

Trade, Investment, and Business Acceleration Project

Final Report for MCC-funded Activities

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This final report summarizes the accomplishments of Task Order No. 5 “Ukraine Trade, Investment and Business Acceleration Project (TIBA),” funded by USAID and the Millennium Challenge Corporation (MCC). The task order was active during the period December 12, 2006- June 30, 2009 under IQC AFP-I-00-04-00005-00 “Commercial Law Institutional Reform (CLIR)”. Booz Allen Hamilton implemented the task order as leader of a consortium that included Emerging Markets Group, Economic Integration Forum, and International Institute for Food Safety and Quality. Booz Allen and Emerging Markets Group were the only companies engaged to complete the MCC-funded activities.

I. Overview

The U.S. Agency for International Development (USAID) and the MCC launched the TIBA project to provide technical assistance to Ukraine’s public and private sectors to increase trade in accordance with WTO rules, create a better business environment, and reduce corruption. Total project funding was \$8,198,039 split between USAID (\$3,883,201) and MCC (\$4,314,838). The project had three components. USAID funded Components I and II, which focused on WTO accession and regulatory reform respectively. Component III was funded by the MCC as part of The Millennium Challenge Account’s (MCA) Threshold Country Program (TCP) for the Government of Ukraine (GOU). The Strategic Objective Agreement between the USG and GOU for the implementation of the TCP states that the strategic objective was to “reduce corruption in the public sector through strengthening civil society’s monitoring and exposure of corruption, judicial reform, strengthen government’s monitoring and enforcement of ethical and administrative standards, streamlining and enforcing regulations and combating corruption in higher education.” Through Component III, TIBA helped the GOU implement its subcomponent 4.2 of the TCP, which was prepared by the GOU and dedicated to streamlining and enforcing regulations.

Component III: Streamlining and Enforcing Regulations

Objective 5: Reduce corruption related to granting land owner and user rights, access to utilities, and construction permits
Task 1. Improved Implementation of the Permit System Law (PSL)
Task 2. Simplify Permitting Procedures in Construction
Task 3. Implement the Inspection Law to Simplify Inspection Procedures in Construction
Task 4. Introduce Effective Zoning Principles
Task 5. Simplify Procedures to Obtain Local Access to Municipal Services (Utilities)
Task 6. Reduce Excessive Administrative Control Over Property Transactions

As provided in the Task Order, successful implementation of Component III was conditional upon the GOU's fulfillment of its obligations under the TCP Implementation Plan (IP) that was prepared with assistance of TIBA and approved by the USG and GOU in August 2007 (Annex 2). The IP was later revised by USAID and the MCC Secretariat in April 2008. The modified IP was officially adopted by GOU MCC Board in July 2008. The roles and responsibilities for implementing the TCP IP are detailed in Annex 2.

Overall, the GOU performed relatively well on implementation of Component 4.2 of the TCP. The GOU excelled at several tasks, which allowed Booz Allen to maximize the USG's assistance. Unfortunately, the implementation of other tasks was barely supported by the GOU, which caused considerable frustration. It is difficult to assess long term impact of results that were achieved since they were designed to occur at the end of the task order. For instance, it is too early to tell if the development of a concept paper for zoning under Task 4 will lead anywhere, especially in the run up to presidential elections.

One area of success where impact has been measured is the implementation of Task 2, of which a key aspect was the improvement of the operation of one-stop shops for construction permits. A recent report found that "Between 2008 and 2009, the perception among businesses that corruption is widespread in the traditional permitting system has increased significantly. In sharp contrast, the perceived level of corruption among OSS users has declined dramatically."¹ The report further states that "When it comes to businesses that have actually been confronted with corruption, those that used the traditional permit authorization system saw significant increases between 2008 and 2009. However, for companies using OSS services, the situation was just the opposite: those experiencing corruption significantly decreased by 18% when obtaining land permits and by 7% when obtaining construction permits."

Implementation of Component 4.2 of the TCP was not without its complications. Task 6 "Reduce Excessive Administrative Control over Property Transactions" was particularly fraught with challenges due to political infighting and lack of consensus between the Prime Minister and the President. Eventually, this led to a modification of the TCP IP in April/May 2008, six months before the original end date of the IP. The section below is a summary of the tasks followed by a list of documents that were produced and provided to USAID. The last section is a summary of lessons learned that were presented to USAID at the closing of the project.

¹ *Corruption and Business Regulations in Ukraine: Construction and Land Transactions Permits* Comparative, Analysis of National Surveys: 2008-2009 for the MCC Threshold Country Program (Management Systems International, May 2009).

II. Tasks

Objective 5: Reduce corruption related to granting land owner and user rights, access to utilities, and construction permits
Task 1. Improved Implementation of the Permit System Law (PSL)
Task 2. Simplify Permitting Procedures in Construction
Task 3. Implement the Inspection Law to Simplify Inspection Procedures in Construction
Task 4. Introduce Effective Zoning Principles
Task 5. Simplify Procedures to Obtain Local Access to Municipal Services (Utilities)
Task 6. Reduce Excessive Administrative Control Over Property Transactions

Task 5.1 Improved Implementation of the Permit System Law

Since Ukraine's independence, entrepreneurs have encountered serious impediments to starting and operating a business because of the permitting practices of state and local agencies. Historically, Ukrainian law gave government free rein to develop permitting policies and requirements as they saw fit. Agencies tended to use this power to extend their authority and, often, to extract bribes. As a consequence, business persons were faced with a bewildering mass of permitting requirements emanating from a variety of agencies. The permitting requirements were often unduly burdensome, duplicative and contradictory, and bore little relation to the level of risk posed by the business activity. Often the permitting requirements were not widely published, which led to considerable delays and red tape for business and created considerable incentives for corruption. The lack of uniformity in local regulations made it very difficult to project the likely costs of doing business, in time and money, in different regions of Ukraine.

A major step in correcting this situation was the adoption in 2005 of the framework law "On the System of Permits for Business Activities" (the Permit System Law or PSL), which USAID helped develop. The PSL imposes requirements for all permitting for private business aimed at curtailing state agency discretion and abuse and requires the establishment of permit issuing one-stop shops (OSSs) in every municipality. Unfortunately, the government has failed to implement the law effectively and it needs to be improved to address problems arising in practice.

Solution: Amend the PSL and related permitting laws to bring them into conformity with modern principles of permitting law and practice. This will lead to improved one-stop-shop (OSS) activities, bring into force the principle of silent consent, and reduce opportunities for corruption.

What was done?

The IP required Ukraine to amend the PSL to bring it into conformity with modern permitting practice as well as to improve its implementation. The IP called for the PSL amendments to be adopted by the VR by October 31, 2008. The IP designates SCRPE as the agency responsible for leading this work.

Result

On April 8, 2008 the draft Law “On the amendments to the Law of Ukraine “On the System of Permits for Business Activities” was adopted in the first reading by VR. In addition, on January 13, 2009 the draft Law “On the List of Permit-Related Documents in the Sphere of Economic Activity” (#3224) was adopted in the first reading by VR. Due to political uncertainty within the VR, adoption in the second reading of the amendments to PSL was delayed.

