



Information
on activities within the framework of the Canada-Ukraine Partnership Project for
Regional Governance and Development (RGD)
in November 2006

NATIONAL-LEVEL POLICY AND REGIONAL DIALOGUE DEVELOPMENT

- With the purpose of promoting regional-national dialogue, assisting regional governments with the elaboration of regional development strategies, and strengthening participatory dialogue between regional and local governments, **two regional forums on regional governance and development** were held in the project's pilot regions – Zakarpattya and Zaporizhzhia.
 - On November 3, the RGD project in partnership with Zakarpattya Oblast State Administration, Zakarpattya Oblast Council and Uzhgorod National University held a regional forum on **“Instruments for Sustainable Development: Strategic Planning in Zakarpattya Region and International Experience”** in the city of Uzhgorod. Representatives of local executive authorities, self-government bodies, business, academia, and NGOs, as well as representatives of other regions, including officials from Zaporizhzhia Oblast State Administration and Lviv institute for regional studies, attended the forum. Dr. Tibor Frank, RGD project Lead International Expert (Canada), and governance expert Peter Szegvari (Hungary) delivered presentations on international experience in regional development strategic planning. Two sessions were held during the Forum where participants had the opportunity to discuss issues related to public engagement in strategic planning for regional development in Zakarpattya, visioning, SWOT analysis and priorities setting – steps and results achieved to date.
 - On November 6, the regional forum **“Perspectives on Regional Development in Ukraine: Current Practices and Zaporizhzhia’s Experience”** was held in the city of Zaporizhzhia in partnership with the RGD project, Zaporizhzhia Oblast Administration and Zaporizhzhia Oblast Council. The keynote speakers of the forum included Oleksandr Berezhnij, acting first deputy head of Zaporizhzhia Oblast State Administration (ZOSA), Leonid Anisimov, deputy head of the ZOSA, Yevhen Kartashov, head of Zaporizhzhia city, Oleksandr Sin, advisor to the head of administration and curator of the RGD project in the region, Tetiana Kravets, head of the division on mid-term and long-term planning for regional development, Ministry of Economy of Ukraine, Dr. Tibor Frank, Lead International Expert of the project, Peter Szegvari, governance expert from Hungary, and representatives from other oblasts. The forum included three discussion sessions on the following issues – national support for regional development, strategic planning and regional development, and new instruments for regional and city development: the experience of Zaporizhzhia oblast – during which current international and Ukrainian practices were discussed, as well as the strategic planning experience of Zaporizhzhia oblast.
- On November 8, the RGD project held a **National Forum on “Current Practices and Prospects for Regional Development”** in Kyiv. The Forum was organized in partnership with the Ministry of Economy of Ukraine and National Association of Regional Development Agencies (NARDA). The Forum was convened for promoting national-regional dialogue on the social and economic development of Ukraine’s regions and for sharing international and local best practices in regional development approaches and tools. Approximately 140 participants including representatives of central executive authorities, local executive authorities of the RGD Project's pilot

3, Triohsvyatytska Str, office 60, Kyiv 01001

Tel.: 390 70 87, fax: 278 07 14

E-mail: info@rgd.org.ua

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oblasts – Zakarpattia and Zaporizhzhia, regional development agencies, civil society organizations, academia, international organizations, and other international technical assistance programs and projects attended the Forum.

Mr. Pavlo Kachur, Advisor to the President to Ukraine and President of NARDA, opened the forum and chaired the plenary session that included keynote presentations on case studies of Canada's and Ukraine's experience with state support for regional development, Lithuania's experience with regional policy under EU accession and membership, trends of regional policy implementation in Ukraine, and public engagement in strategic planning and development.

The key speakers at the plenary session of the forum included Her Excellency Mrs. Abina Dann, Ambassador of Canada to Ukraine, Mrs. Oryssia Lennie, Deputy Minister, Western Economic Diversification Canada, Mr. Sergejus Krispinovicus, Head of Department for Regional Development, Ministry of Interior of Lithuania, Mr. Serhiy Romanyuk, First Deputy Minister of Economy, Mr. Yevhen Chervonenko, Head of Zaporizhzhya Oblast State Administration, and Mr. Vasyl Brenzovych, Deputy Head of Zakarpattia Regional Council.

