58.

⁷⁶ CIDA, 2002 CDPF, p. 37

prepared in 2007 for the follow-on CDPF and evolving corporate policy. The reality for some on the ground, however, was a gap in clarity.

While an actual shift in policies or priorities materialized only later in the period under review, informed stakeholders were well aware that change was in the wind. Interviews with donors and Ukrainian officials confirmed that EAs had built a *modus operandi* with their partners characterized by responsiveness to emergent needs and awareness of programming options. Pro-activity, innovation and the principle of replicating pilots had been encouraged. The Program made efforts to maintain verbal communication during the period of change. The shift from a focus on governance towards economic growth affected a limited number of projects. Those affected were given limited time (six months) to reconfigure the work they had been doing for years with a different constellation of stakeholders.

The major priority and policy shifts during the period were:

- Redefinition of sector priorities and introduction of the three thematic strategies;
- Identification of three cross-cutting themes;
- Re-engineering of the directive process and encouraging broader use of it;
- Focus on fewer and larger projects; and,
- Narrowed geographic focus to five oblasts (from 17 before).

Notwithstanding the need for focus, the Fall 2009 Report of the Auditor General confirmed the cost of uncertainty when CDPFs lapsed within CIDA: "...the lack of direction has confused CIDA staff, recipient governments, and other donors, effectively undermining the Agency's long-term predictability."

Some interviewees commented that in the interim period between CDPFs, CIDA explained that directive programming based on competitive bids would be the preferred model for the short term to rebalance the portfolio. When the 2009 CDPF was approved, only portions of the CDPF were shared with partners and the GoU. The Auditor General saw CDPFs as useful public documents: "These public documents communicated CIDA's plans and were the basis of alignment and harmonization discussions with governments and other donors."⁷⁷ The gap and its problems were not specific to the Ukraine Program but rather Agency-wide, as noted in the Auditor General's Report: "Moreover, since the Agency's country development programming frameworks have expired, and with shifting priorities and no up-to-date country plans, we are concerned about what CIDA's basis will be for selecting future projects."

⁷⁷ Auditor General of Canada. *2009 Fall Report of the Auditor General of Canada*. Paras. 8.41 and 8.60

Change or “modernizing the file,” as one interviewee phrased it, can be very constructive and necessary. However, if partners, Canadian and Ukrainian, are to focus or harmonize their initiatives, they must have a clear understanding of how CIDA sees the program as a whole and have access to up-to-date information to the extent possible.

5.1.2 Multi-generational programming

The evaluators were informed that an effort was made towards the end of the period reviewed to increase and diversify the number of potential partner organizations involved in the delivery of the program, given the fairly limited number of executing agencies involved in implementation at the time. In the sample of projects reviewed all but one had a predecessor (sometimes under another name), with objectives directly linked to it (variably as a sequel, replication or extension required for consolidation of gains).

The multi-generational nature of the Ukraine Program’s portfolio of projects has many potential explanations: a) the different dispositions of changing program managers; and b) competing external pressures brought to bear on them, namely pressures from a diaspora seeking continued engagement in Ukraine and from CEAs having longstanding investments in, and knowledge specific to Ukraine’s development needs.

Counter pressures come from CEAs feeling locked out by virtue of their lack of opportunity to gain experience in the country. At the same time, phased approaches have several well acknowledged benefits:

- **Risk mitigation** because CIDA can assess performance before re-committing; EAs can refine strategies;
- **Cost-effectiveness** because up-front costs are amortized over a longer period;
- **Coherence** through properly sequenced activity sets in a bottom-up, top-down approach; and,
- **Consolidation of gains**, particularly where attitudinal change or capacity deficits need long timeframes.

From an evaluation perspective, an important issue to flag is that multi-generational projects complicate attribution of results. Given that almost all projects in the evaluation sample had some kind of predecessor, stakeholders interviewed often failed to distinguish which results fell under which particular phase of the project. When viewing results at an outcome level, the big picture is what prevails.

The evaluation found multi-phase programming to have been a major factor in achievement of results and sustainability of projects. The longevity of relations and the commitment this approach represents were repeatedly remarked upon by Ukrainian stakeholders interviewed.

Underlying their appreciative attitude toward projects, and by extension towards CIDA, is the responsiveness to real needs identified in the field.

5.1.3 Human Resources and the Role of Expertise

Since the closing of Professional Services Branch some years ago, programs have relied on either contracted expertise or, less commonly, the few in-house experts who worked in geographic pockets or central branches. The 2002 Policy Statement on Strengthening Aid Effectiveness called for a renewal of the Agency's cadre of scientific and technical professionals, but efforts to fulfill this recommendation took some time and are still ongoing. The Fall 2009 Report of the Auditor General noted that the situation "affected the Agency's ability to determine and build on its strengths relative to other donors and to identify and foster the sectoral expertise it needs for decision making and project design. Country desk staff typically operate as project managers and development generalists rather than sector specialists."⁷⁸

The agriculture sector, which has been functioning very well using an in-house expert advisor, is a good example of best practice particularly on files that are complex and very technical. In cases where projects required a level of expertise that was not available in-house, the use of a contracted private sector development specialist was shown to also contribute positively to the achievement of economic growth results. Both approaches have worked well in the context of the Ukraine program. When project complexity showed the limitations of a generalist approach, the program recognized this and worked to contract the required expertise externally, for instance in the rule of law and local governance sectors.

Interviews with donors, officials and projects underscored the fact that today Ukraine itself offers experts with the professional background and international experience to serve as a valuable resource base in-country. Some projects engaged experts from Poland, Slovakia or other neighbouring countries. Ukrainian partners appreciated this approach, as there was an affinity of situation that could never exist with Canadian experts. The evaluation team believes that use of such resources should be encouraged. Also, the need to share 'models', 'new approaches', 'news ways of doing things' require more than only 'technical expertise'. The experience of the Ukraine program in the 'agriculture sector' shows that best results are achieved when Canadian in-house or external experts are teamed-up with local specialists.

The Program has indicated its intention to support project officers with more sector expertise both at CIDA HQ and in the field. With decentralization, continuity of the officers on a file will be easier to ensure through the use of locally engaged staff as project managers and a roster of local professional experts will be available to support future programming initiatives. The evaluators endorse this approach, believing a balanced strategy will allow CIDA to capitalize on local knowledge and at the same time preserve access for Ukrainian counterparts to the

⁷⁸ Auditor General of Canada *Fall 2009 Report*. para. 8:55

Canadian expertise they seek. Each situation will demand a specific judgement and the program will benefit from having the luxury of choice.

5.2 Delivery Mode: How Directive? How Responsive?

There currently is a commitment within the Agency toward larger, directive projects as part of the new Business Modernization Initiative. The responsive-directive debate within the Ukraine Program is a legitimate attempt to arrive at a balance of delivery modes that is effective, efficient and fair in terms of the Program's own history and new corporate trends. These issues have as much to do with optics and rationalization of current Agency challenges as with quality programming for competent delivery. Several issues are intertwined: multi-phase projects, competitive contracting, need to narrow focus, diaspora pressures, and human resource and knowledge constraints within the Agency.

Understandably, CEAs that have a long history of projects in Ukraine see responsive programming as the most efficient and effective means of delivering coherent, ongoing technical assistance to the country. By all accounts, they have demonstrated competency, commitment, and continuity over the years and have built themselves a comparative advantage over other potential competitors. They work with properly vetted partners and have established relations of trust.

From a technical perspective, contribution agreements work well if proposals (and their assessment) are based on sound research and knowledge about Ukraine. Solid connections in the country and full involvement of reliable, capable partners on the ground are key. With those requisites met, an unsolicited proposal has passed the first hurdle - that is, getting buy-in from locals. There is less likelihood of communication problems between the partners if a shared vision and commitment have already been developed for the proposal and its management concept. Indeed, responsive projects proved their ability to get underway quickly. Several EAs also pointed out that, as long as project objectives remain constant, contribution agreements offer greater latitude for adaptation to changing conditions than do contracts.

The responsive model has proven to be both expedient and effective. The evaluation confirmed that the 16 responsive projects in the sample functioned extremely well, delivering good outcomes in what appeared to be a cost effective manner. The four directive projects also were successful; however, two of these actually were decentralized funds (DIP and CFLI), which by definition, were designed to be rapid response mechanisms.