Task 5.2 Simplify Permitting Procedures in Construction

The system for obtaining the permits required for construction is complex, opaque, expensive, time-consuming and a major source of corruption. In fact, the Ukrainian permitting system in construction is one of the worst in the world; the World Bank ranks Ukraine 174 out of 178 countries on the complexity of its construction permitting system.² This acts as a serious constraint on construction, investment and economic development.

Solution: Construction permitting laws must be brought into compliance with the Permit System Law (PSL). In addition, permit-issuing one-stop shops (OSSs) should develop simplified and uniform procedures for issuing construction permits, national and local governments should provide free and open access to all information required to obtain construction permits. Finally, GOU officials, SMEs and civil society must be trained in the new permitting procedures. Taken together these reforms will reduce opportunities for corruption in construction permitting, increase the efficiency of permitting issuance and reduce the costs of permitting that are imposed on business. This will encourage construction and investment and help foster economic growth.

What was done?

The IP required Ukraine to reform its regulatory framework for construction permitting through amendments to three principal construction laws (the Law on Planning and the Housing System; the Law on Architectural Activity; and the Law on the Fundamentals of City Planning). The IP called for the VR to adopt

² The *Dealing with Licenses* indicator of the World Bank’s *Doing Business 2008* report summarizes the procedures, time, and costs to build a warehouse in Kyiv.

the legislation by December 1, 2008. The IP designated the Ministry for Regional Development and Construction as the agency responsible for leading this work.

Booz Allen provided technical assistance to the GOU for implementing the reforms. TIBA was responsible for analysis of construction permitting procedures and practice; helping the Ministry for Regional Development and Construction (MRDC) form a working group to draft the amendments; assisting the working group; organizing a study tour on permitting procedures; conducting a roundtable to discuss the proposed amendments; helping get the draft legislation registered in the VR; helping get the legislation adopted; helping to draft sublaws; and providing training to MRDC officials.

One-stop shop administrators and officials from all municipalities and rayons with established OSSs (more than 800 representatives) were trained by TIBA and SCRPE. The basis of the training was the OSS Toolkit "Recommendations for Streamlining Permit Issuance Procedures in the Sphere of Economic Activity and Construction at the Local Level", which was developed by TIBA and SCRPE.

Tools Developed Under this component included:

- OSS Toolkit "Recommendations for Streamlining Permit Issuance Procedures in the Sphere of Economic Activity and Construction at the Local Level"
- Permit Procedures for SMEs (detailed process maps for the twelve most common permits)
- Permit System Manual
- Permit Issuance Procedures in Construction: Ukrainian Legislation and Best International Practices
- Permit web portal (*managed by SCRPE*)

Result

Implementation of this task led to a decrease in corruption for obtaining permits related to construction.³ On September 16, 2008 draft law "On Amending Certain Laws of Ukraine Regarding Support in the Sphere of Construction" was adopted by the Parliament in the second reading. On October 08, 2008 the President of Ukraine signed the Law of Ukraine "On Amending Certain Laws of Ukraine Regarding Support in the Sphere of Construction".

On May 20, 2009 the Resolution "On Adoption of Procedures of Issuing Outgoing Data for Designing Construction Objects" was adopted by the Cabinet of

³ *Corruption and Business Regulations in Ukraine: Construction and Land Transactions Permits* Comparative, Analysis of National Surveys: 2008-2009 for the MCC Threshold Country Program (Management Systems International, May 2009).

Ministers of Ukraine (№ 489). The Resolution was drafted to implement the provisions of the Law of Ukraine "On Amending Certain Laws of Ukraine Regarding Support in the Sphere of Construction" (№ 509, 9/16/2008). The Resolution regulates the procedures for obtaining city planning conditions (restrictions) and technical specifications for new construction objects. The new procedures establish clear requirements for gaining access to utilities and therefore make the procedure more transparent for enterprises willing to invest in construction. Adoption and enforcement of the Resolution also fulfilled the GOU's commitments under *Task 5.5 Access to Utilities*. The resolution "On Procedures of Issuance of Permits for Conducting Preparatory Works and Permits for Conducting Construction Works" was adopted by the Cabinet of Ministers of Ukraine (# 1104, 9/30/2009).

Task 5.3 Implement Inspection Law and Simplify Inspection Procedures in Construction

A major challenge that businesses encounter in Ukraine is inspections. Historically, inspection agencies have had broad power over business activity. They have used that power to increase the frequency of inspections without regard for whether such increases served the public interest or were consistent with a market economy. In addition, because inspection procedures are unclear and inspection requirements are out-dated; businesspeople are often forced to resort to unofficial payments to escape fines or to operate in the shadow economy. The current business inspection system shackles business development, thwarts competitiveness and significantly increases the cost of doing business in Ukraine.

Solution: Regulations governing construction inspections must be brought into compliance with the Law on Inspections; improvements must be made to the procedures for construction inspections; agencies and officials need help to carry out the new procedures effectively; and public aware needs to be raised about the reforms.

What was done?

The IP called for adopting the CM Resolution "On the Procedures for Conducting Inspections by Officers of the State Building Inspection and its Regional Departments". Initially, TIBA's assistance was focused on helping the GOU achieve its original goals. After the modification of the TCP IP, the focus was on the CM Resolution.

Result

The draft CM Resolution "On the Procedures for Conducting Inspections by Officers of the State Building Inspection and its Regional Departments" was

approved by relevant ministries, except the Ministry of Justice. To date, the Resolution has not been adopted.

Task 5.4 Introduce Effective Zoning Principles

Problem: A transparent and rational system for government to regulate of the use and development of land does not exist. In most modern countries, some form of zoning, or land use principles, is used by government to develop sites and buildings within clearly defined areas. Zoning regulations are also used to protect citizens by separating polluting industry from neighborhoods. Because no concept of zoning is used in Ukraine, government cannot control growth and development in an organized manner, nor can it moderate the combination of different land uses and protect citizens.

Solution: Ukraine should introduce modern zoning principles which (1) require each municipality to adopt a zoning plan; (2) establish the guiding rules that municipalities must apply in developing their zoning plans; (3) establish the procedures that cities must follow to ensure that the zoning plans reflect the concerns of all interested parties, including state agencies and the public; and (4) lay the basis for a simplified permitting regime governing land use and construction.

What was done?

The IP required Ukraine to develop a modern zoning concept paper that would feature the requirements described above by September 30, 2008 and adopted by the Cabinet of Ministers (CM) by November 30, 2008. The IP designated the State Land Resources Committee (SLRC) and the Ministry of Regional Development and Construction (MRDC) as the GOU entities responsible for leading this work. Taking into account lack of common vision on introducing zoning principles in Ukraine between MRDC and SLRC, TIBA received an approval from GOU MCC Secretariat to extend the deadline for zoning concept drafting and adoption until the agreement between key GOU stakeholders is achieved. TIBA worked with MRDC and SLRC to reach an agreement between them and ensure a common vision on introduction of modern zoning principles in Ukraine.

Booz Allen analyzed Ukrainian legislation and best practices related to zoning; organized a study tour to Germany to examine zoning principles; supported working group meetings to discuss strategy and drafting approaches; helped draft the concept paper on zoning; and designed and implemented a public awareness campaign on the reforms.

