



BUDGET SUPPORT TO UKRAINE

The European Neighbourhood and Partnership Instrument (ENPI) introduced in 2007 provides general/sectoral budget support in addition to technical assistance to ENP countries, whereas the TACIS programme only allowed for technical assistance.

Budget support is an instrument for injecting funds from the budget of the donor organisation to the State Budget of the beneficiary country to support the execution of reforms and policies that will lead to the achievement of clearly designated and agreed strategic objectives.

Budget support in Ukraine will be through "Sectoral Budget Support" where funds are transferred for the execution of programmes aimed at the development of specific sectors of the economy (as per the present programme for the implementation of Ukraine's energy strategy).

The main elements of the sector programme are the following:

A sector policy and strategy – this must be developed and owned by the government of the partner country and be sufficiently elaborated in terms of its goals and priorities, the expected results and targets, the definition of action plans, roles and responsibilities of implementing parties, and the required resources and budgets;

Sector budget and medium term perspective – the sector policy / strategy should be reflected in the government expenditure framework, both in the short term (annual budget) and in the context of medium term expenditure planning;

Sector and donor coordination – there must be a framework under the government's leadership for the coordination of stakeholders and donors to ensure effective sector programme formulation and management, the maximisation of complementarities, and the avoidance of overlaps;

Institutional setting and existing capacities – the sector programme is significantly influenced by the broader institutional setting and therefore capacity development remains a central concern;

Performance monitoring system – this needs to consist of indicators for the entire results chain - inputs, outputs, outcomes and impacts, where feasible - to assess progress towards achievement of sector policy objectives;

Macroeconomic policy – a stable macro environment is required together with predictable resourcing levels;

Public Financial Management (PFM) framework – credible PFM systems must be in place (or in the process of being implemented) to ensure that there is fiscal discipline and actual expenditures are consistent with budgets.



EU COMPLEMENTARY ASSISTANCE TO THE ENERGY SECTOR BUDGET SUPPORT PROGRAMME FOR UKRAINE

On 18 May a new EU-funded project "Complementary Technical Assistance to the EU-funded Budget Support to Ukraine's Energy Strategy Implementation" held its launch meeting in the Ministry of Fuel and Energy of Ukraine. The launch event gathered nearly 60 representatives of project beneficiaries and target groups, including representatives of the Delegation, Ministry of Fuel and Energy, National Electricity Regulatory Commission, Ministry of Finance, Ministry of Economy, National Agency for Efficient Use of Energy Resources and others.

The purpose of the 18-month project is capacity development within the Ministry of Fuel and Energy and other stakeholders for management, implementation, reporting and monitoring of the Energy Sector Budget Support Programme.

The objective of the project is to support the implementation of Ukraine's Energy Strategy, according to the Agreement signed by the European Commission and the Ministry of Economy of Ukraine in September 2008. One of forthcoming tasks of the project is raising awareness on the Sector Budget Support as a new form of the EU assistance to Ukraine and bringing target groups together to facilitate their joint work and collaboration in solving energy related problems.

The European Union provided €82 million for the Energy Sector Budget Support Programme. The budget of the complementary technical assistance is €3,424,960.

Contact persons: Maryna Shvyhar, e-mail: shvyhar@esbs.kiev.ua





EU AMBASSADORS VISIT MEOTIDA NATIONAL PARK IN ADVANCE OF ENVIRONMENT BUDGET SUPPORT PROGRAMME TO BE LAUNCHED FOR UKRAINE

On 30 May a delegation of Ambassadors of the EU Member States visited Meotida National Park in Novoazovsk, Donetsk oblast.

"The European Union countries are really concerned with environmental issues in Ukraine. The EU has already successfully implemented projects such as "Environmental Collaboration for the Black Sea" (<http://www.ecbsea.org/>), which helped cutting down environmental degradation of the Black Sea, as well as the and Azov Sea where Meotida National Park is located.

A second project "Sustainable Integrated Land Use of Eurasian Steppe" (<http://www.steppe.org.ua/>) contributed to the sustainable, environmentally sound land use of steppe areas among the farmers and agricultural structures for the conservation of steppe biodiversity. Project activities took place close to Meotida in Lughansk in Ukraine and Rostov in Russia.