Beyond the sample, two major directive projects (i.e. over \$500,000) were active in the period under review and are ongoing: 1) Ukraine Civil Service Human Resources Reform, which shows early signs of being a flagship project, executed by a long-standing CEA; and, 2) Policy Reform and Implementation Support Mechanism (PRISM), designed by CIDA to capitalize on the strengths of PAR.

The directive model can be effective if there is access to a solid foundation of sector expertise (in-house or contracted), a comprehensive grasp of context, focused understanding of needs and strong program management. The directive programming process in Geographic Programs Branch has been adjusted and updated in response to concerns expressed by the Auditor General that project design and Requests for Proposals (RFPs) require a significant level of effort from CIDA staff, as well as competing firms. Over the planning period, staff turnover and policy or priority shifts can work at cross-purposes. Country context and government priorities can also change, undermining the relevance of a project design.

The present evaluation concurs with observations made in the 2005 program evaluation:

“In the context of Ukraine, increased directive programming in fewer sectors, by itself, is not likely to result in greater program relevance or impact. The success of these strategic adjustments in Program management strategy will depend on a broader effort to more actively manage the program. This means strengthening front-end processes, such as sectoral analysis and strategy development, and more active promotion of synergies.”⁷⁹

The evaluators feel that with decentralization of the program there is room for a new perspective on the responsive-directive debate. The responsive model has proven itself and a decentralized program will be in a strengthened position to exercise oversight and generate coherence between projects. Given adequate delegation of financial authorities, a decentralized program also should be able to design projects that are well adapted to the needs and operational constraints within which projects have to produce results. It likely will offer more scope for dialogue with the GoU and local partners, access to country and sector experts and therefore strong analyses.

The evaluators believe that the decision on an appropriate responsive-directive balance is one that should be taken by the Program itself in light of its history and unique character, rather than dictated by an Agency-wide orientation that may be better suited to other types of country programs.

5.3 Delivery Channels

The sample for this evaluation only included bilateral projects as they represented the lion's share of CIDA disbursements in Ukraine over the review period. That said, the Auditor General stated that CDPFs, though prepared by Geographic Programs Branch, were meant to be corporate documents. Indeed both 2002 and 2009 CDPFs indicated that strategic use would be made of programming mechanisms available, including multilateral, regional and CPB channels. A quick overview is therefore warranted of the degree to which that might have been the case for Agency investments in Ukraine.

⁷⁹ *ibid*

The 2009 CDPF noted that in 2007-2008 CIDA had contributed \$2.3 million in core funding to multilateral and global organizations under the Multilateral and Global Partnerships Branch.⁸⁰ The 2009 Ukraine Country Strategy further noted that these contributions were meant to complement bilateral programming but neither document identified any links that might have demonstrated a cohesive approach.

Ukraine also was a major beneficiary of the Europe Regional Program (ERP), which supported 20 East European countries until recently, again noted in both CDPFs. The ERP worked in partnership with regional, multilateral and non-governmental organizations on a variety of trans-boundary issues for which a regional approach was essential – for example, environment, trafficking in human beings, HIV/AIDS and migration. Each of these areas has been flagged as critical in various sources and all but the last are in fact related to MDGs. Other ERP initiatives were multi-country efforts in broader areas of human rights, democratization and private sector development.

In its themes, the ERP was complementary to the bilateral program. Reportedly, frequent interaction with the Ukraine program analyst and Canadian Embassy safeguarded against duplication of efforts while facilitating any potential synergies and linkages between projects in the field. There was no performance management framework for the ERP as a whole, although that could have been useful for generating strategy on a regional level. As of this year the ERP will no longer fund any new initiatives. The lapsing of the program reflects the Agency's desire to concentrate on fewer countries and on regions that encompass a larger number of countries of focus.

Partnership with Canadian Branch (PwCB) had only three CPB initiatives relating to Ukraine over the review period: one elections project and two 5-year funding tranches to the multi-country Canada World Youth Program, totalling less than 3% of Ukraine disbursements. There has not been much demand from Canadian organizations for partnership funding in Ukraine. Until recently, CPB sent proposals to the relevant bilateral desks, which did second stage screening for conformance with the CDPF and appropriateness to the country context, and made a recommendation on funding. There was not always a guarantee of close alignment with the CDPF.

The Branch recently has been re-minted as Partnership with Canadians Branch (PwCB), with a new system that appears even less likely to promote conformance with CDPFs or to attract NGOs with specific interests in Ukraine. Prospective partners will be invited to respond to content specific RFPs that may not be linked to country programming objectives. The evaluators understand that poverty will not be a criterion for proposal selection, and that 80% of funds will be directed toward Agency (rather than country specific) priorities.

⁸⁰ CIDA, 2009 CDPF. p. 14

One area that might see future activity is elections support, which has fallen mainly under Partnership since CIDA assumed responsibility for these activities. As seen in this report, however, there have been major overlaps with bilateral in the review period, with 23.5% of governance sector disbursements being in that area, despite no mention of this category in CDPFs.

To clarify, electoral assistance projects were of two types: fielding of election observers (with support of both PwCB and bilateral) and provision of support to development of democratic election processes. The latter was delivered mainly through grants to the Organization for Security and Cooperation in Europe (OSCE), and the DIP project that was implemented through the Embassy and ran independently of OSCE activities.

The demand for funding election observers may well occur again, although the new CDPF does not anticipate bilateral involvement. Some mention should be made in the CDPF that Partnership with Canadians Branch which manages a program for international election observers, is the more natural home for any future activities of this nature.

It is conceivable that with a greater move toward directive programming, some organizations that have worked on responsive projects under bilateral may look to the new Partnership with Canadians Branch. Its resources will be limited, however, and the competition is expected to be stiff. Given the extensive experience of many organizations in Ukraine, they would not have a problem meeting the eligibility criterion of at least three years experience. The question rather is whether there will be a confluence of their interests with the themes of RFPs as they emerge and whether the competition pool will prove to be too large to make the effort.

5.4 Investment Types

Project lists provided to the evaluation team contained only one core project – a small contribution to OSCE for elections support in 2007-2008 and whose categorization is suspect. There were two “programs”: the two tranches of CWY funding under CPB in which Ukraine was only one of several target countries. With the exception of two funds, CFLI and DIP, all other investment types were projects.

As a mechanism, funds have been maligned for their spotty record of achievements and accountabilities. This definitely cannot be said of decentralized funds in Ukraine. The two funds performed extremely well, providing good value for the Canadian dollar. They demonstrated a high degree of due diligence while having the flexibility to quickly address gaps in programming or opportunities that emerged. They extended Canadian visibility and provided numerous links with donors and other CIDA projects. The 2005 Final Evaluation Report for the DIP considered that project to be “one of the most cost-effective options for electoral assistance among the

menu of options available to Canada and other donors.”⁸¹

The CFLI has been used to fund elements complementary to existing bilateral projects and to vet partners for other CIDA projects. The 2007 *Internal Audit of the Canada Fund for Local Initiatives* determined that the CFLI in Ukraine was one of only five that had been properly managed among the 13 countries reviewed. Moreover, the Canadian Embassy’s involvement in selection, approvals and visiting project sites embodies a whole-of-government approach.

In Ukraine the evaluators also became aware of another fund that had been operating within the period being evaluated, the Canada-Ukraine Gender Equality Fund (2001-2005). A review of that fund in 2006 found that it had been instrumental in developing the capacity of local groups and networks, and had produced most of the existing original materials in Ukrainian on gender equality.

The record shows that small responsive funds like these have been a valuable, strategic complement to bilateral programming in Ukraine. If there is a move toward more directive programming with larger and fewer projects, such funds will not only be valuable but indeed, essential as a way of maintaining flexibility to address windows of opportunity.

6. CONCLUSIONS, RECOMMENDATIONS, LESSONS

6.1 Conclusions

There is ample evidence of successful programming in the Ukraine Program over the 2004-2009 period despite sometimes severe challenges, including major political and economic upheaval. The evaluation found strong project results at both the output and outcome levels that have manifested themselves in the form of durable changes in attitudes, behaviour, systems and processes.

Implementing agencies have proven their ability to work effectively with their Ukrainian counterparts and are highly regarded for both their expertise and their commitment to partnership. Interviewees with experience with other donors often took the opportunity to identify the “Canadian projects” as the best designed and implemented, crediting characteristics that included a commitment to partnership, flexibility in adapting to changing circumstances and a high standard of expertise.