Draft Concept papers on land zoning and on zoning of territories were developed with TIBA assistance by MRDC and the SCLR. The draft concepts represent visions on the introduction of zoning principles in Ukraine by MRDC and SCLR and take into account international experience and requirements of Ukrainian legislation regulating zoning.

Because of the difficulty reaching consensus within the GOU, TIBA developed a detailed program of territory zoning principles implementation within the framework of the current legislation. The program established individual stages in the general process of territory zoning implementation within boundaries of a settlement as well as the scope and sources of required financing. The program provided information about best practices as well as issues of the territory zoning implementation process that were defined in the course of meetings with representatives of local self-governance bodies of the following cities: Chernihiv, Ivano-Frankivsk, Lviv, Pryluky, Konotop.

The draft concept paper on zoning of territories, action plan on implementing zoning principles, and the financial plan for implementing zoning principles were disseminated to 182 municipalities for use by local governments.

Result

Analysis and information have been distributed broadly. However, the GOU failed to make the required changes to the legal/regulatory framework.

Task 5.5 Access to Utilities

Problem: It is very difficult to establish new utility services (electricity, water supply, heating, sewage, etc.) for a new building, and this hinders investment and job creation. For example, an investor cannot begin construction until each utility service provides the technical specifications for how the connection will be provided. At the same time, the investor will not receive that information until he has acquired the land plot and received permission to build. Overall, the procedures are complicated, obscure and outdated and involve a large number of bureaucrats. This situation increases the opportunities for corrupt behavior.

Solution: Procedures for accessing utilities must be streamlined. Technical specifications related to utilities and construction (construction standards, rules, prohibitions, etc.) must be available to potential investors so that they can calculate their costs before making a final decision on whether to undertake a construction project.

What was done?

The IP required Ukraine to improve the procedures for connecting to utilities. To do this, the Ministry of Regional Development and Construction (MRDC) and the Ministry of Housing and Communal Services (MHCS) were tasked with drafting better procedures for creating connections to utilities.

Booz Allen provided assistance in the drafting of regulations and CM Resolutions and engaged in outreach activities such as workshops and roundtables.

Result

On March 19, 2009 the Governmental Committee on Economic Policy under the CM positively considered the draft Resolution of the Cabinet of Ministers of Ukraine "On Procedure for Issuance of Outgoing Data" and recommended to adopt it by CMU. On May 20, 2009 the Resolution "On Adoption of Procedures of Issuing Outgoing Data for Designing Construction Objects" was adopted by the CM (№ 489).

Task 5.6 Reduce Excessive Administrative Control over Property Transactions

Problem: Land market development is a major barrier to investment and competition in many sectors of Ukraine's economy and access to land is a major constraint to the operation and growth of business. A comprehensive, reliable and accessible real property⁴ registry is an important pillar of a land market where ownership rights are secure and land markets work effectively, but Ukraine does not have one. Instead, there are four separate registries that are administered by two separate state agencies (the Ministry of Justice and the State Committee for Land Resources)⁵, and only owners or special government agencies can receive information from them. This complex, opaque system thwarts investments and encourages corruption.

Solution: Legislation must be developed and adopted to eliminate excessive administrative control over property transactions. This legislation will facilitate the development of transparent land markets, encourage investment and help foster economic growth.

⁴ Real property includes land and buildings, constructions, and premises that can not be moved without their depreciation and alteration of use.

⁵ The State Agency for Land Resources was recently reconstituted as the State Committee of Land Resources by the Resolution of the Cabinet of Ministry "On Reorganization of the State Agency for Land Resources" 02/13/2008 №48.

What was done?

The IP required Ukraine to eliminate excessive administrative control over property transactions. Specifically, the IP required an amendment to the Land Code to be registered in the VR by November 30, 2008 and adopted by April 1, 2009. The IP designated the State Committee for Land Resources (SCLR) and the Ministry of Justice (MOJ) as the GOU entities responsible for leading this work.

Booz Allen conducted an analysis of real property registration procedures; helped the MOJ and SCLR to work together effectively; provided assistance in legislative drafting; helped obtain the necessary approvals from other ministries; helped register draft legislation with the VR; and engaged in a public awareness campaign on the proposed reforms.

Results

The Draft Law of Ukraine “On Amendments to the Land Code of Ukraine and Other Legislative Acts Regarding Simplification and Improvement of Permit-Issuance Procedures in the Sphere of Land Relations” (#3044) was improved according to the recent changes in the land legislation of Ukraine. It is scheduled to be resubmitted to the VR by people’s deputy Kseniya Lyapina.

DOCUMENTS PRODUCED AND DELIVERED TO USAID	
Legitimate and Efficient Management of Land Relations in Ukraine: Problems and Perspectives for Development, and Possible Regulation Mechanisms 05/2007	2007-05 TIBA Land Manual UKR.pdf
State Policy for Issues of the Permit System in the Sphere of Economic Activity (updated edition) 09/2007	2007-09-13 Permit System Manual UKR.pdf 2008-01 Permit System Manual UKR.pdf
Analysis of the legislative base for land use and zoning and property registration in Ukraine 12/2007	2007-12 Zoning and Property Rights Analysis UKR.pdf
Permit-Issuing Procedures in Construction: Ukrainian Legislation and Best International Practices 11/2007	2007-11 Permit System Analysis - Ukrainian and International Practices ENG.pdf 2007-11 Permit System Analysis - Ukrainian and International Practices UKR.pdf
Analysis of procedures of obtaining access to utilities 12/2007	2007-12 Utilities Analysis UKR.pdf
International Experience in Organization of Supervision of Use and Protection of Land and Water Resources 12/2007	2007-12 Soil and Water Protection - Presentation RUS.pdf 2007-12 Soil and Water Protection UKR.pdf
OSS Toolkit "Recommendations for Streamlining Permit Issuance Procedures in the Sphere of Economic Activity and Construction at the Local Level" 08/2008	2008-10 OSS Toolkit_UKR.pdf
Implementing Zoning Principles in Pilot Cities. Detailed Action Plan 3/2009	2009-04 Zoning Action Plan Presentation ENG.pdf 2009-04-30 Zoning Action Plan - Action Plan.zip
Financial Plan for City Planning Documentation and Zoning Plans Development 3/2009	2009-04-30 Zoning Action Plan - Financial Plan.zip
Obtaining Permits for Economic Activity June 2009	2009-06 Permit Procedures for SMEs UKR.pdf
Review of the State Committee of Ukraine for Regulatory Policy and Entrepreneurship operations and recommendations to improve SCRPE capacity June 2009	2009-06 SCRPE Assessment Report ENG.pdf 2009-06 SCRPE Assessment Report UKR.pdf

III. Lessons Learned

Top-down & bottom-up

Due to the dynamics of Ukraine's political system it is important to work at both the national and local levels. A great deal of authority with regard to the regulatory environment lies at the local level. At times reform at the national level required the project to focus on the regional level where champions of reform were making progress. The results of these efforts were used to build grassroots support and provide policy-makers with concrete examples of the success of the reforms that the project was advocating. Armed with these examples, the politician(s) did not feel that they were venturing too far "out on a limb" in suggesting reforms and they were able to convince others that the reforms would bring concrete benefits to the population.