In the afternoon, three concurrent workshops on various issues of regional development took place. The workshop on *“Strategic planning for regional development: approaches, public participation and institutions”* was chaired by Yevhen Fyshko, First Vice-President of NARDA. The participants engaged in a fruitful discussion on the legal aspects of improving the state forecasting system and program documents on regional development; institutional, organizational and methodological provisions for strategic planning of regional development; involving regional development institutions, civil society organizations, business representatives and other stakeholders in the elaboration and implementation of regional development strategies; strategic planning best practices; and other issues related to the development of effective, transparent and innovative development strategies through public participation.

The *“Implementation, Monitoring and Evaluation of Strategies for Regional Development”* session was chaired by Myroslava Lendiel, Associate Professor of Uzhgorod National University. Discussion topics included legal and institutional provisions and procedures for the monitoring and evaluation of regional development strategies and programs; best practices and international experience in monitoring and evaluation of strategies and programs; role of the public in evaluation of regional development strategies; and other issues related to improving the monitoring and evaluation of development programs in Ukraine.

Markiy Datsyshyn, Head of Service of the Presidential Secretariat of Ukraine, chaired the third session on *“State Support for Regional Development”*. Participants discussed mechanisms for overcoming economically depressed areas; institutions and mechanisms for promoting regional development, including supplementary opportunities for and decisions on improving state financing at the regional level; public-private partnerships for regional development; and other issues related to the active implementation of state regional policy.

The success of the forum allowed the RGD Project to gather a wide range of ideas, opinions, and concerns from key stakeholders in Ukraine's regional governance and development, which will be instrumental in informing the next phase of the project and in responding to Ukraine's needs in this field.

- An international team of experts, who are developing recommendations on improving evaluation approaches and systems for the Ministry of Economy of Ukraine, met on November 7 in Kyiv to discuss their preliminary findings and an action plan for finalizing their research. The results of this international teamwork will consist of recommendations for improving the framework, approaches and system of tools for monitoring and evaluating the State Strategy for Regional Development as well as Regional Development Strategies and programs. This team will also elaborate a practical handbook on the monitoring and evaluation of public strategies and programs to be used by civil servants of different tiers of government. Both documents will be built upon Canadian and European best practices in this area. The working group includes Bohdan Wynnyckyj, Manager, Ministry of Municipal Affairs and Housing, Province of Ontario, Justyna Rataiczak, Member of the Board, Polish Evaluation Society and Dr. Myroslava Lendiel, Associate Professor at the Uzhgorod National University.

The analytical report and policy recommendations on ***“Monitoring and Evaluation of Strategies and Programs for Regional Development”*** will be prepared by February 2007.

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- On November 9, Mrs. Oryssia Lennie, Deputy Minister of Western Economic Diversification Canada, met with Mr. Serhiy Romanyuk, First Deputy Minister of Economy of Ukraine. Topics of discussion included issues of regional development in Ukraine and Canada, follow-up to the October 2006 RGD study tour to Canada, perspectives on RGD activities in Ukraine, and future avenues for cooperation between the Ministry of Economy of Ukraine and Western Economic Diversification Canada. Also participating in the meeting were Ms. Doris Wong, Counsellor, and Tamara Romas-Figol, Second Secretary, Canadian Embassy to Ukraine; Yuri Polianski, RGD Ukrainian Project Manager; and Ms. Svitlana Verkhogliadova, Deputy Head of the Department for Regional Development, Ministry of Economy of Ukraine.
- On November 9, a **roundtable on finance** was held in Kyiv. The purpose of the round table was threefold: 1) to examine recommendations contained in the background report entitled "*Fiscal Decentralization in Ukraine: Current State and Reform Challenges*" prepared within the framework of the RGD project; 2) to discuss Canadian and European approaches to solving these issues and fiscal decentralization models and financial tools used by different tiers of government; and 3) to determine several concrete areas where the RGD project could contribute to addressing these issues in Ukraine. The background paper on fiscal decentralization described the large number of local government units and the problems associated with small local governments, as well as problems related to the lack of revenues available to local governments in Ukraine. There is considerable international experience on both the structure of local government and revenue sources that could be extrapolated to the context of Ukraine. As a result of the discussion, it was decided that the two areas where the RGD project could best contribute were:
 - *new structures of local government*: this section of the research would focus on new structures of local government and local government expenditure responsibilities;
 - *alternative revenue sources*: this section of the research would examine alternative revenue sources for local governments in Ukraine.