Numerous examples can be cited of early buy-in by beneficiaries, attesting to project relevance,

⁸¹ Jamieson et al. (April 2005).

sound design and an approach that made sense to those who would need to take ownership for initiatives to be sustainable. These positive outcomes are further confirmed in the fact that the Program nurtured many “firsts” – that is, pilots that were later replicated by the original implementing agency, other donors, central and oblast government administrations or community bodies. The dissemination of experience through replication can reduce innovation costs for development partners and help offset the risk of experimentation. Replication also is a significant indicator of cost effectiveness because the original investment is leveraged with other resources converging on the same goal. This one of the major lessons of the Ukraine Program.

Another dimension of cost effectiveness that deserves mention is the level of in-kind contributions and high quality volunteer efforts that some projects enjoyed. Although the calculation has not been made across the program, notionally at least, these contributions could amount to 10%-25% of project value. Moreover, several projects worked with their target group to build capacity in the preparation of strategic plans that formed a good basis for proposals for funding from other sources (donor or government), often with successful results. Finally, several projects exceeded their targets within budget, reaching communities or sectors not initially identified as target beneficiaries.

The MDG National Report, and UN reviews on MIC contexts, have recognized the poverty dynamics underlying rapid economic growth. They have highlighted the importance of pro-poor growth policies, the need to consider youth unemployment and the role played by good governance. Neither the 2002 or 2009 CDPFs addressed the social costs of transition to any great extent, and none of the projects in the sample was explicitly focused on vulnerable households. The Program has indicated, that poverty alleviation was a criterion for evaluation proposals. The evaluators also found that Ukrainian partners actually had these social dimensions in mind and incorporated social responsibility into their projects. Examples included: special support to disadvantaged or orphaned youth in the vocational training institutes working with DMST; community initiatives supported by UCUSP’s model credit unions, and the cross-subsidization of community development components with profit-generating components in the business centres working with SBEDIF (in this case conceived as part of the project design).

Acknowledging the link between poverty reduction and governance, the above reports have also proposed the involvement of social groups that can make partner institutions more inclusive and thereby more accountable. Several governance projects – e.g. CED, RGD and People’s Voice II – strengthened engagement of civil society in planning economic development with inclusiveness and accountability as operating principles.

Several projects in the private sector have demonstrated effective results chains, within the integrated model envisaged by the Ukraine program. The evaluation found many examples of results chains within a single project and (at least on the ED side) also within the sector as a consequence of the mix of projects in the portfolio. Among the most successful and cost effective projects reviewed were the small responsive funds. Although CIDA moved away from these, the evaluators believe there are strong arguments to be made for this mechanism to

continue as part of the Ukraine Program.

At the program level, the evaluation found a major role to have been played by multi-phase projects working with established partners and tested methodologies. Almost all the evaluation sample fell into this category. The evaluation team has noted the Auditor General's observations on the huge level of effort involved in directive programming for CIDA staff as well as for proposing firms. It has also noted the Agency's initiative to streamline that process. However, over the reviewed period, the program's largely responsive nature has allowed partners on the ground to move quickly on project activities and partnerships in a way that directive projects rarely can achieve within the first year or two of a contract.

The program's record of success with multi-phase programming and responsive projects deserves careful consideration in the context of future planning. As it considers its future directions, the Program should carefully examine options for retaining the elements to which this success has been attributed: good, long standing relationships; projects that are well planned by experienced and knowledgeable experts; responsiveness to identified needs; and flexibility in implementation. This will be especially important in a changing environment in which the GoU is becoming increasingly clear about its own priorities for development at the country level, and in which project level partners are sharply increasing their focus and expectations with regard to technical assistance.

The evaluation team also encountered some areas of the 2004-2009 period that could benefit from more systematic attention and investments. In the cross-cutting themes, for example. In some cases, attempts to integrate GE met with resistance for a variety of reasons including strong patriarchal attitudes in Ukrainian society. While CIDA-HQ invested a good deal of effort into preparation of gender strategies, guidelines, trainings and so forth, while some of these investments have not produced the expected effects at field level. The themes of youth and environment were not systematically integrated.

The more problematic areas of weaknesses were actually noted as an Agency-wide conundrum in the Fall 2009 Report of the Auditor General of Canada: high staff and managerial turnover; shifting priorities; limited harmonization with donors; and need for more clarity, consistency and transparency. The evaluation found that these issues have had an impact on partner relations between CEAs and CIDA or between projects and their stakeholders.

Partners need to understand how these changes will affect them. In this regard, the Agency should treat its partners with the same openness and transparency that it advocates within the framework of the Paris Declaration. Other donors consider Country program strategies to be in the public domain and central to ensuring coherence and coordination. The evaluators would recommend as a corporate consideration, that the content of the CDPF be posted on the Agency Web site.

Nonetheless, the evaluators consider that there are ways of mitigating these issues, particularly in the context of decentralization which should allow for more effective consultation and

communication, faster turn-around times on decisions that need to be made and a more appropriate use of local expertise for monitoring, advice or even project design. This perspective, of course, presupposes that the field is given the tools, resources and support needed to carry this out, including adequate delegation of financial authorities.

6.2 Lessons Learned

The Ukraine program's experience over the period of the evaluation has produced a number of lessons that can inform future programming in Ukraine and elsewhere.

1. **Sharing of experience between Canadian and Ukrainian expertise:** The most significant arises from the current state of development and the pace of change in the country. Ukrainian professionals are sophisticated enough and have had enough exposure to international resources to be much clearer on what they want and need in the way of expertise. The desire is strong however for assistance with implementation in the form of mentoring and coaching by experienced practitioners bringing Canadian attitudes, principles and values.
2. **More vigorous donor coordination:** The evaluation found that there is evidence of adoption of the Paris Declaration principles at project level but less evidence of coherence at the level of the donor community. The latest GoU national development plan and revised DGWG structure may open new possibilities for harmonization. This could be a good time for CIDA to explore more vigorously the extent to which collaborative opportunities exist.
3. **Potential for synergies and complementarities:** CIDA has taken the approach of piloting innovation with the expectation that successful models will be picked up and replicated by other means. This was complemented by the following strategy: i) piloting transferred knowledge in a few selected oblasts; ii) beginning the dissemination of newly acquired practices before project end; iii) considering further dissemination of said knowledge on a national scale in a subsequent phase. This has been most successful where projects have established a close working relationship with other donors who have used the Canadian experience as the basis for their own work. There is potential for donors to carry forward results generated by CIDA projects but opportunities will be missed unless there is active seeking and cultivation of potential partners within the donor community.
4. **Social responsibilities added value:** There were several projects where social responsibility was implicit in the activities of partners: DMST, UCUSP and SBEDIF are examples. The sense of social responsibility held by many implementing partners is a value added that could be leveraged if factored more explicitly into future programming.
5. **Constancy and flexibility are not opposite:** Finally, there is a range of topics addressed in the Auditor General's fall 2009 report as Agency wide that have manifested themselves in various ways in the Ukraine Program. Some were also raised in the 2005 Program Evaluation. Of particular concern is the need to find an effective balance between focus and

constancy on the one hand and, on the other, the flexibility that the evolving Ukraine programming environment demands. A decentralized program should be well positioned to provide the necessary balance.

The evaluation was able to identify important **factors of success for achieving and sustaining results within expected timeframes**. These are referred to at various points in this report and are summarized here for future reference. They too, implicitly, are lessons learned.

1. **The importance of a long term view:** Attitudinal and cultural change takes a long time and needs proof of benefit. The Ukraine program's multiphase programming and occasional willingness to extend projects to consolidate results was identified by counterparts and partners as an important contributor to success.
2. **Quality of technical assistance:** Considerable appreciation was expressed by Ukrainian stakeholders for the level of expertise and experience of most Canadian providers of technical assistance, as well as their non-directive, practical approach - including volunteers who contributed to several projects.
3. **Behavioural changes:** When behavioural changes and early buy-in from beneficiaries or partners are needed, study-tours are useful tools to demonstrating practical, concrete and innovative practices.
4. **Institutionalization of change:** While individual capacity can be built fairly readily, it is a much greater challenge to embed change in an institution. For that, "you need to train seats, not just people"⁸². This approach was reflected in the high level of sustainability in the projects that heeded this advice.
5. **Ownership and tangible products:** Several projects produced tangible and relevant products such as the SEPPAC *Potential and Performance* reports or the strategic oblast plans prepared with RGD's support. Interviewees confirmed that this experience improved the relevance, sense of ownership and beneficiaries' learning opportunities.
6. **Identification of champions:** One strategic device several Canadian projects used was identification and cultivation of a champion within the Ukrainian bureaucracy. CIDA has benefited from having several outstanding supporters for its programming.
7. **Consultative project design:** Ensuring relevance and alignment of interests and building of relationships of trust were achieved in many projects through joint design of projects (in the case of the many responsive projects) or front end investment in planning, often because of the multiphase approach adopted by CIDA. These factors contributed directly to project success and sustainability.