Tactical flexibility

Due to the consistent political uncertainty in Ukraine reform efforts at times either surged or stopped completely. Overly prescriptive scopes of work hamper projects when trying to adapt to this environment. Ideally, scopes of work should be broad enough to be able to work with both the public and private sectors to initiate and implement reform. Projects that are focused solely on the public sector will encounter long periods of stagnation.

Stakeholder buy-in

As in all development projects, stakeholder buy-in is critical. This goes beyond pro-forma roundtables and conferences that bring stakeholders together around a common agenda. Trust is a key factor in working behind the scenes to implement legal and regulatory reform. To accomplish this, it is important to engage consultants and advisors that decision makers in the target government entity trusts.

Patience

The TIBA project was far too short to fully achieve the impact that it was intended to achieve under the MCC's Threshold Country Program. Donors must exercise patience and design legal and regulatory projects that span no less than four years. It may take two years to pass the legislation desired and the remaining two years can be focus on implementation. As can be seen by the results of the TIBA project, much of the changes to the legislative framework were achieved at the end of the project. Had an additional two years been available, the project could have turned its focus on helping government implement the reforms.

Annex 1. TIBA Work Plan for MCC-funded Activities

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		
Component III: Streamlining and Enforcing Regulations																			
Objective 5: Reduce corruption related to granting land owner and user rights, access to utilities, and construction permits																			
NOTE: Activities highlighted in yellow will be conducted by TIBA to complement implementation of tasks outlined in GOU's TCP IP, but they are not included in the IP																			
Task 5.1. Improved Implementation of the Permit System Law (PSL)																			
5.1.1. Assist SCRPE draft amendments to the law "On Business Permit System" (PSL)																		SCRPE, VR Committee on Industrial and Regulatory Policy and Entrepreneurship, Presidential Secretariat, Institute for Competitive Society, IFC, Ministry of Health, Ministry for Emergencies, State Committee for Industrial Safety and Labor Protection	Completed
5.1.2. Conduct one (1) round table to discuss draft amendments																			Completed
5.1.3. Assist SCRPE register draft amendments to the PSL in VR																			Completed
5.1.4. On-going support to adopt amendments to the PSL (including commenting on drafts, facilitating additional discussions, revisions, etc.)																			Completed
5.1.5. If TCP IP critical deadlines are met by GOU, assist SCRPE draft sublaws to implement amendments to the PSL																			Postponed
5.1.6. Implement public awareness campaign to inform public and private sectors on improving permit sphere (including development and dissemination of permit system manuals and reports, press conferences and round tables)																			Completed
Expected Results 5.1: Amendments to the PSL registered in the Verkhovna Rada; key legislation brought in compliance with the PSL																			
Task 5.2. Simplify Permitting Procedures in Construction																			
5.2.1. Complete analysis of Ukrainian legislation and best practices for permit issuance																		Ministry of Regional Development and Construction, Analytical Center "Akademia", Presidential Secretariat, VR Committee on Industrial and Regulatory Policy and Entrepreneurship	Completed
5.2.2. Assist Ministry of Regional Development and Construction establish working group to draft amendments to construction laws																			Completed
5.2.3. Support two (2) working group meetings to discuss approaches and strategy																			Completed
5.2.4. Organize study tour on permit procedures in construction for national and regional level public and private sector																			Completed

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		
5.2.5. Assist Ministry of Regional Development and Construction draft initial amendments to the Laws "On Planning and Housing System", "On Architectural Activity", and "On Fundamentals of City Planning"		■	■	■														Entrepreneurship, SCRPE, 25 municipalities selected to improve OSS operations, Ukrainian Building Association	Completed
5.2.6. Conduct one (1) round table to discuss draft amendments						■													Completed
5.2.7. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)				■	■	■	■	■	■	■	■	■	■						Completed
5.2.8. If critical deadlines are met by GOU, assist Ministry of Regional Development and Construction draft sublaws to implement amendments to construction laws													■	■	■	■	■		Completed
5.2.9. Implement public awareness campaign to inform public and private sector on streamlined permitting procedures in construction				■	■	■	■	■	■	■	■	■	■	■	■	■	■		Completed
5.2.10. Conduct one (1) training for Ministry of Regional Development and Construction officials													■						Completed
5.2.11. Conduct analysis of permit-issuing procedures at 25 selected OSSs		■	■	■	■														Completed
5.2.12. Develop unified permit-issuing procedure and OSS toolkit (<i>work on the unified procedure will not be affected by amendments to Permit System Law developed under Task 5.1</i>)						■	■	■	■	■									Completed
5.2.13. Conduct eight (8) workshops with on-the-job training for representatives of at least 50 OSSs													■	■	■	■	■	■	Completed
5.2.14. Implement public awareness campaign to disseminate toolkit, and inform public and private sector about streamlined permit-issuing procedure to be implemented at the local level through OSSs													■	■	■	■	■	■	Completed
Expected Results 5.2: Legislation that would streamline procedures to obtain construction permits registered in the Verkhovna Rada; streamlined construction procedures introduced to all municipalities, 10% of municipalities trained on new procedures																			
Task 5.3. Implement the Inspection Law to Simplify Inspection Procedures in Construction																			
5.3.1. Complete analysis of Ukrainian legislation and best practices related to state inspections		■																Ministry of Regional Development and Construction, SCPRE, Ukrainian Building	Completed
5.3.2. Support one (1) working group meeting to discuss drafting amendments		■	■	■	■														Completed

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		
5.3.3. Assist Ministry of Regional Development and Construction develop initial draft Cabinet of Ministers Resolution "On Procedure for Conducting Inspections by Officers of the State Building Inspection and Its Regional Departments"																		Association, Analytical Center "Akademia"	Completed
5.3.4. Assist Ministry of Regional Development and Construction develop revised drafts																			Completed
5.3.5. Conduct one (1) round table to discuss draft amendments																			Completed
5.3.6. Assist Ministry of Regional Development and Construction obtain approvals from relevant ministries																			Completed
5.3.7. Assist Ministry of Regional Development and Construction register drafts in the Cabinet of Ministers																			Completed
5.3.8. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)																			Completed
5.3.9. Conduct one (1) training for Ministry of Regional Development and Construction officials																			Completed
5.3.10. Implement public awareness campaign to inform public and private sector on improved inspection-related procedures																			Completed

Expected Results 5.3: Legislation that would improve and expedite inspection process in construction registered in the Cabinet of Ministers

Task 5.4. Introduce Effective Zoning Principles

5.4.1. Complete analysis of Ukrainian legislation and best practices related to zoning																			State Committee for Land Resources, Ministry of Regional Development and Construction, Analytical Center "Akademia"	Completed
5.4.2. Support four (4) working group meetings to discuss strategy and drafting approaches																			Completed	
5.4.3. Organize study tour on zoning principles and rules																			Completed	
5.4.4. Assist the Committee for Land Resources and Ministry for Regional Development and Construction draft concept paper on introduction of zoning principles in Ukraine																			Completed	
5.4.5. Conduct one (1) round table to discuss implementation of zoning rules in Ukraine																			Completed	
5.4.6. On-going support to adopt concept paper by the Cabinet of Ministers (including commenting on drafts, facilitating additional discussions, revisions, etc.)																			Completed	

