

LMG-CCI Ukraine

Quarterly Report: October – December, 2014

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January, 2015

Build the capacity of the UCDC as a key agency within the Ukrainian MoH, their capacity as a Principal Recipient of GF grants and their capacity to manage Sub Recipients.

LMG, Ukraine, HSS, UCDC, MoH, GF, SR management, PR

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QUARTERLY REPORT - CCI/LMG-Ukraine

Quarter 2: October-December 2014

SECTION A.

Country:	Ukraine	Project:	Country Collaboration Initiative/Leadership, Management & Governance-Ukraine
		Short name:	CCI/LMG-Ukraine
		Award number:	AID-OAA-11-00015 (Global LMG Project)
		Implementer:	Management Sciences for Health (MSH)
Agreement Officer Representative (AOR)	Reena Shukla	PY2 Start Date: 06/15/2014 PY 2 End Date: 09/30/2015	
Activity Manager	Paola Pavlenko		
Date of Report Submission: Period covered by the report:	January 30, 2014 October – December, 2014		

PY2 Project Budget amount	Overall amount obligated	Spent in reported period (October -December 2014)	Cumulative spent during life of project	Forecast for the next quarter (January-March 2015)
\$625,000	\$1,375,000	\$147,655	\$762,989	\$275,787*

*Note that forecast for Q3 is higher than normal as it includes some accruals from December.

SECTION B. Summary of PY2 Quarter 2

As we progress in the implementation of the workplan, we regularly review with UCDC their priorities and propose revisions to the workplan, if necessary. When the Global Fund approved the Ukraine Concept Note for Single HIV and TB grant through the New Funding Model, it became clear that UCDC will retain only one SR (State Penitentiary Service), and will also host a PSM Secretariat comprised of the representatives of all the three PRs and other stakeholders. Furthermore, some budgetary arrangements and special conditions were delineated and communicated to UCDC by the Global Fund, including the need for considerable cuts in UCDC’s personal salaries. These developments necessitated a revision of LMG’s workplan and review of TA priorities. The revised workplan was developed in close partnership with UCDC at the end of PY2 Quarter 2, with the number of PY2 activities having increased from 24 to 29. One of the key new activities included in the workplan is to conduct a full functional review of UCDC and workforce planning. At the end of Quarter 2, a Scope of Work was developed and approved by UCDC and USAID, and the process of selection of consultants initiated.

In Quarter 2, we continued to focus primarily on Result Area 1, aiming to further strengthen UCDC’s institutional capacities. Out of 13 Result Area 1 activities initiated in Q1, 4 were successfully completed, with some others progressing well and due to be completed in early 2015. Most importantly, this includes the finalization of costing of UCDC Operational Plan for 2015, launch of UCDC web-site and social media accounts, and completion of customization and/or improving the performance of 1C Software used by UCDC.

SECTION C.

Result Area 1: Strengthen UCDC’s capacity as an organization within the new Ukrainian public health system	
Activity 2.1: (continued from PY 1) Assess stakeholder needs and expectation of UCDC in terms of communication and use this to inform the development of a communication strategy, 1-year action plan and UCDC website.	
Planned Progress (for reported period)	It was expected that the final drafts of UCDC Communications Strategy and 1-year action plan would be approved by UCDC in early October 2014. A Ukrainian and English versions will also be prepared. LMG will continue to support its operationalization in Q2 (see Activity 2.2).
Actual Progress (including comments, if required)	As planned, UCDC Communications Strategy and 1-year action plan were approved by UCDC in early Q2. Following the approval, we prepared English versions of these documents whereas UCDC prepared a Ukrainian version. Members of UCDC Communications team attended a training organized by Olshansky & Partners as well as a retreat in Lviv. A GIZ-organized study tour to Cologne, Germany, is planned for Q3.