⁸² Ukrainian counterpart interview

8. **Innovation:** New models are most successful when they are based in a nuanced grasp of what is possible and what is not, and steadily nurtured until stakeholders see benefits materialize.
9. **Strategic planning processes:** Strategic planning processes at community level have proven that they can withstand political change and the attendant turn-over of staff at multiple levels of government administration.

The Evaluation Directorate will integrate the lessons learned from this evaluation in its dissemination of evaluation knowledge activities.

6.3 Recommendations and Corporate Considerations

Strategic orientations: The evaluation team strongly endorses the advice that has consistently been given in the past in favour of incremental, gradual change. The general directions for programming as set out in the 2002 and 2009 CDPFs remain appropriate. The team believes that although the current directions may be framed in economic development terms, the Program needs to recognize that governance continues to be the underpinning for effective development in all areas, including economic development.

Recommendation 1:

As part of the 2009 CDPF's focus on sustainable economic growth and food security, the Program should continue to integrate governance as a cross-cutting theme in its key areas of focus, particularly in strategic areas of evidence-based public policy processes and community level economic development.

The Program has a good record in these areas but is working in an increasingly crowded field in which other donors are now actively replicating the experience of CIDA projects.

National and Regional Levels: Even if the Program is working predominantly in oblasts, experience suggests that vertical integration (i.e., between levels of government) has been and will continue to be an important element of success for the Program. Many projects have successfully influenced national level policy based on concrete results at oblast and community levels. This aspect of coherence may also be enhanced with more project synergy in the field.

Recommendation 2:

The Program should continue to explicitly build project and sector level coherence through the top-down (national and regional governmental levels), bottom-up program model (local government and civil society, private sector levels), and to promote horizontal linkage among partners where warranted.

Directive and Responsive Delivery Systems: The Ukraine program because of its rather unique history had experienced a predominantly responsive approach that resulted in a

successful Program, and the balance between the two approaches should be carefully considered in this light, as well as in relation to the country context and programming opportunities.

Recommendation 3:

In the context of CIDA's Business Modernization Initiative, the Program should in the future seek an appropriate balance between the corporate requirement for directive programming and the record of success of responsive projects.

Where directive programming is deemed to be appropriate and desirable, CIDA should ensure that the needed expertise and resources are brought to the project design stage. Designs should incorporate some provision that would allow for the flexibility and responsiveness that has proven to be a hallmark of past CIDA programming. They should ensure adequate resources and time to: solidify relationships, engage consultative planning processes, and establish a means of minimizing risks associated with political uncertainty.

Sharing Information for Real Partnership: The evaluation revealed that CIDA's partners have not always connected with or understood the changes in CIDA's policies and priorities, with implications for program coherence and efficiency, and for the partners themselves. The key elements of the country programming strategy and program level policy need to be shared openly and on a timely basis if partners are to help focus for aid effectiveness. With decentralization, the Program will be in a good position to facilitate systematic sharing of policy as well as experience and lessons learned; exploration of sector level issues across project lines; and, promotion of horizontal coherence among projects.

Recommendation 4:

To ensure appropriate synergy and coherence among development partners, the Program should place a high priority on ongoing and systematic strategic communications with partners and stakeholders on all matters affecting the program.

As well as setting out the basis for information exchange, this should be aimed at giving CIDA staff access to an important and long lasting body of experience in the interests of enhancing the quality of CIDA's programming.

Gender Equality & National Context: CIDA's policy on Gender Equality includes gender-specific initiatives and "gender equality integration" as a cross-cutting theme across all programming. In Ukraine, the challenges to effectively addressing gender equality issues are significant. The program needs to make a stronger connection between the policy and background work it has carried out on gender equality and the needs and experience of the program on the ground. The evaluators believe the decentralization process offers an excellent opportunity to do so.

Recommendation 5:

With decentralization, the Program should review its approach to promoting the gender equality theme to optimize its practical value and appropriateness for the Ukrainian context.

This might include initiatives involving, *inter alia*: hiring of an appropriately qualified and experienced local expert on permanent staff; providing regular opportunities to share experience and approaches between partners; ensuring program experience is explicitly built into plans for new projects and that specific guidelines for use of resources and related reporting on gender-equality at the program level in annual reports; and giving consideration to Gender Equality specific initiatives/projects that can complement the overall goal.

Environment Sustainability: Although they were explicitly covered in the CDPF, the program did not systematically encourage projects to plan and set targets for, track implementation of, or report on the extent to which youth and environment were included in individual projects. The CIDA in house Environment Advisor was fully involved in the agriculture-PSD sector. Environment continues to be a priority for Ukraine and is an area of opportunity for CIDA programming across the full portfolio of projects, particularly given the Economic Development focus of the current CDPF. If it is obvious that there is no scope for introducing environment into the project, no attempts should be made to force the fit.

Recommendation 6:

Where viable, the Program should actively raise the profile of the cross-cutting theme of environment by defining strategies and deliverables at the project level and by monitoring results.

The evaluation found that the Results Based Management principles at the program, sectoral and project levels could be improved. The exercise of basic accountability requires close attention to all aspects of performance management. The Agency requires implementation of a systematic approach to tracking and reporting on results at the sector and program levels and in annual reporting. These received uneven attention during the period of the evaluation.

Monitoring and Evaluation: At the project level, it is equally important to ensure all the necessary elements of oversight are in place: clear definition and communication of expectations regarding results, in-depth monitoring, regular reviews that engage both implementing partners and stakeholders. Decentralization should be used as an opportunity to review how the Program undertakes this task, and with what resources. A key element of whatever approach is ultimately adopted should be the ability to maximize and preserve the corporate memory for all projects.

Recommendation 7:

In the context of decentralization, the Program should continue to strengthen its strategy

for comprehensive monitoring and evaluation of its projects, taking into consideration CIDA staff resources, local expertise and Canada based expertise.

Corporate Consideration:

The evaluators recognize that the Ukraine Program is subject to the policies and priorities established at ministerial and corporate levels. Given the particular history of the Program and the character of the Ukraine context, the evaluators offer the following suggestions for corporate consideration:

- In its Business Modernization Initiative and Aid Effectiveness Agenda, the Agency may wish to distinguish between the needs of emerging middle-income economies and low-income countries. This may include recognizing responsive modalities based on knowledge sharing and exchanges and smaller projects as being appropriate for certain contexts and allowing programs to make that choice. This could also imply adjusting the Agency Aid Effectiveness Action Plan to incorporate guidance that is more in line with the Middle-Income Countries (MICs) needs, including possible transitional strategies.
- Some of the characteristics of this program (such as its responsive and directive mix, the multi-phase approach to programming, and flexibility in the framework that offers room for innovation and strategic opportunism) suggest that an open program with limited resources can work well.
- Given that a policy regarding middle-income countries is presently under considerations in the Agency, the findings of the current Ukraine Program Evaluation will be shared with the team involved in the process. However, we recognize that the Policy regarding programming in middle-income countries must take into consideration numerous complex elements that transcend one country program evaluation.

APPENDIX A. Summary Terms of Reference⁸³

1. Context

The Federal Accountability Act (2006) requires that all programs be evaluated every five years. The last Ukraine Country Program Evaluation (CPE) took place in 2005. Since then, CIDA reiterated that Ukraine is a country of concentration and decided that as of 2010, the Ukraine Program be subject to decentralization. All these elements militated in favour of undertaking a new CPE in 2010.

2. Objectives of the Evaluation

The current CPE will pursue the following objectives:

- To take stock of the results achieved by the program over the most recent programming period.
- To assess the Program's overall performance in achieving these results (based on criteria of relevance, effectiveness, sustainability, coherence, efficiency, management principles, crosscutting issues and performance management).
- To assess the performance of the Program's channels of cooperation (bilateral and partnership) and delivery models (directive, and responsive programming)
- To document and disseminate findings and lessons learned, and formulate recommendations to improve the performance of the current or future Program strategy.

This evaluation will review the CDPF in effect from 2002 to 2006, other strategic and policy documents issued since then and will consider projects that have been terminating or well advanced during the period 2004-05 to 2009-10 in order to be able to document results.

