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## **National Project Steering Committee Minutes**

**Thursday, November 9, 2006 10:00-12:00**  
**Ukrainian House, "Media Center"**

### **1. Call to Order**

Svitlana Verhogyadova, Deputy Head, Department for Regional Development, Ministry of Economy of Ukraine, called the meeting to order.

### **2. Welcoming Remarks**

Svitlana Verhogyadova welcomes the participants and passes the floor to Oleksandr Sin, Advisor to the Head, Zaporizhzhia Regional State Administration. Mr. Sin expresses his gratitude to the Canadian International Development Agency and Canadian Urban Institute, saying that it is very appreciated that the Canadian partners are willing to change the situation with democratic governance in Ukraine for the better. Mr. Sin admits that it is very positive and inspiring that more and more people in Zaporizhzhia region are engaged in the activities of the project and that the project itself and participatory strategic planning, in particular, have gained more support in the region.

Vasyl Brenzovych, Deputy Head, Zakarpattia Regional Council, notes that a lot of activities were accomplished in Zakarpattia region during this year. The project was very successful in Zakarpattia region. The main task at the current stage is to elaborate a good plan for the next year.

Mrs. Verhogyadova passes the floor to Tibor Frank, Lead International Expert, RGD Project, to make a few welcoming remarks on behalf of the Canadian team. Mr. Frank welcomes the participants. He says that this National Project Steering Committee meeting follows meetings of the two regional steering committees, both of which he attended. He stresses that the main role of the steering committee is to provide on-going strategic advice and guidance regarding the overall design and implementation of project activities and to ensure that the project's scope aligns with stakeholder groups' interests. He notes that the strategic planning process is going on in both oblasts and currently there is a need to extensively involve the general public. He also remarks that the National forum on regional governance and development was held the day before in Kyiv, as well as regional forums that were held earlier. Discussions during these events proved to be very dynamic. Mr. Frank stresses that the main focus of the meeting today is to talk about results achieved to date and to outline the plans for the next year of project implementation.

### **3. Review and approval of minutes from PSC meeting, 25 April 2006**

Mrs. Verhogyadova asks the delegates to review the minutes of the previous PSC meeting and to raise any questions or comments at that time. Since there are no questions, Mrs. Verhogyadova makes a motion to accept the minutes. Mr. Sin seconds and the motion passes.

### **4. Summary of progress towards results and overview of project achievements, April to October 2006**

Chris VanDooren, Project Manager, International Partnerships, Canadian Urban Institute, outlines the major activities and achievements since the last National steering committee meeting held in April 2006. He presents the draft semi-annual narrative report on project activities from April to September 2006 as a reference document for discussion.

Mr. VanDooren notes that during this period, working groups of experts including Canadian, Central & Eastern European (CEE), and Ukrainian experts on different regional development policy issues were established.

Mr. VanDooren stresses that donor coordination is very important to ensure that the RGD Project builds on the experience of other technical assistance projects working in Ukraine in the same field. The presence of representatives of the CIDA-funded "People's Voice Project" and "Decentralized Management of Skills Training in Ukraine" at the meeting is very appreciated. He also notes that the Project Communication Strategy, including the project website and bulletins, is very successful. With the purpose of exchanging experiences, study tours and research missions to Canada and CEE countries were organized and successfully held. With the purpose of promoting national-regional dialogue and contributing to horizontal co-operation, two regional forums on regional governance and development and a National forum were successfully held in November. He stresses that the participation of Oryssia Lennie, Deputy Minister, Western Economic Diversification Canada, in the National Forum in Kyiv is very important.

Mr. VanDooren admits that capacity development is one of the main components of the RGD project. The Project conducted policy analysis, "training of trainers", and regional development and strategic planning workshops. He stresses that the strategic planning experts hired on a competitive basis did a tremendous job in Zaporizhzhia and Zakarpattia regions over the past several months. They provided coaching, mentoring and facilitation of events aimed at engaging various stakeholders in the strategic planning process.

##### **5. Proposed amendments to work plan for November 2006 to March 2007**

Mr. VanDooren claims that due to several reasons, namely change of Ukrainian legislation, different circumstances in the regions etc., some amendments are proposed to the work plan for November 2006 to March 2007. Analytical reports on various issues related to regional development, in particular: "Tools for Overcoming Economically Depressed Regions: Experience of Developed Countries", "Monitoring and Evaluation of Strategies and Programs for Regional Development" were supposed to be completed in January and instead they will be completed later due to the long process of hiring experts for these assignments. Six policy pieces are planned to be completed by the end of March 2007.