Planned for next quarter	The development of a communication strategy and 1-year action plan has been completed. In Q3 and Q4 (a 6 month period), we plan to support a UCDC consultant in Communications and Strategic Planning to work with UCDC on the implementation of their Communications Plan and Resource Mobilization Strategy. As LMG has invested considerable time and effort in this area, the only way to maximize the investment is to temporarily support a consultant. We will also meet with colleagues at GIZ (who also made investments in strengthening communications capacities of UCDC) and discuss possible opportunities for synergies.
Any critical risks/assumptions	As the position of Communications Specialist is not supported through the new grant from the Global Fund, UCDC would need to raise funding to continue supporting this position beyond the timespan of LMG support. LMG recognizes this is a “slippery slope” in supporting key positions and will not engage the consultant beyond the timeframe approved by the donor.
Activity 2.2: Support communication in a variety of ways which include assisting UCDC to develop communications tools such as Newsletters, fact sheets, policy briefs, press releases, success stories and Annual Report for 2014.	
Planned Progress (for reported period)	As UCDC’s branding and marking policy was being finalized (Activity 2.3), it was expected to inform the finalization of communications tools (anticipated in October 2014).
Actual Progress (including comments, if required)	UCDC branding and marking policy was finalized and Brandbook handed over to UCDC. A range of communications tools templates and examples (Meeting Memo, Press Release, Success Story, Policy Brief, Fact Sheet, Annual Report, and Newsletter) were developed in MS Word and Joomag software and presented to UCDC.
Planned for next quarter	The development of Brandbook and sample communication tools has been completed. As the Consultant mentioned in Activity 2.1 will begin his/her work at UCDC and focus on the implementation of Communications Action Plan, we anticipate increased use of communications tools.
Any critical risks/assumptions	None
Activity 2.3: (continued from PY 1) Provide TA to UCDC in further developing and improving its website to be a more effective means for communication and knowledge exchange. Establish UCDC’s presence in social media (Twitter, Facebook) and help UCDC to use these channels of communications to disseminate specific messages tailored to and targeting specific audiences.	
Planned Progress (for reported period)	It was anticipated that in Quarter 2, UCDC would approve the latest version of the logo. Once the logo would be approved, the work on branding and marking would continue (Brandbook with templates for presentations; business cards, email signatures, etc.). PRP will work on designing a new website for UCDC (guided by the ToR) and establish UCDC’s presence in social media.

Actual Progress (including comments, if required)	In Q2, UCDC approved the final version of the logo, which allowed PRP (LMG-hired vendor) to develop and finalize a UCDC Brandbook, which was subsequently approved by UCDC. PRP continued to work on designing a new website for UCDC and establishing social media presence, although there were some delays caused by UCDC's request for revisions of the structure of the website. All revisions were finalized and approved by the end of Q2.
Planned for next quarter	It is anticipated that UCDC's website as well as social media accounts will be finalized and launched in Q3, which will be followed by provision of trainings and on-going technical support.
Any critical risks/assumptions	UCDC leadership will need to continue playing an active role in the communications-related work for the investment to carry forward.
<p>Activity 2.4: (continued from PY 1) Provide TA to strengthen UCDC's capacity in resource mobilization and new partnership development to diversify funding sources for UCDC. LMG will support the development of a Resource Mobilization and New Partnership Development Strategy, that includes donor mapping and other tools prepared in PY1 (fundraising planning; fundraising/ outreach letter template, capabilities statement, template for technical proposals etc). Skill building on fundraising, proposal writing and development through a workshop/s/. As part of this workshop/s/ and TA, UCDC will develop several project proposals that would be submitted for funding before the end of PY2</p>	
Planned Progress (for reported period)	LMG team planned to work closely with UCDC training coordination and strategic planning specialists to receive further input on developed documents. In late October, LMG will conduct a one-day fundraising and proposal development workshop. LMG will then aim to finalize the Resource Mobilization and New Partnership Development Strategy and tools for UCDC's approval and to work together with UCDC colleagues to develop three project proposals (one related to research and M&E (links with Activity 2.9); one related to Training Coordination-related activities (links with Activity 2.14); and one related to Communications (links with Activity 2.1)) by mid-November 2014.
Actual Progress (including comments, if required)	As planned, LMG conducted a one-day fundraising and proposal development workshop for about 20 staff of UCDC. Following the workshop, the Resource Mobilization and New Partnership Development Strategy was finalized, shared with and approved by UCDC. Furthermore, a range of tools were finalized and approved, including UCDC Capabilities Statement, Fundraising Letter Template, Proposal Guide, and Matrix of Potential Donors/Partners. LMG worked with UCDC colleagues and developed eight abstracts/summaries of project proposals which were presented to UCDC for consideration and action.
Planned for next quarter	LMG's direct support is now complete, and UCDC is now responsible for using resources developed and taking further actions.
Any critical risks/assumptions	None