3. Scope and Channels of Cooperation

The ODA expenditures of the Ukraine program from fiscal years 2004/05 to 2009/10 for projects greater than \$250,000 were CAD \$96,119,789⁸⁴. Approximately \$92 million (96%) of funds

⁸³ As prepared by CIDA for information of Ukrainian partners

⁸⁴ If all the projects that are below \$250,000 threshold are included the total raises to approximately \$99

were channelled through the Europe, Middle-East and Maghreb Branch (EMM). Only 3%, approximately \$3.2 million funds were channelled through CPB.

The Evaluation will analyse the effectiveness and efficiency of projects delivered through various mechanisms, including bilateral directive projects and responsive projects implemented through multilateral institutions and non-governmental organizations.

4. Evaluation Key Questions and Criteria

The Evaluation will respond to two key questions and various criteria agreed upon internationally:

4.1 *What has been achieved?*

- **Relevance:** is the Program relevant in relation to internationally agreed-upon goals, CIDA's objectives, and the Government of Ukraine development strategy and needs.
- **Effectiveness/Results:** To what extent has the program reached its overall objectives? Did the program reach the goals set and pursued in the different sectors?
- **Sustainability & Risks:** Were the actions undertaken sustainable?
- **Cross-cutting Issues:** Have environment, gender equality and youth been taken into consideration adequately?

4.2 *Why were the intended results achieved or not?*

- **Coherence:** How did CIDA manage the internal coherence of the program, and the external complementarity with other donors?
- **Development Effectiveness Principles:** including the principles of ownership, partnership, harmonization of the Paris Declaration;
- **Efficiency:** Were the delivery mechanisms chosen the most appropriate and cost-effective? Is the program level of decentralization adequate? Are there sufficient and appropriate human resources?
- **Performance Management** including result-based management and monitoring and evaluation activities.

These elements will be looked at from a project, sector and program level perspective.

million for the 5 year period.

5. Evaluation Methodology

5.1 Data Gathering and Analysis:

Four main data gathering methods will be employed in the context of the current evaluation to ensure multiple lines of evidence:

- **Document review:** including mainly CIDA program & projects, Government of Ukraine, international institutions documents and other related documents;
- **Interviews:** including, CIDA, Government of Ukraine, international community, implementing agencies, officials & representatives;
- **Project visits:** of selected number of projects in various sectors and areas;
- **Roundtables:** at different occasions during the evaluation process;

Tools such as interview guides and grids for meta-evaluation will be prepared and included in the work plan to ensure the comparability of the data between projects and sectors. A sample of projects will be reviewed based on a five point scale going from highly satisfactory to highly unsatisfactory.

5.2 Sampling:

The Evaluation cannot review hundred percent of the projects supported by the Canadian cooperation during the period 2004-05 to 2009-10. The sampling methodology will be based on the following criteria:

- **Representativeness:** projects selected should represent a substantive proportion of the total, sectoral or thematic value of all the projects;
- **Development approaches:** projects and activities related to policy dialogue, institutional capacity development and/or community level interventions;
- **Implementation mechanisms:** direct bilateral interventions and responsive initiatives;
- **Implementing agencies:** Ukraine government, non-governmental organizations, multilateral institutions & CEAs;
- **Evaluability:** that the projects are significant enough and sources of information are available and accessible cost-effectively.

Approximately sixteen to eighteen projects will be reviewed including those that have been subject to an evaluation.

6. Evaluation Team and Responsibilities

The CIDA Senior Evaluation Manager, Dr. Rémy Beaulieu will lead the process. The Desk and Field will be fully involved. A team of professionals has been hired and will assume the following responsibilities:

- **Team Leader: Dr Susanne Duska**, will be responsible to coordinate the work of the evaluation team and will assume responsibility for program-related issues;
- **Governance Specialist: Keith Ogilvie** will assess projects and sector issues related to public sector, legal, electoral, parliamentary reforms, regional and local governance;
- **Private Sector Development Specialist: Richard Gold** will assess projects and sector issues related to macro-economic reforms, agriculture and rural development, support to small & medium enterprises and trade related policies.

The responsibility for addressing the cross-cutting issues such as Gender Equality, Environment and Youth will be shared among the Evaluation team.

Muhammad Hussain, Evaluation Officer at CIDA will provide support to the team.

7. Calendar of activities

A tentative calendar of activities follows. It can be affected and modified according to administrative and political considerations:

- August 2010: First meeting of the Evaluation Team in Gatineau-Ottawa;
- September 2010: Draft Work Plan;
- October 11 to 27, 2010: Visit in Kiev by the Evaluation Directorate and Team ;
- November 2010: Draft Technical Report;
- December 2010: Final Technical Report;
- January 2011: Draft Synthesis Report;
- February 2011: Management Response;
- February 22, 2011: Presentation to the Evaluation Committee
- April-May 2011: Translation and publication of the Evaluation Report on the CIDA Web site.

Please note that this is only a summary of the full and complete Terms of Reference (20 pages).

Appendix B. List of Projects Reviewed

Table 1. Sample Projects—GOVERNANCE SECTOR

Project Number	Project Name	CEA	Start Date	End Date	Budget	Total
Z020640001	Regional Governance and Development -I	CANADIAN URBAN INSTITUTE	2004-06-15	2009-06-15	\$5,984,206	\$5,365,009
Z020563001	Community Economic Development	Canadian Bureau for International Education	2002-01-21	2008-09-30	\$4,988,247	\$4,499,027
Z020676001	Electoral Assistance to Ukraine	CANADEM	2004-12-10	2005-06-13	\$4,064,879	\$4,064,879
Z020697001	Canada-Ukraine Judicial Cooperation	Office of the Commissioner for Federal Judicial Affairs	2006-08-02	2010-11-30	\$4,887,850	\$3,907,422
Z010191001	POLICY ADVICE FOR REFORM IN UKRAINE	Canadian Bureau for International Education	1996-05-01	2006-12-29	\$11,126,899	\$3,064,753
Z020372001	Socioeconomic Performance Analysis	CONFERENCE BOARD OF CANADA	2005-09-23	2009-06-30	\$2,280,876	\$2,280,876
Z020566001	People's Voice II	WORLD BANK	2002-11-01	2007-12-29	\$3,412,515	\$2,275,149
Z020586001	Building Democracy	Queen's University Financial	2004-03-04	2010-10-31	\$2,430,245	\$2,147,301

Project Number	Project Name	CEA	Start Date	End Date	Budget	Total
		Services				
Z020689001	Promoting Ukraine's Global Integration	YORK UNIVERSITY ROBERTS CENTRE FOR CANADIAN STUDIES	2006-08-11	2010-10-29	\$2,420,064	\$1,521,085
Z020597001	Democratic Institutions & Practices	CANADIAN EMBASSY TO UKRAINE	2003-08-29	2007-11-30	\$1,249,395	\$1,078,395
Z020636001	Canada Fund 2004-2005	CANADIAN EMBASSY TO UKRAINE	2004-04-01	2005-03-31	\$421,998	\$421,998
Sub-Total					\$43,267,174	\$30,625,894

Table 2. Sample Projects—ECONOMIC DEVELOPMENT SECTOR

Project Number	Project Name	CEA	Start Date	End Date	Budget	Total
Z020482001	Facility for Agricultural Reform	SASKATCHEWAN TRADE & EXPORT PARTNERSHIP	2003-02-28	2010-03-31	\$7,274,800	\$5,896,195
Z020641001	Decentralized Management Skills Training	Association of Canadian Community Colleges	2004-06-15	2008-06-16	\$7,027,560	\$4,810,147
Z020371001	Credit Union Strengthening - UCUSP	Canadian Co-operative Association	2004-03-29	2010-12-31	\$5,559,092	\$4,800,532
Z020495001	Agriculture and	International Finance	2002-04-02	2007-12-31	\$4,714,870	\$2,072,949

Project Number	Project Name	CEA	Start Date	End Date	Budget	Total
	Corporate Development	Corporation				
Z020532001	Training and Consulting Capacity	McGill University Royal Institution	2004-02-27	2009-09-30	\$2,073,814	\$1,849,387
Z011185001	Small Business and Economic Development	CONFEDERATION COLLEGE OF APPLIED ARTS AND TECHNOLOGY	2002-03-11	2008-03-31	\$3,802,608	\$1,610,335
Z020569001	Grain Quality, Credit, Commodity Exchange	Canadian Grain Commission	2002-10-03	2005-05-13	\$2,497,783	\$1,428,196
Z250000001	Trade Policy Capacity Building	Carleton University Centre for Trade Policy and Law	1999-11-30	2007-07-31	\$2,793,669	\$1,081,518
Z020765001	Integrated Regional Development Prog	UNITED NATIONS DEVELOPMENT PROGRAM	2006-03-23	2007-03-31	\$1,000,000	\$1,000,000
Sub-Total					\$36,744,196	\$24,549,259
Total					\$80,011,370	\$55,175,153

Table 3: Sample characteristics

Program	Number	Number of Project Samples	Sample as % of Program	Total Sector Value in Program	Sample Sector value	Sample as % of Program Sector Value	Total Program Value	Sample as % of Total Program Value
DG	27	11	40.7%	\$44,288 M	\$30,626 M	69.2%	\$96,120 M	31.9%
PSD	20	9	45%	\$46,952 M	\$24,549 M	52.3%	\$96,120 M	25.5%
Total	50	20	40%	\$91,240 M	\$55,175 M	60.5%	\$96,120 M	57.4%

- Note: All figures are adjusted for the shift of CFLI from PSD to DG and reflect disbursements as at January 26, 2010.