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr			
5.4.7. If critical deadlines are met by GOU, assist the Committee for Land Resources and Ministry for Regional Development and Construction draft legislation to implement zoning principles																				n/a
5.4.8. Implement public awareness campaign to inform public and private sector on development and implementation of land zoning principle																				Completed
Expected Results 5.4: Zoning concept paper registered in the Cabinet of Ministers, if deadlines met by GOU, legislation drafted to help implement zoning principles																				
Task 5.5. Simplify Procedures to Obtain Local Access to Municipal Services (Utilities)																				
5.5.1. Complete analysis of Ukrainian procedures related to connectivity to utilities																			Ministry of Housing and Communal Services, Ministry of Regional Development and Construction, National Electricity Regulatory Commission	Completed
5.5.2. Support establishment of the national Working Group under the Ministry of Housing and Communal Services																				Completed
5.5.3. Support two (2) working group meetings to discuss drafting																				Completed
5.5.4. Assist Ministry of Housing and Communal Services and Ministry of Regional Development and Construction to prepare initial draft of the Resolution of Cabinet of Ministers "On Amending the Resolution of the Cabinet of Ministers # 2328 dated December 20, 1999 "On Procedure for Issuance of Architectural and Planning Assignments and Technical Specifications Regarding Connectivity to Utilities and Determining the Size of the Fee for Issuance Thereof."																				Completed
5.5.5. Assist Ministry of Housing and Communal Services to prepare initial draft of the Order "On Amending Certain Orders of the State Committee on Housing and Communal Services" (amendments to the Orders #65 dated July 01, 1994 "On Approval of the Rules for Use of Communal Water Supply and Sewer Systems in Cities and Settlements of Ukraine"; #30 date July 05, 1995 "On Approval of the Rules for Technical Maintenance of Water Supply and Sewer Systems of Population Centers of Ukraine"; and #67 dated December 02, 1992 "On Instructions for the Procedure for Issuance of Technical Specifications for Connecting Consumers to State Drinking Water and Sewer Systems")																				Completed
5.5.6. Assist Ministry of Housing and Communal Services and Ministry of Regional Development and Construction to prepare initial draft of the Order "On Amending the Order of the State Committee on Construction and Architecture #9 dated January 9, 1999 "On the Rules for Technical Maintenance of Communa Heat Energy Supply Systems of Ukraine"																				Completed

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr			
5.5.7. Assist National Electricity Regulatory Commission prepare initial draft of the Decree of the National Electricity Regulatory Commission "On Amending the Decree of the National Electricity Regulatory Commission #1137 dated December 14, 2005 "On Approval of the Rules for Connecting Electrical Installations to Electric Power Networks"																				Completed
5.5.8. Conduct one (1) round table to discuss draft amendments																				Completed
5.5.9. Assist relevant governmental agencies develop revised drafts																				Completed
5.5.10. Assist relevant governmental agencies obtain approvals from relevant ministries																				Completed
5.5.11. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)																				Completed
5.5.12. Implement public awareness campaign to inform public and private sectors on streamlined procedures of land parcels connectivity to utilities																				Completed
Expected Results 5.5: Regulations that would improve procedures to obtain utilities officially registered with relevant authorities																				
Task 5.6. Reduce Excessive Administrative Control Over Property Transactions																				
5.6.1. Complete analysis of Ukrainian procedures related to property ownership registration																			State Committee for Land Resources	Completed
5.6.2. Support counterpart meetings to discuss approaches and strategy																				Completed
5.6.3. Assist Committee for Land Resources draft initial amendments to the Land Code																				Completed
5.6.4. Assist Committee for Land Resources develop revised draft																				Completed
5.6.5. Assist Committee for Land Resources obtain approvals from relevant ministries																				Completed
5.6.6. Assist Committee for Land Resources register draft in VR																				Completed
5.6.7. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)																				Completed
5.6.8. Assist Committee for Land Resources and/or Ministry of Justice to develop draft sublaws to eliminate excessive administrative control over property transactions																				Completed

Tasks	PQ	2008 Q1			2008 Q2			2008 Q3			2008 Q4			2009				Counterparts	Status	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr			
5.6.9. Develop a plan on the steps that GOU can take to address the issue of excessive administrative control over property transactions and increase transparency																				Completed
5.6.10. Implement public awareness campaign to inform public and private sector on progress in eliminating excessive administrative control over property transactions																				Completed
Expected Results 5.6: Regulations introduced that would Reduce Excessive Administrative Control Over Property Transactions																				

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Tasks	2009 Q2		Counterparts	Status
	May	Jun		
Component III: Streamlining and Enforcing Regulations				
Objective 5: Reduce corruption related to granting land owner and user rights, access to utilities, and construction pe				
Task 5.1. Improved Implementation of the Permit System Law (PSL)				
5.1.6. Provide technical assistance to SCRPE in building its capacity to exercise its functions as the principal regulatory policy institution of Ukraine			SCRPE, Akademia Analytical Center	Completed
Complete comprehensive review of all operational and managerial methods applied by the SCRPE				
Complete collection of the necessary information related to SCRPE activities (reports, standardized procedures, statistical data, organizational structure etc)				
Complete processing of notes form interviews with key stakeholders				
Develop recommendations to improve SCRPE capacity as well as high-level action plan for addressing change imperatives, transformational objectives, and quick-win opportunities with a focus on communicating more effectively with the public and private sector				
Present findings and recommendations to SCRPE senior management				
Conduct "stakeholder analysis" to identify people, groups, and institutions that will influence the improvement initiatives				
Together with SCRPE, select high priority activities and launch implementation				
5.1.7. Implement public awareness campaign to inform public and private sectors on improving permit sphere (including development and dissemination of permit system manuals and reports, press conferences and round tables)			SCRPE	Completed
Publish and disseminate 'State Policy in the Sphere of Permit System 2009' reference book to increase public and private sector awareness on the current state of permit system reform, OSS operations and SCRPE activities				
Publish and disseminate 'Obtaining Permits for Economic Activity' manual to increase private sector awareness on procedures of obtaining most common permits required by SMEs				
Task 5.2. Simplify Permitting Procedures in Construction				
5.2.14. Implement public awareness campaign to disseminate tool kit, and inform public and private sector about streamlined permit-issuing procedure to be implemented at the local level through OSSs			SCRPE	Completed
Disseminate OSS Toolkit "Recommendations for Streamlining Permit Issuance Procedures in the Sphere of Economic Activity and Construction at the Local Level"				
Conduct training for Crimean permit-issuing one-stop shops on best Ukrainian practices in OSS operations, and practical implementation of streamlined OSS procedures				
Conduct training for Kiev City and Chernigiv oblast permit-issuing one-stop shops on practical implementation of streamlined OSS procedures				
Task 5.4. Introduce Effective Zoning Principles				
5.4.8. Implement public awareness campaign to inform public and private sector on development and implementation of land zoning principle				Completed
Publish and disseminate "Implementing Zoning Principles in Pilot Cities. Detailed Action Plan" and "Financial Plan for City Planning Documentation and Zoning Plans Development" manuals				