<p>Activity 2.5: (continued from PY 1) Support UCDC staff in reviewing various financial management policies (conflict of interest policy, travel policy, reimbursement policy) that are currently being developed through TA provided to UCDC by a local organization and in preparing revised policies that are fully in line with GF requirements.</p>	
<p>Planned progress</p>	<p>During quarter 2, LMG team would discuss the next steps with UCDC Heads of HR and Accounting units. In November 2014, LMG will develop a SOW and will select a local consultant to develop travel policy and reimbursement policy in partnership with UCDC. LMG team will also initiate the development of conflict of interest policy.</p>
<p>Actual Progress (including comments, if required)</p>	<p>In quarter 2, we developed and advertised a SOW, and completed, with active involvement of UCDC, the process of interviewing and selecting the finalist for a consultancy to develop travel and reimbursement policies. We have also collected and reviewed a range of documents and samples for developing a conflict of interest policy.</p>
<p>Planned for next quarter</p>	<p>It is anticipated that a consultancy agreement will be signed between MSH and the consultant in early January, and that the travel and reimbursement policies (bi-lingual, English and Ukrainian) will be developed before the end of Q3. LMG team in Ukraine together with UCDC staff will also develop a conflict of interest policy.</p>
<p>Any critical risks/assumptions</p>	<p>None</p>
<p>Activity 2.6: (continued from PY 1) As UCDC's final structure/entity takes shape, LMG to assist in the development of an HR strategy and plan. Support to include finalizing staffing and structure plans.</p>	
<p>Planned Progress (for reported period)</p>	<p>In Q2, LMG planned to initiate discussions with UCDC regarding the implementation of this activity and will assess whether the required preconditions are in place.</p>
<p>Actual Progress (including comments, if required)</p>	<p>In Q2, LMG initiated discussions with UCDC regarding workforce optimization and improving the efficiency of the organization in light of the considerable funding cuts that are anticipated in regards to the Global Fund funding. As a result of discussions with UCDC, as well as subsequent approval from the Mission, we identified an urgent need to conduct a full functional analysis of UCDC; developing Staffing and Structure Plans, including workforce planning and costing (estimation of financial resources needed to cover optimal workforce); developing job descriptions, personnel management and performance appraisal policies, tools and procedures (as part of HR strategy and Plan, HR manual and Employee Handbook). By the end of Q2, we advertised the consultancy to implement this SOW and initiated the selection process.</p>

	This activity is closely related to activities 2.7 and 2.8 and will be implemented as part of the aforementioned Scope of Work by LMG.
Planned for next quarter	It is anticipated that interviews and selection of finalists for the above consultancy opportunities will take place in January 2015 and that the actual work will start in February 2015.
Any critical risks/assumptions	UCDC has confirmed in writing that they are highly interested in this activity. They are committed to a full functional review and subsequent revision of their organizational structure to make the institution more efficient and to optimize its staffing structure.
Activity 2.7: Support the development of an HR manual and Employee Handbook. Support to include workforce planning, job descriptions, personnel management and performance appraisal process and procedures.	
Planned Progress (for reported period)	N/A
Actual Progress (including comments, if required)	Same progress as for activity 2.6. This activity is closely related to activities 2.6 and 2.8 and will be implemented as part of one SOW by LMG.
Planned for next quarter	See above.
Any critical risks/assumptions	See above.
Activity 2.8: Work with UCDC to prepare an implementation plan on transfer of HR costs funded by the Global Fund, with the objective that these costs be covered by national funding by 2017.	
Planned Progress (for reported period)	N/A
Actual Progress (including comments, if required)	In Q2, the communication between UCDC and the GF highlighted that the special condition related to the transfer of HR costs currently funded by the Global Fund would remain valid. In this regard, this activity was prioritized by UCDC for an earlier implementation. Furthermore, it was clear for LMG and UCDC that prior to developing an implementation plan on transfer of HR costs, it would be necessary to complete the process of revision of organizational structure and workforce planning, so that the costs would be calculated on the basis of an optimized staffing structure. In view of this activity, it will now be implemented by LMG as part of the same SOW as activities 2.6 and 2.7 and the implementation will take place earlier than originally anticipated. By the end of Q2, we have advertised the consultancy opportunities to implement this SOW and initiated the selection process.