He also notes that the regional municipalities of Niagara and Waterloo in Canada are very eager to work with Zakarpattia and Zaporizhzhia oblasts in Ukraine, respectively. The next study tour/visit for strategic planning experts will take place in January-February 2007 after the local elections in Canada. Experts will observe and learn about from the strategic plan review process.

Yuri Polianski, RGD Ukrainian Project Manager, presents the major lessons learned over the course of the current fiscal year, which will be taken into account while planning the next year's activities. It is necessary to take into consideration the needs of the major project beneficiaries – Ministry of Economy and pilot Oblast State Administrations. There is also a need to take into account the lessons learned during the implementation of the year two project work plan. The major challenge was the new legislation, namely Resolution of the Cabinet of Ministers of Ukraine on "Approval of State Strategy for Regional Development" as of July 21, 2006", which instructed oblast state administrations to elaborate Regional development strategies over a three-month time period. This had an impact upon the speed of implementation of project activities in the regions. In Zakarpattia, the strategic planning process went faster than was planned; while in Zaporizhzhia, all activities initially planned by the project were held as scheduled in the work plan. Under the circumstances, it is suggested to elaborate different work plans for each oblast. When the strategies are elaborated, the need to implement small demonstration projects of the strategy will arise. He stresses that one has to bear in mind that Regional development strategies with broad public involvement have been elaborated in Ukraine for the first time and, hence, many lessons have been learned through "learning by doing." Mr. Polianski also notes that there is a need to enhance and strengthen partnerships with the regions.

At the national level, it is proposed to conduct trainings for officials of the Ministry of Economy of Ukraine in partnership with Western Economic Diversification Canada. The proposal is rooted in the October 2006 study tour to Canada for Ministry officials, the participation of Mrs. Oryssia Lennie, Deputy Minister of Western Economic Diversification Canada in the National Forum in Kyiv, and her meeting with Mr. Serhiy Romaniuk, First Deputy Minister, Ministry of Economy of Ukraine. It is also suggested to arrange trainings for Ukrainian experts by Canadian ones.

Mr. Polianski also notes that with regard to policy analysis and advice, RGD project is producing not only studies on various regional development issues but also policy recommendations for the Ministry of Economy of Ukraine on the basis of the research undertaken. He also notes that in the next year, the project will expand the study tours to CEE countries, namely Hungary and the Czech Republic.

## **6. Presentation on activities in project pilot regions**

Iryna Lekh, Zaporizhzhia Oblast Project Manager, delivers a presentation on the major achievements of the RGD project in Zaporizhzhia region from April to October 2006. She stresses that the most important component was identifying the strategic planning steps to be undertaken in the region. At the first stage, they established the infrastructure to implement the Communication and Public Engagement strategy. A Council for Regional Development was created and a Regional Working Group was established within this Council, which holds its meetings on a monthly basis. Sector Working Groups were established within the Regional Working Group, which work actively at the local level. In addition, the project's Regional Steering Committee was established. She also notes that cooperation between the public and local authorities was strengthened through the organization of various joint training seminars. Mass media was widely involved in the strategic planning process covering all events in the press and on television.

Currently Zaporizhzhia oblast is at the second stage of the strategic planning process, namely the formulation of the vision. During the visioning strategic planning workshop held on September 22, a basic vision statement was formulated and it is being discussed in the rayons and cities of the region. An extensive survey is being used to identify the best vision statement for Zaporizhzhia oblast's development.

Natalia Nosa, Zakarpattya Oblast Project Manager, delivers a presentation on results of RGD project activities in Zakarpattya region achieved by November 2006. She stresses that in Zakarpattya region, very intensive work on strategic planning for regional development continues. Currently, the vision and mission are being formulated and the strategic priorities for regional development are being identified. She mentions that the Council for Regional Development was established. She also notes that a partnership with the Canadian Niagara Region was established resulting from the April 2006 study tour to Canada, in which representatives of Zakarpattya region participated, and a mission of Regional Municipality of Niagara officials to Zakarpattya region in July 2006.