Annex 2. MCC Threshold Country Program Implementation Plan

Subcomponent 4.2 of Component 4: Reform of the Permit System for Construction, Municipal Services and Streamlining Land Usage and Property Ownership Rights

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
1: Regulations in permit sphere improved	1.1 Draft amendments to the law "On Business Permit System"	July 1, 2007	January 1, 2008	February 1, 2008 Amendments to PSL registered at the VR	SCRPE; USAID TIBA
	1.2 Conduct 1 round table to discuss draft amendments	October 1, 2007	October 30, 2007		SCRPE; USAID TIBA
	1.3 On-going support to adopt amendments to the law "On Business Permit System" (including commenting on drafts, facilitating additional discussions, revisions, etc.)	January 1, 2008	October 31, 2008	October 31, 2008 Amendments to PSL adopted by the VR	SCRPE
	1.4 If critical deadlines are met by GOU, draft sublaws to implement amendments to PSL	November 1, 2008	April 30, 2009		SCRPE; USAID TIBA
	1.5 Conduct 2 round tables on implementing the Law "On Business Permit System"	January 1, 2009	March 31, 2009		SCRPE; USAID TIBA
2: Regulations that streamline procedures to obtain construction permits improved	2.1. Complete analysis of Ukrainian legislation and best practices for permit issuance	July 1, 2007	December 1, 2007	February 28, 2008 Amendments to the Laws "On Planning and Housing System", "On Architectural Activity", and "On Fundamentals of City Planning" drafted December 1, 2008	Ministry of Regional Development and Construction; USAID TIBA
	2.2 Establish working group to draft amendments to construction laws	October 1, 2007	November 1, 2007		Ministry of Regional Development and Construction
	2.3 Conduct two (2) working group meetings to discuss approaches and strategy	November 1, 2007	January 1, 2008		Ministry of Regional Development and Construction

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
	2.4 Draft amendments to the Laws "On Planning and Housing System", "On Architectural Activity", and "On Fundamentals of City Planning"	January 1, 2008	February 28, 2008	December 1, 2008 Amendments to the Laws adopted	Ministry of Regional Development and Construction
	2.5 Conduct 1 round table to discuss draft amendments	June 1, 2008	June 30, 2008		Ministry of Regional Development and Construction; USAID TIBA
	2.6. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)	March 1, 2008	December 1, 2008		Ministry of Regional Development and Construction
	2.7 If critical deadlines are met by GOU, draft sublaws to implement amendments to construction laws	December 1, 2008	April 30, 2009		Ministry of Regional Development and Construction; USAID TIBA
	2.8 Conduct 1 press conference and 1 round table on improved regulations that streamline permit issuance in construction	February 1, 2009	April 30, 2009		Ministry of Regional Development and Construction, USAID TIBA
	2.9 Conduct analysis of permit-issuing procedures at 25 selected OSSs	September 1, 2007	April 30, 2008		Ministry of Regional Development and Construction; USAID TIBA
	2.10. Develop unified permit-issuing procedure and OSS toolkit (<i>work on the unified procedure will not be affected by amendments to Permit System Law developed under Result 1</i>)	May 1, 2008	August 31, 2008		SCRPE; Ministry of Regional Development and Construction; USAID TIBA
	2.11 Conduct 8 workshops with on-the-job training for representatives of at least 50 OSSs	October 1, 2008	April 30, 2009		SCRPE; Ministry of Regional Development and Construction; USAID TIBA
	2.12. Disseminate toolkit to be used by OSSs	September 1, 2008	April 30, 2009		SCRPE; Ministry of Regional Development and Construction; USAID TIBA

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
3. Inspection-related procedures in construction sphere improved	3.1 Complete analysis of Ukrainian legislation and best practices related to state inspections	July 1, 2007	October 1, 2007	June 30, 2008 CM Resolution drafted	Ministry of Regional Development and Construction; USAID TIBA
	3.2 Draft CabMin Resolution "On Procedure for Conducting Inspections by Officers of the State Building Inspection and Its Regional Departments"	October 1, 2007	June 30, 2008	November 30, 2008 CM Resolution registered in Cabinet of Ministers	Ministry of Regional Development and Construction, USAID TIBA
	3.3 Conduct 1 round table to discuss draft Resolution	June 1, 2008	June 30, 2008	April 1, 2009 CM Resolution adopted	Ministry of Regional Development and Construction, USAID TIBA
	3.4 On-going support to adopt legislation (including commenting on draft, facilitating additional discussions, revisions, etc.)	July 1, 2008	April 1, 2009		Ministry of Regional Development and Construction
	3.5 Conduct 1 press conference and 1 round table on improved inspection procedures in construction	April 1, 2009	April 30, 2009		Ministry of Regional Development and Construction, USAID TIBA
4. Zoning principle developed and implemented	4.1. Complete analysis of Ukrainian legislation and best practices related to zoning	July 1, 2007	October 1, 2007	September 30, 2008 Concept paper on introduction of zoning principles in Ukraine drafted	Committee for Land Resources; Ministry for Regional Development and Construction; USAID TIBA
	4.2. Conduct 4 working group meetings to discuss strategy and drafting approaches	October 1, 2007	May 30, 2008	November 30, 2008 Concept paper on introduction of zoning principles in Ukraine adopted by the Cabinet of Ministers	Committee for Land Resources; Ministry for Regional Development and Construction
	4.3. Draft concept paper on introduction of zoning principles in Ukraine	May 1, 2008	September 30, 2008		Committee for Land Resources; Ministry for Regional Development and Construction; USAID TIBA
	4.4. Conduct 1 round table to discuss implementation of zoning rules in Ukraine	October 1, 2008	October 31, 2008		Committee for Land Resources; Ministry for Regional Development and Construction; USAID TIBA

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
	4.5. On-going support to adopt concept paper by the Cabinet of Ministers (including commenting on drafts, facilitating additional discussions, revisions, etc.)	October 1, 2008	November 30, 2008		Committee for Land Resources and Ministry for Regional Development and Construction
	4.6 If critical deadlines are met by GOU, draft legislation to implement zoning principles	December 1, 2008	April 30, 2009		Committee for Land Resources; Ministry for Regional Development and Construction; USAID TIBA
	4.7 Conduct 1 press conference and 1 round table on zoning principles	February 1, 2009	April 30, 2009		Committee for Land Resources, Ministry for Regional Development and Construction, USAID TIBA
5. Procedures of land parcels connectivity to utilities improved and simplified	5.1. Complete analysis of Ukrainian procedures related to connectivity to utilities	July 1, 2007	October 1, 2007	June 30, 2008 Draft Resolution of Cabinet of Ministers That Improves the Regulation of	Ministry of Housing and Communal Services; Ministry of Regional Development and Construction, USAID TIBA
	5.2. Establish the Working Group under the Ministry of Housing and Communal Services	October 1, 2007	February 28, 2008	Issuance of Input Data Regarding Connectivity to Utilities and	Ministry of Housing and Communal Services; Ministry of Regional Development and Construction
	5.3. Conduct 2 working group meetings to discuss drafting	January 1, 2008	March 30, 2008	Determining the Size of the Fee for Issuance Thereof and other drafts mentioned in	Ministry of Housing and Communal Services; Ministry of Regional Development and Construction
	5.4. Draft the Resolution of Cabinet of Ministers That Improves the Regulation of Issuance of Input Data Regarding Connectivity to Utilities and Determining the Size of the Fee for Issuance Thereof	January 1, 2008	June 30, 2008	subtasks 5.5, 5.6, 5.7 prepared November 30, 2008 Draft Resolution of Cabinet of Ministers That Improves the Regulation of Issuance of Input Data Regarding	Ministry of Housing and Communal Services; Ministry of Regional Development and Construction, USAID TIBA