Planned for next quarter	See above Activity 2.6.
Any critical risks/assumptions	As Ukraine is facing a severe political and economic crisis, any discussions of transition to national funding are going to be complicated, with many uncertainties in place as well.
Activity 2.9: Conduct an assessment of UCDC’s public health research capacity. Propose an action plan of how its capacity can be strengthened.	
Planned Progress (for reported period)	It was expected that all final inputs and missing information would be received from UCDC by late October. LMG is also planning to visit the UCDC Lab to interview the lab management and to obtain additional input from UCDC HR Unit with regard to senior staff publications. A comprehensive research capacity assessment report and capacity strengthening plan would then be developed by mid-November.
Actual Progress (including comments, if required)	As expected, we were able to collect necessary inputs and missing information for the assessment of UCDC’s research capacity. In Q2, we also paid a visit to the UCDC Lab and interviewed Lab management, with this visit resulting in a report on the lab capacities. Due to the need for a Kyiv-based LMG staff to focus on a number of other urgent priorities, the finalization of a comprehensive research capacity assessment report and capacity strengthening plan was put on hold for a short while, and will be finalized in early quarter 3.
Planned for next quarter	LMG will finalize the assessment report and capacity strengthening plan in quarter 3.
Any critical risks/assumptions	None
Activity 2.10: Support one jointly developed operations research/implementation science proposal with the WHO.	
Planned Progress (for reported period)	It was anticipated that a research-focused project proposal would be developed through support from LMG during Jennifer’s visit to Ukraine in late October-early November. Preliminary agreement was reached with the UCDC M&E colleagues to work on the proposal on October 28-31, 2014. We have identified one potential project idea that might be considered for proposal development (“using data for discrepancy detection”).
Actual Progress (including comments, if required)	During Jennifer’s visit to Ukraine in late October-early November, she worked together with LMG Project Lead and UCDC M&E colleagues to brainstorm and develop research proposal summaries. Altogether, 8 proposal summaries/abstracts were developed for consideration by UCDC. Proposals focused on prisons, UCDC training center, morbidity in children, ART adherence, assessing health worker knowledge, transition to sustainable HIV epidemiological surveillance system, using data for discrepancy detection to promote transparency and accountability, and improving efficiency of OST programs. While UCDC training center and assessing health worker knowledge proposal briefs form a part of UCDC training strategy, it is anticipated that one of the remaining six briefs will be selected by UCDC for development into a full proposal.

Planned for next quarter	One research proposal to be selected jointly with UCDC will be developed in quarter 3.
Any critical risks/assumptions	Once the proposal is developed it will be shared with the WHO to see if they would be interested to fund it. The proposal can also be shared with other potential donors. This activity also assumes that UCDC would continue to invest efforts in strengthening its research capacities.
Activity 2.11: Assist UCDC in developing a 1-year costed operational plan based on UCDC's Institutional Strategy and a 3-year Strategic plan developed under previous year's work.	
Planned Progress (for reported period)	Anticipated next steps included: in partnership with key UCDC staff and heads of departments/units, identify priority projects in each of the activity areas; engage a local consultant to work with UCDC key staff to develop project activities and sub-activities for priority projects, and then, based on this, develop budgets. This would enable us to have a costed operational plan.
Actual Progress (including comments, if required)	In Q2, we continued to work with UCDC on populating the operational planning framework document with specific activities and sub-activities that can be budgeted for in various strategic priority areas. Despite some delay in getting the required feedback from UCDC, by the end of Q2, we finalized the process of identifying activities and sub-activities that can be costed-out as per strategic priority areas and consolidated all proposals in one master plan. Furthermore we have also completed the process of selecting a consultant who would be responsible for doing the costing.
Planned for next quarter	It is expected that the consultancy agreement with the finalist will be signed in early January, and that the costing will be completed in early February.
Any critical risks/assumptions	LMG will receive timely contributions from key UCDC staff and heads of departments/units so that the costs of activities are both comprehensive and realistic.
Activity 2.12: Together with WHO, LMG to support the design, co-hosting and facilitation of a stakeholder meeting with national and international partners to discuss and agree upon the role and mandate of UCDC in Ukraine's new public health system and in national response to HIV and TB. LMG will also support the development and sharing of key materials as references for this meeting.	
Planned Progress (for reported period)	We considered that it might be appropriate to hold the stakeholder meeting sometime in early 2015 but LMG plans are pending Strategic Advisory Group (SAG) recommendations and finalization of the MoH Eurointegration planning process.