The EU plans a Sector Budget Support Programme on environment in Ukraine with a total amount of €35 million. The financing agreement should be signed before the end of the year and it is planned that Ukraine will already receive the first tranche for this programme in 2011".

Contact person: Elena Sergeeva, e-mail: sergeeva@keycommunications.ua



EU-FUNDED PROJECT NEWS

EU-COUNCIL OF EUROPE PROMOTES EXCHANGE OF PUBLIC DIALOGUE EXPERIENCE BETWEEN UKRAINIAN CITIES

In April and May 2010 the Joint EU-Council of Europe Project on Promotion of European Standards in the Ukrainian Media Environment organised 12 interregional exchange visits for public dialogue groups. These groups included representatives of local government, media and civil society from six pilot cities in Ukraine (Rivne, Kherson, Donetsk, Cherkasy, Sumy and Chernivtsi).

Each public dialogue group has been pursuing a specific community issue, such as pollution or transparency of public utility rates. The goal of these exchanges was provide exposure to hands-on experience of other public dialogue models viable in the Ukrainian context.

The effective public dialogue system in Cherkasy and Sumy was of most interest to other cities participating in the project, with nine visits held to these two cities. The participants focused on important conditions for successful cross-sectoral cooperation at local level, such as a transparent and proactive public relations policy of the city mayor including blogs, on-line public reception hours, weekly press briefings and advance notices of the city council session agendas. Other public dialogue instruments, such as advisory councils of media and civil society in Sumy were also of great interest to visiting colleagues. Donetsk representatives shared their experience of cross-sectoral partnership on improving the environmental situation. The public dialogue group from Kherson presented to their guests their successful visibility tools, such as the group's blog <http://arch-x.blogspot.com>. On return to their home cities, the pilot groups continue their work on incorporating these public dialogue mechanisms in their practices. The project on Promotion of European Standards in the Ukrainian Media Environment is funded by the European Union and co-funded and implemented by the Council of Europe. Its purpose is to foster journalism standards in Ukraine by supporting the process of enhancing the media legislative framework, raising ethical standards in the journalism profession, and promoting the ongoing dialogue between the media, civil society and local authorities. The project is ongoing until the end of 2010.

Contact person: Olga Sedova; e-mail: olga.sedova@coe.int





EU EXPERTS TRAIN UKRAINIAN BORDER GUARDS ON IDENTIFYING FORGED AND FALSIFIED DOCUMENTS

On 17-21 May the EU-funded and IOM-implemented project "Improving Integrated Border Management: Follow-up to Reinforcing the State Border Guard Service (SBGS) of Ukraine's Human Resources Management System" (HUREMAS 2) held a training on identifying forged and falsified documents for 22 Ukrainian border guards. The training was delivered in the State Border Guards Academy of Ukraine by two Polish Border Guard specialists.

The event sought to build the capacity of the SBGS to better detect and respond to cases of passport and ID fraud through preparing select service people to develop a corresponding two-week course that would be taught using the train-the-trainer, or "multiplication" method across Ukraine. The EU experts, armed with seized identity documents, presented different types of forgery, means of checking and identifying falsified documents, and discussed the methodology of training personnel to detect forged and falsified materials. In their turn, the SBGS officers shared their practical border control experience and provided suggestions on crafting a training course to improve document checks. Finally, the participating Ukrainian border guards were certified as trainers for detecting forged and falsified documents.

Contact person: Stephen Rogers, e-mail: srogers@iom.int



EU AMBASSADORS OPEN A NEW INFORMATION CENTRE IN KHERSON

On 22 May the Head of the EU Delegation, Ambassador José Manuel Pinto Teixeira, as well as the Ambassadors of EU Member States in Ukraine officially opened a new EU Information (EUi) Centre in the premises of Kherson State University. Ambassador Pinto Teixeira, as well as the Ambassadors of France, Finland, Germany and Hungary also took part in debates with students on European Union enlargement and European Neighbourhood Policy. An international cartoon exhibition "Dialogue of Cultures" provided by the Hungarian Embassy was displayed at the EUi for one week.