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
	5.5. Draft the Order "On Amending Certain Orders of the State Committee on Housing and Communal Services" (amendments to the Orders #65 dated July 01, 1994 "On Approval of the Rules for Use of Communal Water Supply and Sewer Systems in Cities and Settlements of Ukraine"; #30 dated July 05, 1995 "On Approval of the Rules for Technical Maintenance of Water Supply and Sewer Systems of Population Centers of Ukraine"; and #67 dated December 02, 1992 "On Instructions for the Procedure for Issuance of Technical Specifications for Connecting Consumers to State Drinking Water and Sewer Systems")	January 1, 2008	June 30, 2008	Data Regarding Connectivity to Utilities and Determining the Size of the Fee for Issuance Thereof and other drafts mentioned in subtasks 5.5, 5.6, 5.7 adopted	Ministry of Housing and Communal Services; Ministry of Regional Development and Construction, USAID TIBA
	5.6. Draft the Order "On Amending the Order of the State Committee on Construction and Architecture #9 dated January 9, 1999 "On the Rules for Technical Maintenance of Communal Heat Energy Supply Systems of Ukraine"	January 1, 2008	June 30, 2008		Ministry of Housing and Communal Services; Ministry of Regional Development and Construction, USAID TIBA
	5.7. Draft the Decree of the National Electricity Regulatory Commission "On Amending the Decree of the National Electricity Regulatory Commission #1137 dated December 14, 2005 "On Approval of the Rules for Connecting Electrical Installations to Electric Power Networks"	January 1, 2008	June 30, 2008		National Electricity Regulatory Commission; USAID TIBA
	5.8. Conduct 1 round table to discuss draft amendments	April 1, 2008	May 31, 2008		Ministry of Housing and Communal Services; National Electricity Regulatory Commission, Ministry of Regional Development and Construction, USAID TIBA

TCP Result	Necessary Activities	Start date	End Date	Critical output deadline	Responsible - Implementing partner and/or Ukrainian counterpart
	5.9. Obtain approvals of drafts from relevant ministries	July 1, 2008	September 30, 2008		Ministry of Housing and Communal Services; National Electricity Regulatory Commission, Ministry of Regional Development and Construction
	5.10. On-going support to adopt legislation (including commenting on drafts, facilitating additional discussions, revisions, etc.)	July 1, 2008	November 30, 2008		Ministry of Housing and Communal Services; National Electricity Regulatory Commission, Ministry of Regional Development and Construction
	5.11 Conduct 1 round table on improved procedures of connectivity to utilities	February 1, 2009	April 30, 2009		Ministry of Housing and Communal Services; National Electricity Regulatory Commission, Ministry of Regional Development and Construction, USAID TIBA
6. Excessive administrative control over property transactions eliminated through amendments to the Land Code and auxiliary laws	6.1. Complete analysis of Ukrainian procedures related to property ownership registration	July 1, 2007	October 1, 2007	June 30, 2008	Committee for Land Resources and/or Ministry of Justice; USAID TIBA
	6.2. Conduct counterpart meetings to discuss approaches and strategy	January 1, 2008	March 30, 2008	Draft amendments to the Land Code prepared	Committee for Land Resources and/or Ministry of Justice
	6.3 Draft amendments to the Land Code	January 1, 2008	June 30, 2008	November 30, 2008	Draft amendments to the Land Code registered in the Verkhovna Rada
	6.4 Draft sublaws to eliminate excessive administrative control over property transactions	March 1, 2008	July 30, 2008		Committee for Land Resources and/or Ministry of Justice; USAID TIBA
	6.5 Conduct 1 round table to discuss draft amendments	May 15, 2008	June 30, 2008	April 1, 2009	Draft amendments to the Land Code adopted
	6.6 On-going support to adopt legislation	July 1, 2008	April 1, 2009		Committee for Land Resources and /or Ministry of Justice

Annex 3. Performance Monitoring Plan for MCC-funded Activities

Expected Results	Results Indicators	Base-line	Target	Year 1	Target	Year 2	Outputs & Output Targets (2007)	Outputs & Output Targets (2008)	Method of Data Collection	Source of Data
			Year 1	Actual	Year 2	Actual				
Component III: MCC Threshold Program - Streamlining and Enforcing Regulations										
Objective 5: Reduce corruption related to granting land owner and user rights, access to utilities, and construction permits										
Result 5.1 Amendments to the PSL registered in the Verkhovna Rada; key legislation brought in compliance with the PSL	• Number of amendments to PSL drafted	0	4	4	4	4	> Draft amendments to the law "On Business Permit System" > Permit system manual developed > 1 round table to discuss draft amendments	> Sublaws to implement PSL amendments drafted in GOU meets TCP IP critical deadlines > Permit system manual disseminated	Tracking the project record	Project record on document preparation
	• PSL amendments drafted to be adopted by VR	No	Yes	Yes	Yes	Yes			Tracking the project record	Project record on document preparation
	• Sublaws to implement amendments to PSL drafted if GOU meets TCP IP critical deadlines	No	No	No	Yes	No			Tracking the project record	Project record on document preparation
Result 5.2 Legislation that would streamline procedures to obtain construction permits registered in the Verkhovna Rada; streamlined construction procedures introduced to all municipalities, 10% of municipalities trained on new procedures	• Number of amendments to construction legislation drafted	0	0	0	9	9	> Analysis of Ukrainian legislation and best practices for permit issuance > Working group to draft amendments to construction laws established > 2 working group meetings to discuss approaches and strategy	> Draft the Law "On Amending Certain Laws of Ukraine" (Laws "On Planning and Housing System", "On Architectural Activity", and "On Fundamentals of City Planning") > 1 round table to discuss draft amendments > Study tour on permit procedures in construction for national and regional level public and private sector > Analysis of permit-issuing procedures at 25 selected OSSs > Unified permit-issuing procedure and OSS toolkit developed and disseminated > Eight (8) workshops with on-the-job training for representatives of at least 50 OSSs > 1 training for MinBud officials > Draft sublaws to implement amendments to construction laws	Tracking the project record	Project record on document preparation and dissemination
	• Improved knowledge of administering new procedures by Ministry of Regional Development and Construction staff trained	No	No	No	Yes	Yes			Tracking the project record	Project record (a survey of public officials participating in trainings)
	• Number of municipalities on path to adopt unified permitting procedures	0	0	0	25	61			Tracking the project record	Project record
	• Percentage of time decrease for obtaining permits (estimated)	0	0	0	15	0			Tracking the project record	Data based on expert surveys
	• Percentage of cost decrease for obtaining permits (estimated)	0	0	0	10	0			Tracking the project record	Data based on expert surveys
	• Percentage of corruption decrease associated with obtaining permits (estimated)	0	0	0	10	0			Tracking the project record	Data based on expert surveys