Actual Progress (including comments, if required)	The plan to co-host and facilitate a stakeholder meeting in early 2015 is valid. SAG has already presented its report, the new Minister of Health has been appointed, MoH is committed to Eurointegration process, and the State Service will be liquidated in early 2015 (liquidation commission expected to begin its work in mid-January 2015). Furthermore, while MoH itself is undergoing some restructuring, it is expected that this will be completed by early 2015
Planned for next quarter	We will plan to meet with UCDC management in early 2015 in order to discuss and approve a) the date of the meeting; and b) the agenda of the meeting. We will also initiate discussions of the list of potential participants.
Any critical risks/assumptions	None
Activity 2.13: In collaboration with HIV Reform in Action Project, to build on the work started as UCDC Institutional Strategy Development, support UCDC in better defining its linkages with service providers at the local level and the role it would play vis-à-vis HIV and TB service providers at the local level, as policies and mechanisms are being developed in the country for a more sustainable national response to these diseases.	
Planned Progress (for reported period)	The draft concept note would be shared with UCDC Director for input and discussion in early October 2014.
Actual Progress (including comments, if required)	As planned, the draft Concept Note was shared with UCDC Director. However, in light of numerous uncertainties which continue to exist, it is still a challenge to develop a more specific document, with concrete modalities and actions proposed.
Planned for next quarter	We are planning to meet with colleagues at Deloitte and discuss possible actions in the context of latest developments in public health reform process. We will also review recent HIV and TB-related reports from Ukraine and summarize all relevant recommendations on service integration. In February 2015, we plan to engage a short term local consultant to finalize the concept note.
Any critical risks/assumptions	In the current climate of extreme uncertainty in health care sector both at the national and local levels, it is challenging to develop a Concept Note that would be fully in line with local contexts. Most importantly, there is no clear vision at the Ukrainian Ministry of Health on how to ensure a better integration of services at the local level, and different people and/or departments might have conflicting views. This is further complicated by various competing interests within the profession. In the face of these challenges, the more appropriate approach would be to develop a concept note that would be in line with international best practices.
Activity 2.14: Build UCDC's capacity for coordination of HIV and TB-related trainings by helping to define clearly UCDC's role as an HIV and TB training coordinator, helping to define their role in providing in-service training, and helping to develop tools for effective coordination and	

<p>facilitation of HIV and TB training activities as well as for needs assessment. Result will be a Training Coordination Strategy. Developing UCDC's role as an HIV/TB Training Coordinator will be part of the Resource Mobilization and New Partnerships/Business Development (links with Activity 2.4) that would help UCDC to be in a better position to manage the funding crisis.</p>	
<p>Planned Progress (for reported period)</p>	<p>In October and November, LMG would work closely with the UCDC Training Coordination Unit colleagues to collect additional inputs and submit a final draft of the Training Coordination Strategy for UCDC approval. Additional inputs that would inform the process of Training Coordination Strategy development included UCDC's concept note as a GFATM PR that UCDC planned to submit to GFATM in October, and a detailed list of trainings (costed) that were deemed necessary for the coming years, indicating source of funding, if any.</p>
<p>Actual Progress (including comments, if required)</p>	<p>As planned, we worked closely with UCDC on developing a Training Coordination Strategy. Meetings were held with colleagues from the Training Coordination Unit in order to get their input and feedback and to collect necessary information. In late November, the Training Coordination Strategy was finalized and approved by UCDC.</p>
<p>Planned for next quarter</p>	<p>None</p>
<p>Any critical risks/assumptions</p>	<p>UCDC will take follow up actions and continue to develop its training coordination-related activities and capacities and raises additional funds for these purposes.</p>
<p>Activity 2.15: Review dashboards (GMS PR management; LMG) for UCDC's use. Assist UCDC in adapting and implementing dashboard. Provide TA to use dashboards to inform management and decision-making.</p>	
<p>Planned Progress (for reported period)</p>	<p>In October, UCDC colleagues were expected to provide a list of their proposed indicators. LMG was planning to review these indicators and provide feedback to prioritize a set of indicators to be tracked. LMG would then work on creating a UCDC dashboard in November 2014 – March 2015, ahead of the initially proposed schedule.</p>
<p>Actual Progress (including comments, if required)</p>	<p>As planned, we received an initial list of internal and externally appropriate proposed indicators from UCDC in Q2. These indicators were discussed with MSH technical advisors and critical comments provided for consideration by UCDC.</p>
<p>Planned for next quarter</p>	<p>In Q3, we anticipate finalizing the list of indicators and will then initiate the process of dashboard development.</p>
<p>Any critical risks/assumptions</p>	<p>None</p>