Participants in the meeting included Mrs. Oryssia Lennie, Deputy Minister of Western Economic Diversification Canada, Dr. Enid Slack, Director, Institute on Municipal Finance and Governance, University of Toronto (Canada), Dr. Peter Szegvari, Deputy Director, Regional Development Holding (Hungary), Dr. Tibor Frank, Lead International Expert, RGD project (Canada), and a number of Ukrainian experts. The participants agreed to create a fiscal decentralization steering committee for the RGD project.

- A group of experts engaged in the preparation of an analytical report and policy recommendations on "***Tools for Overcoming Economically Depressed Regions: Experience of Developed Countries***" met on November 13 in Kyiv to discuss international and Ukrainian practices for addressing the problems associated with economically depressed areas and to determine best practices that could be of value to Ukraine. Experts working on this assignment include Dr. David Amborski, Director and Professor, School of Urban and Regional Planning, Ryerson University (Canada), Mr. Roman Dziekonski, regional development expert (Poland), Dr. Markijan Dacyshyn, Head of Service, Secretariat of the President of Ukraine, and Dr. Svitlana Slava, Associate Professor, Uzhgorod National University (Ukraine). The participants agreed that Canadian and European experiences in overcoming economically depressed areas contain a broad number of approaches and tools to be recommended to the Ukrainian Government. As a result of this meeting, the group came to an agreement about the timetable for completing the report.
- On November 14, a group of experts involved in the preparation of policy recommendations for the Government of Ukraine on ***best practices of Canada and European countries in relation to state financial support for regional development*** held a coordination meeting in Kyiv. The purpose of the meeting was to discuss what best practices could be recommended to Ukraine. As result of the meeting, participants suggested improving the formula-based budget allocation and transfer system and developing new tools and institutions for Ukraine, including guaranteed funds. The experts working on this assignment include David Amborski, Director and Professor, School of Urban and Regional Planning, Ryerson University (Canada), Roman Dziekonski, regional development expert (Poland), Iryna Scherbyna, Sector Director, Municipal Budget Reform project (Ukraine), and Igor Yakovenko, expert, Blue Ribbon Commission, UNDP (Ukraine).

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- Within the framework of the preparation of an analytical report and policy recommendations on **“Tools for Overcoming Economically Depressed Regions: Experience of Developed Countries”** a validation meeting was held at the Ministry of Economy on November 15. Participants in the meeting included Mr. Olgierd Roman Dziekonski, expert from Poland, Mrs. Svitlana Verkhoglyadova, deputy head of department for regional development, Mrs. Hanna Naumenko, head of division on stimulating regions’ development, and Nataliya Betsa, RGD project coordinator. The Ministry of Economy officials pointed out that they are mostly interested in international experience in confronting the challenge of depressed territories and in mechanisms and tools for supporting them. The officials concurred that the analytical report and policy recommendations should contain a comparative analysis of the situation in Ukraine and best practices from developed economies (primarily, European countries and Canada) in relation to solving the problems of depressed territories, including specific measures to overcome these challenges.
- On November 28, Ihor Sanzharovskiy, Senior Technical Advisor, RGD Project, and Dr. Valentyna Mamonova, RGD Project Expert on Strategic Planning met with Dr. Olena Nyzhnyk, Director of Regional Development Department of the Ministry of Economy of Ukraine, to discuss the details of a study that has been undertaken in the framework of Project to provide the Ministry of Economy and regional stakeholders with recommendations on improving current approaches and practices of Strategic Planning for Regional Development. During the meeting, Dr. Valentyna Mamonova presented the study’s outline and questionnaire to verify with the Ministry the relevancy of the proposed approaches and specific issues to be studied. Dr. Nyzhnyk confirmed the willingness of the Ministry to assist in conducting the study and discussing the resulting recommendations.
- The analytical report entitled **“Review of Central and Eastern European Regional Experience”** was finalized by experts from Poland and Hungary. This report contains a review of local government in CEE countries since the introduction of new territorial-administrative systems; an analysis of regional policies and practices; a discussion of fiscal decentralization issues and sub-national finance; a review of institutional arrangements and intergovernmental relations; and policy recommendations for the Ukrainian government.