Appendix C. List of Documents Reviewed

For all sample projects, the following CIDA documents were reviewed, where available: PIP and/or PAD; latest PPR; Monitoring Reports; Evaluation Report; End of Project Report. Only those CIDA project documents cited in the text are identified below, along with and documents consulted for the evaluation.

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Sustained Growth and Prosperity” . World Economic Forum., Geneva,
Switzerland.

Appendix D. List of Persons Met or Consulted

IN CANADA

CIDA—Ukraine Program

Martha Aksim, Rule of Law portfolio

Patricia Alcalde, Local Governance portfolio

Marc-Yves Bertin, Director

Stephanie Cyr, Program Analyst

Shawn Hayes, Gender Specialist

Dave Johnston, Agriculture Advisor

Chantal Labelle, Former Program Manager

Alla Laporte, Former Program Analyst and Gender Specialist

Steve Podesto, Governance portfolio

Tamara Romas-Figol, Senior Devt Officer, Nepal Program (formerly Ukraine)

Bruce Steen, Former Program Manager

Alan Stewart, Private Sector Development/Agriculture portfolio

Gina Watson, Current Program Manager

CIDA—Other Branch Staff

Remy Beaulieu, Evaluation Manager

Muhammad Hussain, Evaluation Officer

Brian Proskurniak, Director, Geographic Process Centre

Marie-France Provencher, Europe Regional Program

Victoria Sutherland, A/Director, Governance Directorate, PCB

Katia Torregros, Europe Regional Program

Outside Consultants, Specialists

Mary Lynch, Project Monitor and PSD specialist

Margot Rothman, Project Monitor

Implementing Agencies in Canada

Tony Berezowecki, former Project Manager for CED

Larissa Bezo, Project Director, Canadian Bureau for International Education

Karen Dalkie, Project Manager, Canadian Bureau for International Education

Paul Darby, Project Director, SEPPAC, Conference Board of Canada

Elena Dinu, Canadian RGD Project Manager, Canadian Urban Institute

Jo-Anne Ferguson, Senior Director, Canadian Cooperative Association

David Harvey, Project Director, Saskatchewan Institute of Applied Science and Technology

Tim Kerbashian, Project Director, Confederation College

Tom Monastyrski, former Project Director for Peoples Voice II

Rick Morgan, former Director, Grain Handling, Credit & Commodity Exchange Project

Motria Onyschuk-Morozov, Project Director IFC

George Perlin, Prof Emeritus Queen's

Phil Rouke, Project Director Carleton University , Trade Policy Capacity Building Project

Oleg Shakov, Project Manager for Judicial Cooperation Project

Prof. Peter Solomon, Professor of Political Science, U of T, Judicial Cooperation Project

Orest Subtlelny, Project Director York University, Promoting Ukraine's Global Integration

Olha Swyntuch, Sr. Representative for Council of Ukrainian Credit Unions of Canada

Alicia Todd, Director CANDEP Division, CANADEM

Jose Vieira, Former Coordinator, International Business Programs, Confederation College

Professor Alex Whitmore, McGill University, Training and Consulting Capacity Project

Kristina Wittfooth, Former Project Director, Canadian Bureau for International Education

Angela Wojchchowsky, Former Project Director, Saskatchewan Trade & Export Partnership

Sergiy Zhukov, McGill University, Training and Consulting Capacity Project

IN UKRAINE

Embassy in Kiev

Larissa Blavatska (Head of Political Section) Embassy

Olga Brizhan (CIDA assistant responsible for CFLI) Embassy

Ambassador Daniel Caron

Kati Csaba – Head of Aid

Sherry Greaves (CIDA Officer) Embassy

Guillaume Legros (CIDA Officer) Embassy

Volodymyr Seniuk (CIDA Officer) Embassy

Valerie Tkachenko (Canada Fund coordinator - consultant)

Inna Tsarkova (Political Officer) Embassy

Natalia Zavarzina (CIDA Officer) Embassy

Other Donors

Peter Duffy (Projects Officer USAID)

Manuel Etter (Country Director, Swiss Development Cooperation)

Laura Garagnani, (Head of Operations, EU Delegation)

Joanna Olechnowicz (EU Delegation Evaluator)

Martin Raiser, (Country Director, World Bank)

CEAs, Partners and Stakeholders in Ukraine

Viktor Andrushchenko (Rector, Dragomanov Pedagogical University)

Kurtmolla Abdulganiyev, analyst UNDP, Integrated Regional Development Program

Ivan Balaklytskyi (Deputy Head, State Court Administration)

Lesia Baranyuk (Coordinator, Canada-Ukraine Judicial Cooperation Project)

Natalia Beley CED (former oblast coordinator)

Sergei Bocharov (Grain Quality, Credit, Commodity Exchange Project)

Maxim Boroda (SEPPAC)

Iryna Drahomyretska (Credit Union Strengthening Project)

Anatoliy Furda (Deputy Director, SBEDIF Business Centre)

Adeline Gonay, Program Coordinator, UNDP, Integrated Regional Development Project

Olena Goryeva (CED Project Manager)

Myhailo Harmash (Deputy Director, Department for International Technical Assistance and Cooperation with International Financial Organizations), MoE)

Ihor Ilko (DMST)

Serhiy Ivashchuk (Director, Foreign Economic Cooperation Department, Min. of Agrarian Policy)

Grygoriy Khomenko (Vice Rector of Diplomatic Academy of Ukraine) Promoting Ukraine's

Volodymyr Klyuyew (Regional Project Coordinator at Dnipropetrovsk National University, RTCC Project)

Maryana Kolodiy (RGD Gender Advisor)

Oksana Kondratyuk (Regional Training and Consulting Capacity Project)

Viktor Koshchak (Principal, Uzhgorod Higher Vocational School for Trade and Food Technology) and senior staff, DMST

Serhij Kotenko (Policy Advice For Reform)

Viktor Kryvozub (Production Centre Nr.2 with School Principal) DMST

Oleksandr Kucherenko (People's Voice II)

Tatiana Kudina (Project Officer) UNDP Integrated Regional Development Program

Irina Lekh (RGD Project, Zaporizhzhia Oblast Manager)

Viktoria Litvinova (Coordinator of CIDA Projects (2008), MoE)

Petro Makovsky (Head of Lviv Regional CU Association),

Kateryna Melnyk (Executive Director Assistant on Economic Issues, National Bank of Ukraine)

Lyubov Margolina (Building Democracy Project)

Yuriy Mokrytsky (Deputy Head of the Board, Vygoda CU)

Vira Nanivska (ICPS)

Olena Nyzhnyk (Director of Department for Stimulating Regional Development, Ministry of Regional Development and Construction)

Andriy Olenchuk (Credit Union Strengthening Project)

Oleksandr Pasichnyk (Director, SBEDIF Business Centre)

Petro Pogrebennyk (Canada-Ukraine Judicial Cooperation Project)

Vasyl Poluiko (President, West Ukrainian Resource Center)

Maria Popadynets (RGD Oblast Manager in Uzhgorod)

Serhiy Pos' (Director of Project Registration Unit) MoE

Oksana Remiga (Senior Project Officer) UNDP Integrated Regional Development Program

Olga Romanuyk (SEPPAC)

Genadiy Rusanov (People's Voice II, DMST, SBEDIF)

Ihor Sanzharovskyi (RGD Project)

Vasyl Schekun (Head of Accounting Committee, Vygoda CU)