<p>Activity 2.16: As UCDC is planning to establish an Advisory Council/Oversight Board comprised of prominent representatives of public entities, academia, for-profit and non-for-profit entities, assist UCDC in ensuring that the Board is functional and providing a relevant advisory and oversight role. This assistance would include support in developing instruments for effective Board operations.</p>	
Planned Progress (for reported period)	Following UCDC's approval of draft Ukrainian and Russian versions, LMG was planning to translate the bylaws into English. LMG would encourage UCDC to share the final draft Bylaws in all languages with various stakeholders.
Actual Progress (including comments, if required)	In quarter 2, UCDC approved the Advisory Council Bylaws. MSH then developed an English version of the document and handed it over to the client. While UCDC was planning to convene the next meeting of stakeholders in late September, this meeting did not take place.
Planned for next quarter	Provided that the Advisory Council meeting takes place in Q3, we anticipate presenting the bylaws to the newly formed Advisory Council for their review and consideration. LMG will encourage UCDC to follow up on convening the next meeting. This seems to have become a rather sensitive matter now, as MoH is concerned about regulations governing the interaction of state entities with foreigners.
Any critical risks/assumptions	
<p>Activity 2.17: Support coaching sessions, strategic materials development and advice to UCDC top management in building alliances and partnerships.</p>	
Planned Progress (for reported period)	It was anticipated that in October, Dr. Chernyavsky would be supporting UCDC with advice on MoH Eurointegration-related plan. In November, he would be asked to work on the UCDC Transparency and Accountability Policy (which will be, among other things, taking into consideration existing Ukrainian policies, decrees and regulations related to transparency and anti-corruption), and then come to Kiev and present it to UCDC.
Actual Progress (including comments, if required)	In quarter 2, LMG team in Kiev and Dr. Chernyavsky supported UCDC in developing their part of the MoH Eurointegration plan. The first and second drafts of Transparency and Accountability Policy were developed in November and December, respectively.
Planned for next quarter	We anticipate finishing Transparency and Accountability Policy in January 2015 with input from HR unit of UCDC. The policy will be shared with UCDC staff in February.
Any critical risks/assumptions	None

Result Area 2: Build UCDC Project Implementation Unit (PIU) capacity to manage GF grants	
All but one activity (2.21) under Results Areas 2 & 3 have been on hold in Q1 pending the approval of the Ukraine GF Concept Note. As this Concept Note was approved for funding by the GF starting from Jan 2015, and the mechanism for the grant implementation became clearer, we initiated discussions with UCDC to jointly review the PY2 workplan and then revised the GF PR/SR-ship-related activities to better align them with the current contextual realities (submitted for approval to the Mission on December 30 th , 2014).	
Activity 2.21: (continued from PY 1) Provide support to UCDC in improving the performance and/or customization of 1C Software based on the needs identified in PY1.	
Planned Progress (for reported period)	It was anticipated that the time line will be developed by the vendor to customize 1C Software in October. After approval by the UCDC and LMG, the vendor will commence the customization process, as well as developing various forms and providing on-the-job training to the UCDC finance and HR staff.
Actual Progress (including comments, if required)	As planned, a detailed timeline was developed by the vendor and approved by LMG and UCDC. By the end of quarter 2, around two thirds of the scope of work were completed by the vendor and accepted by LMG.
Planned for next quarter	It is anticipated that this activity will be completed by early February.
Any critical risks/assumptions	None

SECTION D.

Progress against PMP

The table below includes only those indicators for which there is data to report. LMG also reports progress to the global project on a semi-annual basis.