Expected Results	Results Indicators	Base-line	Target Year 1	Year 1	Target Year 2	Year 2	Outputs & Output Targets (2007)	Outputs & Output Targets (2008)	Method of Data Collection	Source of Data
				Actual	Actual	Actual				
Result 5.3 Legislation that would improve and expedite inspection process in construction registered in the Cabinet of Ministers	• Relevant CabMin resolution to implement new inspection-related procedures drafted	No	No	No	Yes	Yes	> Analysis of Ukrainian legislation and best practices related to state inspections > 1 working group meeting to discuss draft amendments	> Draft CabMin Resolution "On Procedure for Conducting Inspections by Officers of the State Building Inspection and Its Regional Departments" > 1 round table to discuss draft amendments > 1 training for MinBud officials	Tracking the project record	Project record on document preparation and dissemination
	• Improved knowledge of administering new procedures by Ministry of Regional Development and Construction staff trained	No	No	No	Yes	Yes			Tracking official data	Project record (a survey of public officials participating in trainings)
Result 5.4 Zoning concept paper registered in the Cabinet of Ministers, if deadlines met by GOU, legislation drafted to help implement zoning principles	• Concept paper on introduction of zoning principles in Ukraine drafted	No	No	No	Yes	Yes	> Analysis of Ukrainian legislation and best practices related to zoning > 1 working group meeting to discuss drafting	> 3 working group meetings to discuss drafting > Draft Concept paper on introduction of zoning principles in Ukraine > 1 round table to discuss implementation of zoning rules > Study tour on zoning principles and rules for national and regional public and private sectors > Legislation to implement zoning principles drafted if GOU adopts concept paper on introduction of zoning principles	Tracking the project record	Project record on document preparation
	• Legislation to implement zoning principles drafted if GOU adopts concept paper on introduction of zoning principles	No	No	No	Yes	No			Tracking the project record	Project record on document preparation
Result 5.5 Regulations that would improve procedures to obtain utilities officially registered with relevant authorities	• CM resolution drafted	No	No	No	Yes	Yes	> Analysis of Ukrainian procedures related to connectivity to utilities	> National Working Group under the Ministry of Housing and Communal Services established > 2 working group meetings to discuss drafting > Four (4) relevant regulations drafted > 1 round table to discuss draft amendments	Tracking the project record	Project record on document preparation
	• Ministry of Housing and Communal Services and Ministry of Regional Development and Construction orders drafted	No	No	No	Yes	Yes			Tracking the project record	Project record on document preparation
	• National Electricity Regulatory Commission order drafted	No	No	No	Yes	Yes			Tracking the project record	Project record on document preparation
Result 5.6 Regulations introduced that would Reduce Excessive Administrative Control Over Property Transactions	• Amendments to the Land Code drafted	No	No	No	Yes	Yes	> Analysis of Ukrainian procedures related to property ownership registration > 1 working group meeting	> Amendments to Land Code > Working group meetings to discuss drafting supported > Relevant legislation drafted > A plan on the steps that GOU can take to address the issue of	Tracking the project record	Project record on document preparation

Expected Results	Results Indicators	Base-line	Target Year 1	Year 1	Target Year 2	Year 2	Outputs & Output Targets (2007)	Outputs & Output Targets (2008)	Method of Data Collection	Source of Data
				Actual		Actual				
	• Sublaws to eliminate excessive administrative control over property transactions drafted	No	No	No	Yes	Yes		excessive administrative control over property transactions and increase transparency	Tracking the project record	Project record on document preparation

Note: The TIBA project ended in June 2009, so actuals for Year 2 reflect status as of the end of the project

Annex 4. Final Presentation



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Trade, Investment, and Business Acceleration

Kyiv
June 2009

Components and Key Tasks

Component I - WTO Accession and Post Accession

- Help complete accession process
- Implement SPS and TBT agreements and establish regulations for HACCP
- Reform GOU Procurement Practices
- Help businesses adjust to SPS and HACCP and increase WTO awareness

Component II - Improvement of the Business Environment

- Effective enforcement of the Regulatory Policy Law
- Institutionalize regulatory impact analysis and evaluation (RIA and RIE)
- Quick Deregulation

Component III - Streamlining and Enforcing Regulations

- Effective implementation of the Permit System Law
- Simplify permitting and inspection procedures and access to utilities in construction
- Launch Procedures for Effective Zoning

Selected Achievements - WTO Accession



- On 16 May 2008, the WTO welcomed Ukraine as its 152nd member
- Tools:
 - WTO Enquiry Point and Information Processing Centre
 - “WTO Guidebook – Implementation of Ukraine’s Commitments”
 - “SPS Enquiries And Notifications: Procedures to Fulfill WTO Obligations and Enhance Private Sector Involvement in Evaluating SPS Notifications”



Selected Achievements – SPS and Food Industry Standards



- Tools:
 - HACCP Manual for Dairy Industry
 - HACCP Manual for Fruits & Vegetable Industry
 - Facilitating Establishment of a Favorable Regulatory Infrastructure for HACCP Implementation by SMEs
 - Implementation of International Standards for Phytosanitary Measures
 - National Codex Alimentarius Commission webportal



Selected Achievements – Regulatory Reform



- Tools:
 - “Regulatory Activity in Ukraine: Planning, Justification, Discussion, Evaluation” Manual
 - Professional Business Association Guidebook
 - Quick Deregulation Methodology and Recommendations



Selected Achievements – Government Procurement Reform

- Tools:
 - Analysis of Government Procurement System in Ukraine
 - GPA Accession Guidelines
 - Master Plan for Reform and Combating Corruption in the Procurement System of Ukraine
 - GPA Accession Entity Questionnaire
 - Policy and Oversight Functions in Public Procurement Systems



Selected Achievements – Permit System

- Tools:
 - OSS Toolkit "Recommendations for Streamlining Permit Issuance Procedures in the Sphere of Economic Activity and Construction at the Local Level"
 - Permit Procedures for SMEs: detailed process maps for 12 most common permits
 - Permit System Manual
 - Permit Issuance Procedures in Construction: Ukrainian Legislation and Best International Practices
 - Permit web portal (*managed by SCRPE*)



Selected Achievements – Land Relations



- Tools:
 - Analysis of Ukrainian Legislation in the Sphere of Land Zoning and Property Rights Registration
 - Implementing Zoning Principles in Pilot Cities: Detailed Action Plan
 - Financial Plan for City Planning Documentation and Zoning Plans Development



Lessons Learned

- Top-down & bottom-up
- Tactical flexibility
- Stakeholder buy-in
- Patience



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Thank you!

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June 2009