Roman Schmidt (FARM, Former Deputy Minister of Agriculture)

Natalia Shpak (Chair of Foreign Languages) Diplomatic Academy of Ukraine, PROGINT

Ihor Shumylo, (Member of the Board, Director, National Bank of Ukraine)

Marfa Skoryk, Gender Advisor (PRISM)

Mikhail Strazhkin (PAR)

Maria Syuma (Head of the Board, Vygoda CU),

Valerie Tkachenko (FARM)

Vyacheslav Tsivatyi (Vice Rector of Diplomatic Academy of Ukraine), PROGINT

Tatiana Mihailovna Tsygankova, Chair of International Trade Department, (Kyiv National Economic University, Trade Policy Capacity Building)

Victor Tymoschuk (Deputy Head of Board, Centre for Political and Legal Reforms)

Oksana Varodi (IFC)

Ruslan Zhylenko (Director, Carpathian Foundation, CED Project)

(RGD project Steering Committee Meeting)

Appendix E. Program/Project Assessment Framework

1. Relevance

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Overall relevance of the Program including policy dialogue in relation to:</p> <ul style="list-style-type: none"> • The partner country's development context and needs • CIDA's policies and the Government of Canada's interests and foreign policy objectives • The appropriateness of the Program's delivery modalities relative to the partner country's context 	<p>Relevance in relation to:</p> <ul style="list-style-type: none"> • Country needs: Country development plans (PRSP), Millennium Development Goals (MDGs) • CIDA policy: Poverty Reduction, Sustainable Development • Canada's priorities: CIDA Regional/Country Strategy (R/CDPF), foreign policy objectives (DFAIT)

2. Effectiveness

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Overall extent to which the Program in achieving (or is expected to achieve) its outcome-level results in relation to:</p> <ul style="list-style-type: none"> • Poverty reduction • Strategic objectives for the country (CDPF) or Canadian foreign policy • Sector/thematic or crosscutting objectives 	<p>Effectiveness in achieving results at the outcome level (and impact if available based on secondary data) at the project level in relation to:</p> <ul style="list-style-type: none"> • Poverty reduction • Project/sector/institutional objectives • Cost-effectiveness per result unit

3. Sustainability

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Overall Program sustainability in relation to:</p> <ul style="list-style-type: none"> • Assessment of the partner country's aid dependence (ODA/GNP, ODA/Budget) • Partner country context (political, social, economic, administrative, environmental) 	<p>Sustainability at the project level in relation to:</p> <ul style="list-style-type: none"> • Time needed to attain the results (life of the project: 3-5 years) • Institutional capacity to maintain the results (after the project) • Financial capacity to sustain the results (after the project)

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<ul style="list-style-type: none"> Predictability of Program's ODA resources (3-5 year forward information on planned aid to partner countries) per Accra Agenda 	

4. Crosscutting Issues (CCI)

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Treatment of each crosscutting issue (namely gender equality and environment, plus others if applicable) at the Program level in relation to:</p> <ul style="list-style-type: none"> Policy dialogue (role of CIDA/Canada in context of donor coordination) Existence and implementation of a strategy for the CCI in the CDPF Existence and appropriateness of dedicated resources (budget and human resources allocated to CCI, etc., including dedicated Fund or monitor/specialist) 	<p>Treatment of each crosscutting issue (namely gender equality and environment, plus others if applicable) at the project level in relation to:</p> <ul style="list-style-type: none"> Policy dialogue Quality of analysis (including existence and appropriateness of baseline – with sex-disaggregated data for gender equality) Existence, relevance, and implementation of a strategy for the CCI Existence of, and reporting on explicit CCI indicators, targets and results Dedicated resources (budget, human resources, etc.) allocated to CCI

5. Coherence

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Coherence at the Program level in relation to:</p> <ul style="list-style-type: none"> Internal coherence within and among: Sectors of intervention Cooperation channels (bilateral, multilateral, partnership) Delivery models (directive, responsive, PBAs) PBA delivery mechanisms (GBS, SBS, Pooled Funding, Other) Development actors (government departments, NGOs, international orgs) 	<p>Coherence at the project level in relation to:</p> <ul style="list-style-type: none"> Internal coherence within CIDA (delivery models/mechanisms and channels) External coherence in the context of international efforts (donor coordination) Coherence in the context of Canadian whole-of-government efforts

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<ul style="list-style-type: none"> External coherence (consistency with programs of other donors, donor coordination) Coherence with Canada's whole-of-government efforts (including Program's policy dialogue, leverage, and leadership played by Canada) 	

6. Efficiency

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Cost-efficiency at Program level in relation to:</p> <ul style="list-style-type: none"> Program's O&M/G&C compared to other comparable CIDA Programs Benchmarking with other donors (staff, O&M costs, decision making, knowledge related activities) Strengthened field presence 	<p>Cost-efficiency at the project level in relation to transaction costs:</p> <ul style="list-style-type: none"> Efficiency in use of human resources Efficiency in use of financial resources Time needed to approve, manage, and monitor

7. Management Principles

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<p>Overall performance at the Program level in relation to Paris Declaration Principles of:</p> <ul style="list-style-type: none"> Ownership (developing countries set their own strategies for poverty reduction, improve their institutions, tackle corruption) Alignment (donor countries align behind these objectives and use local systems) Harmonization (donors coordinate, simplify procedures, share info to avoid duplication) 	<p>Performance at the project level in relation to Paris Declaration principles of:</p> <ul style="list-style-type: none"> Ownership (developing countries set their own strategies for poverty reduction, improve their institutions, tackle corruption) Alignment (donor countries align behind these objectives, use local systems) Harmonization (donors coordinate, simplify procedures, share info to avoid duplication)

8. Performance Management

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
Performance management at Program level in relation to:	Performance management at the project level in relation to:

PROGRAM-Level Evaluation Indicators	PROJECT-Level Evaluation Indicators
<ul style="list-style-type: none"> • Results Management (per CIDA guidelines) • Roll up & measure of development results • Application of lessons learned & best practices • Follow-up on recommendations of previous evaluations • Risk management (per CIDA guidelines) • CIDA monitoring & evaluation (M&E) • M&E by CIDA's Evaluation Directorate • Joint M&E activities with other donors (or division of labour between donors) • Mutual accountability mechanisms (or activities to build local M&E capacity) 	<ul style="list-style-type: none"> • Results-Based Management (per CIDA guidelines) • Risk management (per CIDA guidelines) • CIDA monitoring & evaluation (M&E) • Branch-led M&E activities at the project/sector/institutional level • Joint M&E activities with other donors (or division of labour between donors) • Mutual accountability mechanisms (or activities to build local M&E capacity)

Appendix F. Summary of CIDA Program Disbursements 2004/5 to 2009/10

Table 4. Project Disbursements by Branch, FY2004-5 to 2009-10

Branch	No. of Projects	Total Disbursements (CAD \$)	% of Total Disbursements
Canadian Partnership (CPB)	3	\$3,296,527	3%
Bilateral (EMM)	45	\$92,000,853	96%
Office of Democratic Governance (ODG)	2	\$822,409	1%
TOTAL	50	96,119,789	100%

Source: CIDA Evaluation Directorate

Table 5. Project Disbursements by Sector, FY 2004-5 to 2009-10⁸⁵

Sectors	# of Projects	Total \$	Total %
Democratic governance (DG)	26	\$43,866,237	46%
Improving health	2	\$3,100,263	3%
Private sector development (PSD)	21	\$47,373,847	49%
Strengthening basic education	1	\$1,779,441	2%
Total	50	\$96,119,789	100%

Source: CIDA Evaluation Directorate

⁸⁵ Sectoral disbursement figures should be seen as approximate, given that categorization may be open to question.