Outcome Indicators: These Outcome Indicators capture the UCDC's strengthened organizational structures/systems as a result of the active use of the several outputs that developed through this workplan. In this way, the outputs and the outcomes contribute to overarching Result Area 1. Development and finalization (approval) of the outputs in this workplan will occur during Q1, Q2, and Q3. Implementation of the outputs (i.e., the outcome) is anticipated to take place in Q3, Q4 and Q5 of the project year.			
Result Area 1: Strengthen UCDC's capacity as an organization within the new Ukrainian public health system			
Indicator #	Indicator	Corresponding Activity	Status (Completed, On track, Delayed, or Cancelled)
Output 1A: Communica tions	Instances of Communications Strategy 1-year action plan implemented	Activity 2.1	On track: The final drafts were submitted to and approved by UCDC. The implementation of the action plan has already begun in Q2.

Output 1B: Institutional Strategy	Instances of activities from 1-year costed operational plan for UCDC's Institutional Strategy and a 3-year Strategic plan implemented	Activity 2.11	On track: Operational plan for priority projects will be developed in Q2. Costing will be finalized in early Q3. Implementation will immediately follow.
Output 1C: Public Health Research	Instances of public health research capacity action plan implemented (Strengthened organizational capacity in public health research capacity)	Activity 2.9	Delayed: Public health research capacity strengthening plan will be finalized in Q3. Implementation will immediately follow.
Output 1D: Funding	Increased capacity to mobilize resources and develop new partnerships to diversify funding	Activities 2.4 and 2.14	On track: The final draft resource mobilization and new partnership development strategy and tools were shared with and approved by UCDC in Q2. Implementation is expected to follow.
Output 1E: Funding	Number of proposals submitted for funding	Activities 2.4, 2.9, 2.10, and 2.14	On track: One proposal as UCDC's role as a strategic partner for an application submitted by HIV Alliance-Ukraine in response to Funding Opportunity Announcement CDC-RFA-GH15-1594 established. Resource mobilization workshop took place in Q2 with accompanying technical assistance to develop 8 proposal briefs.

Output Indicators: These Output Indicators capture the various documents developed in close consultation with UCDC to establish an 'infrastructure' for the organization's structures/systems. Development and finalization (approval) of the outputs in this workplan will occur during Q1, Q2, and Q3. Implementation of the outputs (i.e., the outcome) is anticipated to take place in Q3, Q4, and Q5 of the project year. In this way, the outputs and the outcomes contribute to overarching Result Area 1.			
Result Area 1: Strengthen UCDC's capacity as an organization within the new Ukrainian public health system			
Indicator #	Indicator	Corresponding Activity	Status (Completed, On track, Delayed, or Cancelled)
1.1	Communication strategy and 1-year action plan finalized and approved	Activity 2.1	Completed: The final drafts have been developed and submitted to and approved by UCDC.

1.2	Number of communication tools and materials developed by UCDC with LMG support, disaggregated by medium and distribution	Activity 2.2	Completed: 8 tools/materials developed. Final version of communications strategy, final version of UCDC Brandbook, and sample communication tools developed (Meeting Memo, Press Release, Success Story, Policy Brief, Fact Sheet, Annual Report, and Newsletter), shared with and approved by UCDC. Implementation has already begun (see Output indicator 1A).
1.3	UCDC website, Facebook and Twitter accounts redeveloped and activated, disaggregated by medium and distribution	Activity 2.3	On track: ToR for website development approved in Q1 and new website development has begun. Despite constant revisions of the ToR by UCDC, finalization expected in Q2-Q3, as originally planned in the WP.
1.4	Resource Mobilization and new Partnership Development Strategy finalized and approved	Activity 2.4	Completed: Final drafts submitted to and approved by UCDC. Implementation is expected to follow (see Output indicators 1D and 1E).
1.5	Number of financial management policies reviewed and revised to be aligned with GF requirements	Activity 2.5	On track: UCDC has no policies focused on travel, reimbursement and conflict of interest for LMG to review or revise. LMG has hired a short-term consultant to develop these policies in Q3, as originally planned in the WP.
1.7	UCDC HR Strategy and Manual and Employee Handbook finalized and approved, based on revised structure and identity of UCDC	Activity 2.7	On Track: Activity will begin in Q3.
1.8	Implementation plan to transfer HR costs funded by GF to UCDC finalized and approved by UCDC	Activity 2.8	On track: Activity will begin in Q3.
1.9	Assessment of UCDC's public health research capacity and action plan finalized and approved	Activity 2.9	Delayed: Research capacity assessment and related capacity plan to be finalized and submitted for approval in Q3. Implementation is expected to immediately follow (see Outcome indicator 1C)