Resulting from the Cabinet of Ministers' Resolution, a joint Action Plan was developed by the RGD project and Zakarpattya Oblast State administration for the elaboration of the Strategy for Regional Development of Zakarpattya Region. Within the framework of implementing the Communication and Public Engagement strategy, open round tables on strategic planning were held; articles on strategic planning were written by regional project staff and strategic planning experts and issued in local newspapers; a 'hotline' for public input into the strategic plan for regional development was launched with the assistance of the regional project office; and a wide survey of public opinion on their vision of and priorities for oblast development was conducted. Five regional workshops on strategic planning were held in Zakarpattya Region, bringing together participants from different cities and rayons of the region. As a result of these activities, the vision and mission statements were formulated and strategic priorities identified. Among the next steps to be taken within the framework of the joint action plan include surveys, student essay contests, formulation of the written 'Strategy for Regional Development,' and selection and implementation of demonstration projects. Natalia Nosa makes a suggestion to create a group or department responsible for the implementation of the Strategy within the Regional State Administration.

## **7. Discussion – long-term project planning**

Mrs. Verhoglyadova thanks the participants and opens the floor to questions and discussion.

Mr. Sin thanks project partners for fruitful cooperation. He asks the project to strengthen the work towards public engagement. He stresses that informational support is very important. Financing an interactive website, issuing bulletins, and hosting round table discussions on TV might be very useful methods of engaging the public.

Mr. Brenzovych says that with regard to Zakarpattya region, as a border region of Ukraine, it is necessary to build linkages with Hungary, Slovakia and Romania (given that Romania will enter the European Union in the beginning of 2007) in order to synchronize strategic planning activities. The European Union has its own strategy for trans-border development, which influences the development of Zakarpattya Region. He also expresses the wish that Canadian experts come to the regions more frequently to share their experience.

Viktoriya Litvinova, Chief Specialist, Department for Coordination of Technical Assistance of USA and Canada, Ministry of Economy of Ukraine, expresses her gratitude to the Canadian partners for their support in building democracy in Ukraine. She thanks the project team for sharing timely information on project activities. She notices that strong donor coordination is very important to avoid duplication.

Yuri Tretyak, Executive Director, National Association of Regional Development Agencies (NARDA), notes that this project is extremely timely. He also mentions that today the public is interested in regional policy to a greater extent than before. The RGD Project has to concentrate its efforts on capacity building and support of existing institutional structures. Closer cooperation with NARDA is needed.

Ihor Ilko, ACCC Project Coordinator, notes that international donors concentrate their efforts more and more on micro projects, and suggests elaborating and implementing \ some micro-projects at the city and community levels within the framework of the project.

Oleg Luksha, strategic planning expert for Zakarpattya Region, notes that RGD project works with the regional state administrations but the strategy document will be approved by the oblast council. Therefore, closer cooperation with the oblast council is needed. He notices that the Cabinet of Ministers' resolution created difficulties not only for the project, but also for the regions themselves. Mr. Luksha also says that there is no mechanism to take public opinion into consideration.

Alan Stewart, Project Officer-Ukraine, CIDA, says that he attended the Forum in Zaporizhzhia and saw good cooperation between the authorities and the public, which was very encouraging. He agrees with Yuri Polianski, RGD Ukrainian Project Manager, with regard to the implementation of demonstration projects and encourages doing them at the community level, so that people can see the real effect. During the study tour to Ottawa, the possibility of training Ministry of Economy officials was discussed. Oryssia Lennie, Deputy Minister, Western Economic Diversification Canada (WD), participated in the National Forum, which took place on November 8. There is discussion regarding possible cooperation between WD and Ministry of Economy of Ukraine. The Regional Municipalities of Niagara and Waterloo in Canada are eager to cooperate with Zakarpattya and Zaporizhzhia, creating almost a twinning situation. They are willing to be part of Ukraine's development. These are aspects that were not initially planned but were built through the momentum established.

Tamara Romas-Figol, Second Secretary, Development, Embassy of Canada, thanks the project team for their cooperation and sharing of information through the website, project bulletins and monthly updates. She encourages the project team to cooperate with other donor-funded projects in Kyiv and in the regions.

## **8. Other business**

There was no other business to discuss.

## **10. Adjournment**

Mrs. Verhoglyadova concludes that the meeting went well and had positive results. A motion to adjourn is made and passes.