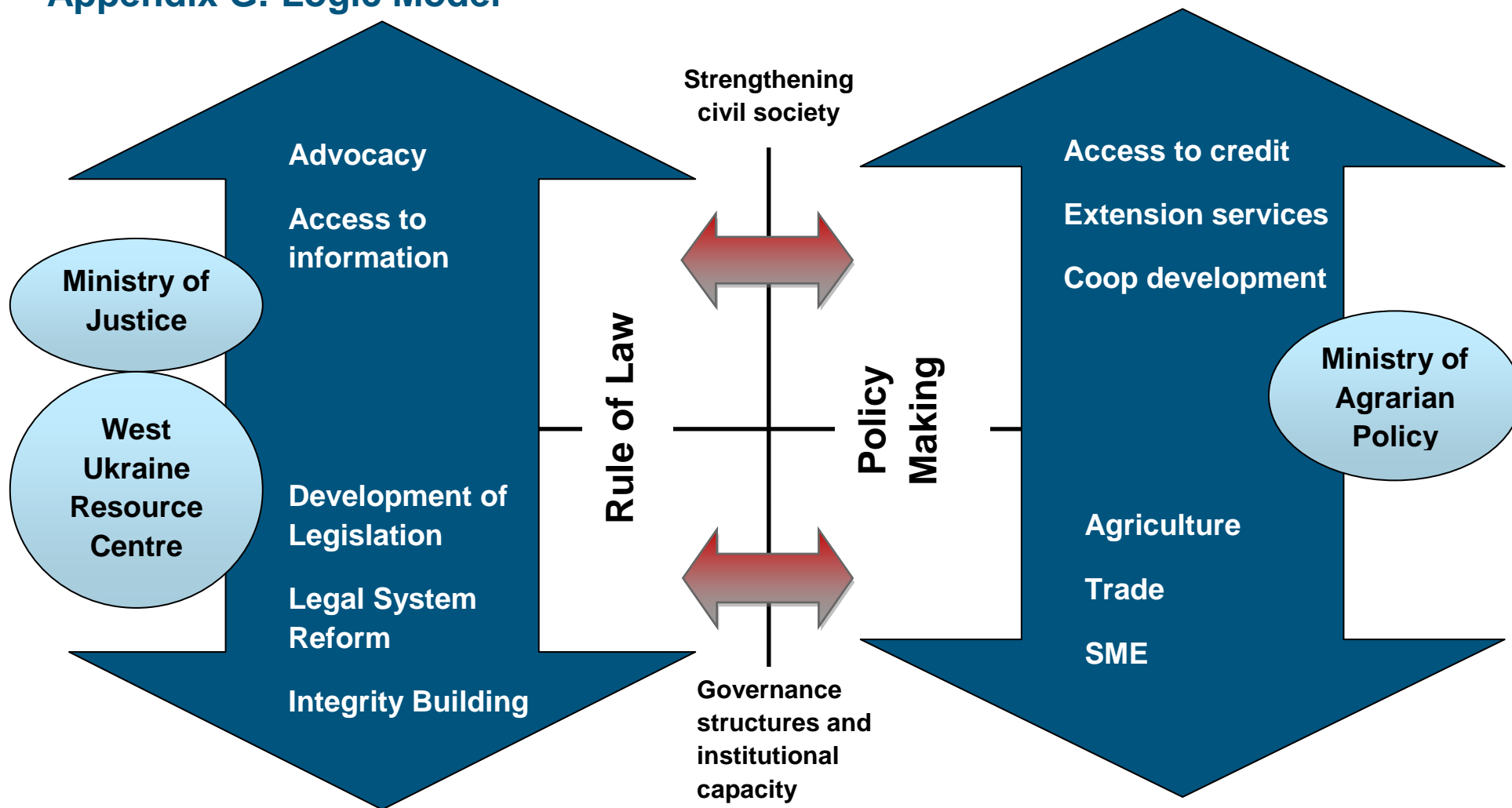
Table 6. CIDA Disbursements in Ukraine 2005-2008 Relative to Other Donors

Ukraine, Top 10 DAC Donor Countries, ODA Total, Net disbursements

#	Donor	2005	2006	2007	2008	Total
1	US	\$99,430,000	\$130,240,000	\$91,090,000	\$98,920,000	\$419,680,000
2	Germany	\$53,160,000	\$58,700,000	\$69,110,000	\$77,140,000	\$258,110,000
3	Sweden	\$10,580,000	\$18,410,000	\$22,140,000	\$21,500,000	\$72,630,000
4	Canada	\$18,620,000	\$15,770,000	\$15,960,000	\$18,710,000	\$69,060,000
5	France	\$10,040,000	\$14,310,000	\$6,530,000	\$25,020,000	\$55,900,000
6	Switzerland	\$13,450,000	\$9,210,000	\$5,960,000	\$6,630,000	\$35,250,000
7	UK	\$10,760,000	\$12,000,000	\$7,750,000	\$3,210,000	\$33,720,000
8	Japan	\$2,530,000	\$6,590,000	\$5,720,000	\$8,420,000	\$23,260,000
9	Denmark	\$1,570,000	\$2,170,000	\$4,600,000	\$5,700,000	\$14,040,000
10	Norway	\$220,000	\$540,000	\$4,300,000	\$4,680,000	\$9,740,000
	Total	\$220,360,000	\$267,940,000	\$233,160,000	\$269,930,000	\$991,390,000

- *ODA Total, Net disbursements: The sum of grants, capital subscriptions and net loans (loans extended minus repayments of loan principal and offsetting entries for debt relief) – in current US dollars.
- Source: OECD Statistics website, as cited in Evaluation Background Profile – Ukraine Program. p. 12

Appendix G. Logic Model ⁸⁶



⁸⁶ This document is produced based on information provided in Ukraine Programming Framework 2002-2006

Appendix H. Summary Sample Project Scores

Table 7. Summary of Sample Project Scores by Evaluation Criteria and by Sector

- **Governance Sector Projects (pale blue):** project numbers 1-11
- **Economic Development Projects (no colour):** project numbers 12-20

PROJECT Number CRITERIA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg. Score
1. Relevance	5.0	4.5	5.0	4.5	3.0	5.0	4.0	5.0	3.5	4.5	5.0	4.6	4.2	4.5	4.7	4.2	4.0	4.3	4.6	4.1	4.4
2. Effectiveness	4.5	3.5	3.5	4.1	4.0	4.5	4.0	4.5	3.0	4.2	3.5	4.3	4.2	4.0	4.2	3.9	4.2	3.2	3.8	4.1	4.0
3. Sustainability	3.5	3.5	3.0	4.0	3.1	4.0	2.5	4.0	0.0	4.2	4.5	4.2	4.3	4.0	3.8	4.1	4.0	3.8	3.9	3.8	3.6
4. Cross Cutting Issues	1.0	3.5	3.0	3.5	4.0	2.5	4.0	4.0	0.0	3.8	4.0	3.8	4.7	3.5	3.8	3.6	3.1	2.3	3.4	3.9	3.3
5. Coherence	3.0	2.0	2.0	3.0	2.5	4.5	3.5	3.5	4.0	4.0	4.0	4.1	3.8	3.5	4.2	4.3	3.5	4.2	4.1	3.8	3.7
6. Efficiency	4.5	3.1	3.5	4.0	3.1	4.0	3.5	3.0	3.0	3.6	3.0	4.5	4.6	3.9	4.1	4.1	3.0	4.1	3.8	4.1	3.8
7. Management Principles	4.0	3.0	3.5	3.5	4.0	5.0	3.5	4.0	2.0	4.2	4.0	4.1	4.1	3.5	4.2	4.2	3.5	4.3	3.8	4.2	3.9
8. Performance Management	2.1	2.5	2.0	4.0	2.5	4.5	4.0	4.5	3.5	1.6	2.0	4.3	4.5	3.9	4.1	3.4	2.0	2.5	2.4	4.2	3.2
Overall Project	3.5	3.2	3.2	3.8	3.3	4.3	3.6	4.1	2.4	3.8	3.8	4.2	4.3	3.9	4.1	4.0	3.4	3.6	3.7	4.0	3.7

PROJECT Number CRITERIA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg. Score	
Score																						

- **Governance Sector Projects (pale blue):** project numbers 1-11
- **Economic Development Projects (no colour):** project numbers 12-20

PROJECT Number CRITERIA	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg. Score
4a Gender	1.0	4.0	4.0	4.0	4.0	3.0	3.8	4.0	0.0	4.0	4.5	3.9	4.9	4.8	3.9	3.4	2.6	2.1	3.5	3.6	3.4
4b Environment	1.0	3.5	2.5	2.5	N/A	N/A	4.1	2.5	N/A	4.0	N/A	3.7	4.3	3.2	3.8	3.5	2.6	2.5	3.3	4.2	2.9
4c Youth	0.0	2.5	2.5	2.5	4.0	2.5	4.1	3.0	N/A	3.5	2.5	3.8	4.9	2.5	3.8	3.9	4.1	2.3	3.4	3.9	2.7

Scoring:

- 4.1—5.0 Highly satisfactory
- 3.1—4.0 Satisfactory
- 2.1—3.0 Moderately Satisfactory
- 1.1—2.0 Unsatisfactory
- 0.0—1.0 Very unsatisfactory