1.10	One proposal jointly developed with WHO to conduct operations research/implementation science	Activity 2.10	On track: Research proposal briefs were developed in Q2. One full research proposal will be developed in Q3 (also see Output Indicator 1C).
1.11	Costed operational plan finalized and approved for UCDC's first year of operation	Activity 2.11	On track: Operational plan for priority projects was populated with activities in Q2. The plan will now be costed in finalized in Q3. Also see Output Indicator 1B.
1.12	# of key outputs disseminated from stakeholder meeting with national and international partners on the role and mandate of UCDC's new public health system and in national response to HIV and TB	Activity 2.12	Delayed: Stakeholder meeting has not yet taken place. It is expected that the meeting will take place in Q3.
1.13	Concept note developed with HIV Reform in Action Project on service provider linkages	Activity 2.13	On Track: Draft Concept Note shared with the UCDC Director. Feedback received in Q2. Finalization expected in Q3.
1.14	HIV and TB Training Coordination Strategy finalized and approved	Activity 2.14	Completed: Draft strategy submitted to and approved by UCDC in Q2. Implementation is expected to follow (see Output Indicators 1D and 1E).
1.15	Number of management meetings in which a dashboard is adapted and used for decision-making	Activity 2.15	On track: LMG will design a management dashboard uniquely-tailored for UCDC, adapted from existing tools like those from the GF, but with a set of UCDC proposed indicators. Selection and approval of indicators expected in Q3.
1.16	UCDC Advisory Board established and operating using materials developed by LMG	Activity 2.16	On track: LMG developed Russian and Ukrainian versions of the Bylaws of the UCDC Advisory Council. Following their approval, English version was developed in Q2. UCDC Advisory Board has not convened yet.

Does the Results Framework, PMP or Workplan Require Revision?

As Ukraine Concept Note was approved for funding by the GF starting from January 2015, and the mechanism for the grant implementation became clearer, we initiated discussions with UCDC to jointly review the PY2 workplan and then revised the GF PR/SR-ship-related activities to better align them with the current contextual realities (submitted for approval to the Mission on December 30th, 2014). With the revised workplan approved, revisions to the PMP will be completed in February.

SECTION E.

Key Issues/ Points of information

- **Cross-cutting/ contextual/programmatic**

While there is considerable progress in the implementation of workplan for PY2 and the issue of overlapping mandates with State Service is no longer on the agenda due to the liquidation of State Service, UCDC continues to face serious challenges. The most important challenge is the cut in funding from the Global Fund, resulting in two interconnected problems: (i) the need to cut significant numbers of staff; (ii) the need to cut the salaries of the remaining staff. These two problems will lead to an increase of workload for the remaining staff, decrease in staff morale, and decrease in staff retention. In this work environment, it is becoming more difficult for LMG to receive adequate and timely input and feedback on deliverables that are being produced under workplan for PY2. UCDC is in a continual “crisis mode” making it difficult to strategically invest in itself.

Key Milestones and Activities planned for the next quarter

1. Significant progress in UCDC functional review and revision of organizational structure, workforce planning and costing, HR costs transfer implementation plan, as well as initiation of development of HR policies, tools and procedures;
2. Initiation of development of Grant Management Manual for Ukraine State Penitentiary Service;
3. Significant progress in UCDC Dashboard indicator development and initiation of dashboard;
4. Finalization of development and launch of UCDC website, and social media accounts (Facebook, Twitter);
5. Finalization of bilingual (English and Ukrainian) financial management policies, including Travel Policy, Reimbursement Policy and Conflict of Interest Policy;
6. Finalization of research capacity assessment report and development of research capacity development plan;
7. Development of one full research proposal with UCDC;
8. Finalization of the UCDC 1-year costed operational plan for 2015 (both activity development and costing component);
9. Finalization of the Concept Note on service integration and linkages with field offices;
10. Completion of the UCDC Transparency and Accountability Policy;
11. Completion of UCDC’s 1C software customization and training;
12. Assisting UCDC in Communications and PMS areas.