The Ukrainian version of the report will be published soon. Currently, it is available on the RGD Project’s website at: http://www.rgd.org.ua/project_publications/publications_list/

CAPACITY DEVELOPMENT

- On November 10-11, **a strategic planning ‘train the trainers’ workshop** was held in Kyiv. Mrs. Ann McAfee, former Director, Planning Department, City of Vancouver, Canada, led the workshop, which was targeted at the project’s Ukrainian strategic planning experts, representatives of regional authorities, and regional project staff. Mrs. McAfee discussed Canadian experience in methods and techniques of SWOT analysis for regional development within the greater framework of elaborating a Regional Strategy for Development. Workshop participants had the opportunity to learn about Canadian methodology of conducting SWOT analysis and identifying priorities, as well as public involvement in this process, using Vancouver City, Canada as an example. This workshop also trained the project’s Ukrainian strategic planning experts to conduct workshops on SWOT analysis in the pilot regions.
- As the next step in the ‘train the trainers’ workshop, **two workshops on SWOT analysis for regional development** were held in Uzhgorod and Zaporizhzhia on November 15.
 - The workshop on **“Technologies of SWOT analysis in Zaporizhzhia oblast development strategic planning”** engaged members of the Zaporizhzhia Council on Regional Development, which includes members of the Regional Working Group on Strategic Planning as well as members of District and City Working Groups from around the oblast. During the workshop, Mr. Leonid Anisimov, Deputy Head of Zaporizhzhia Oblast Council, expressed his hope that working on the oblast development strategy within the RGD Project will give Zaporizhzhia the opportunity to employ the best international experiences and knowledge to improve the economic, financial and environmental conditions of the lives of all oblast residents, “so that each person would feel positive changes on himself”. Mrs. Ann McAfee, former Director, Planning Department, City of Vancouver, Canada, then shared her experiences in strategic planning and public involvement. Also, participants had the opportunity to learn about approaches of state financial support for regional development as presented by Mr. Ihor Yakovenko, expert, Blue Ribbon Commission, UNDP (Ukraine).

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Iryna Lekh, RGD project Regional Manager, and Serhiy Mohylnyi, RGD project Ukrainian strategic planning expert, facilitated the discussion on SWOT analysis for Zaporizhzhia's strategy. To assist participants with the third stage of strategic planning in Zaporizhzhia oblast, guidelines on "Technologies of SWOT analysis in Zaporizhzhia oblast development strategic planning" were disseminated. Next, participants took part in a business game-contest, where each participant had to write their own formulation of a vision for the oblast's development. Then participants, together with the facilitators, were divided into smaller groups and conducted a SWOT analysis of the problems and current situation as well as the measures to solve the current problematic issues. Also, every participant was able to present his/her view on public engagement at the stage of SWOT analysis in the form of "pyramid of engagement". As a result of the workshop, a process of creating focus groups began.