The EUi Centre in Kherson will be one of more than 10 EUi Centres which activate today in different universities across Ukraine. The main goal of the EUi Centres activity is dissemination of information about the EU and its policy, granting the assistance to universities and research centres in students' studies and research works concerning European integration, and also promoting students' participation in debates on European issues. The EUi Centres have a broad variety of publications and official materials of the EU institutions, as well as EU bulletins, journals and other EU-related information. All visitors have free public access to all materials of the EUi Centres.

For more information on EU Information Centres see:

http://ec.europa.eu/delegations/ukraine/more_info/eu_information_centres/eu_centres_in_ukraine/index_en.htm

Contact person: Irina Stadnychuk, e-mail: irina.stadnychuk@ec.europa.eu



EU AMBASSADORS VISIT A MINE IN LUHANSK OBLAST AND DISCUSS EU-FUNDED COAL PROJECT

On 27 May the Head of EU Delegation, Ambassador José Manuel Pinto Teixeira, as well as Ambassadors of EU Member States in Ukraine visited the Dovzhanska-Kapitalna Mine in Sverdlovsk, Luhansk oblast. They also discussed the EU-funded "Coal Sector Policy Support Programme", with mine staff and representatives of the project, especially the component for improving the system of management of miners' safety.

"EU always supports development of Ukrainian coal sector and its reforms, because the coal industry is one of priorities for the country. Many EU Member States completed their coal sectors reforms and became stronger and more effective. We recommend reforms first of all in improving an effectiveness of coal extracting, increasing safety and environment levels", said Ambassador Pinto Teixeira. This project is one of the largest EU-funded projects in Ukraine with an overall budget of €10 million. It is implemented in Luhansk, Donetsk and Lviv oblasts. It aims at the industry development by five main components: institutional sector support, general industry development plan, social care, workers safety and environment.

More information at: <http://www.eu-coalsector.com.ua/>

Contact person: Olena Rodionenko, e-mail: orodionenko@eu-coalsector.com.ua





EU AMBASSADORS VISIT EU-FUNDED PROJECTS IN EASTERN UKRAINE

On 27-30 May the Head of EU Delegation, Ambassador José Manuel Pinto Teixeira, as well as Ambassadors of EU Member States in Ukraine presented results of EU-funded projects and visited school and hospital in Luhansk oblast renovated with funds from the EU project "Support to Sustainable Regional Development". They also saw municipal vehicles provided by the EU project "Sustainable Local Development in Ukraine". These projects are a part of complex approach to regional development and implement according to needs of regions.

The two-year "Sustainable Local Development in Ukraine" project will be closed this year. In Sverdlovsk the project financed purchasing of equipment worth €2 million. In particular, new equipment has been purchased for town's water supply and heating systems, municipal garbage collecting service and sanitary laboratory. These institutions also received new computers.

Under the "Support to Sustainable Regional Development" project a an overall budget of €9 million will be used to modernise municipal buildings in Sverdlovsk: 13 hospitals, 6 schools and 7 kindergartens.

Contact person: Elena Sergeeva, e-mail: sergeeva@keycommunications.ua



UPCOMING EVENTS

5-6 JUNE, ZAKARPATYA, UKRAINE

Visit of the Head of EU Delegation and EU Ambassadors in Ukraine to Zakarpattya; visit to EU-funded Cross-border Co-operation Projects in the region

Contact person: Elena Sergeeva, e-mail: sergeeva@keycommunications.ua, tel.: 050 332 4330

6-13 JUNE, PORTUGAL

Food Safety Study Visit to the EU by the project "Implementation of Ukraine's commitments under WTO and ENP frameworks in the rural sector (SWAP-RURAL Project)"

Contact person: Olesya Kravchenko-Fisun, e-mail: okravchenkofisun@gmail.com, tel.: 050 183 7309

6-13 JUNE, NETHERLANDS

Study Visit for Ukrainian veterinary inspectors to the EU by the Twinning project "Support for the Ukrainian Veterinary Services in Enhancing the Legal and Technical Aspects of Food Safety Control System"

Contact person: Allan Bagge, e-mail: allan.bagge@vet.gov.ua, tel.: 097 016 0261