- In Uzhgorod, a workshop on "*Vision, SWOT analysis and Priorities for Zakarpattya Oblast Development: Process and Achieved Results*" included representatives of NGOs, academia, local authorities, self-government bodies, and Ukrainian and international experts. First, Dr. David Amborski, Director and Professor, School of Urban and Regional Planning, Ryerson University (Canada) shared his experience in strategic planning and SWOT analysis. Then Oleg Luksha and Oxana Stankevich, strategic planning experts in Zakarpattya region, facilitated the discussion. During the workshop, participants were engaged in a fruitful discussion on the SWOT analysis of the current situation of Zakarpattya region's development and on proposals to draft a regional development strategy.
- On November 14, a roundtable meeting took place in Zaporizhzhia that engaged the head of the main department of economy of Zaporizhzhia Oblast State Administration, RDG project staff, and Canadian strategic planning expert Ann McAfee (Vancouver). During the meeting, participants discussed the structure of regional authorities in Ukraine and Canada and economic development issues of both Zaporizhzhia oblast and the Greater Vancouver Region. Ann McAfee noted that the Zaporizhzhia oblast economy is well balanced and is experiencing continued growth in the area of industrial production. Apart from this, Ann McAfee described Vancouver's experience of engaging the public in the strategic planning process at both the city and regional levels. The participants were very interested in issues related to financial support for regional development by the Canadian federal government.
- In Uzhgorod, a great public interest in the draft regional development strategy elaborated by the Lviv Institute for Regional Studies resulted in many exchanges of proposals, comments and suggestions regarding this document by RGD experts, NGOs, community leaders, and academics. As a result of this public demand, the Zakarpattya Oblast State Administration held a joint meeting of the project's representatives and a number of experts to discuss the draft regional development strategy on November 23. Participants in this meeting included members of the regional steering committee, regional project experts, representatives of academia, and the public. During the meeting, all participants agreed that the Strategy shall be based on the Concept for Sustainable Development of the region and will take into consideration the interests of the public. They also agreed that it is necessary to limit the number of strategic priorities for development and that these priorities must reflect the interests of each citizen of the region. One of the decisions made during the meeting was to create a working group at the main department of economy of the Zakarpattya Oblast State Administration to synthesize the public's proposals and suggestions.
- On November 23, Iryna Lekh and Anna Petrusenko, Zaporizhzhia RGD project representatives, and Ella Slepian, Head of the main department of economy, Zaporizhzhia Oblast State Administration, met with representatives of SUAL holding (Russian corporation which deals with aluminum production, including on the territory of Zaporizhzhia city) and representatives of the Successful Communities Institute, City of Kyiv. At the meeting, participants expressed their desire to cooperate with the RGD Project and the regional government, particularly in the following areas: development of the Oblast Development Strategy, conducting sociological surveys for needs assessment of oblast residents, and expert assistance during the stage of developing operational plans according to the priorities determined in the Oblast Development Strategy.
- On November 27, a meeting of the Public Working Group was held in Zaporizhzhia. Participants included the main executors of the Action Plan for strategic planning and regional development of Zaporizhzhia oblast – representatives of Zaporizhzhia Oblast State Administration, academia, NGOs, RDG project experts, and the regional project manager. During the meeting, the status of implementing the Action Plan was discussed in detail along with the schedule of activities that have to be completed before the end of the year.

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- Visioning workshops were held in the cities of Tokmak and Hulajpole, Zaporizhzhia oblast, at the beginning and end of November. Participants included representatives of working groups in these regions/cities, as well as neighbouring regions and cities in the oblast (Hulajpole, Vilnyansk, Zaporizhzhia, Novomykolajv, Orihiv and Polohy).

PROJECT MANAGEMENT

- On November 9, **the National Project Steering Committee** met in Kyiv. During the meeting, Chris VanDooren, Project Manager, provided an overview of project achievements from April to October 2006 and Ukrainian Project Manager, Yuri Polianski, discussed possible project activities for the next fiscal year. The Regional Managers presented the results of the strategic planning process achieved to date in Zakarpattya and Zaporizhzhia regions and plans for the upcoming months. Representatives from other CIDA-funded projects, including “People’s Voice Project” and “Decentralized Management of Skills Training in Ukraine,” as well as international and Ukrainian project experts sat as observers to the meeting. Additionally, **meetings of the Regional Steering Committees** were held in Uzhgorod and Zaporizhzhia on November 3 and November 7 respectively. Members of the regional steering committees, regional and Kyiv project representatives, as well as Ukrainian and international experts from Canada and Hungary attended these meetings. In Uzhgorod, the decisions made during the meeting included: a) approval of the joint action plan on public engagement until December 31, 2006, b) development of a joint action plan of the Zakarpattya Oblast State Administration and the RGD Project until April 2006, and c) development by January 1, 2007 of proposals for the project’s activity plan for the period until April 2007. In Zaporizhzhia, members of the Oblast Steering Committee adopted the decision to approve the report and project action plan and presented recommendations to strengthen the project by engaging representatives from businesses as well as government officials from various ranks in the planning process.

More detailed information about Project events and activities can be found online at www.rgd.org.ua

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