



**ANNEX 3**

of the Commission Implementing Decision on the 2019 Annual Action Programme (Part 1)  
in favour of Ukraine

**Action Document for Support to civil society and culture**

**ANNUAL PROGRAMME**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation N° 236/2014.

<b>1. Title/basic act/ CRIS number</b>	Support to civil society and culture CRIS number: 2019 / 041-724 financed under the European Neighbourhood Instrument	
<b>2. Zone benefiting from the action/location</b>	Ukraine The action shall be carried out at the following location: Ukraine	
<b>3. Programming document</b>	2019 Annual Action Programme for Ukraine (Part 1)	
<b>4. Sustainable Development Goals (SDGs)</b>	Main SDG(s) on the basis of section 4.4 <ul style="list-style-type: none"> <li>• SDG 8 Decent work and economic growth</li> <li>• SDG 16 Peace, justice and strong institutions</li> </ul> Other significant SDG(s) on the basis of section 4.4 <ul style="list-style-type: none"> <li>• SDG 9 Industry, Innovation, and Infrastructure</li> <li>• SDG 5 Gender equality</li> <li>• SDG 17 Partnerships for the goals</li> </ul>	
<b>5. Sector of intervention/ thematic area</b>	Complementary support to civil society	DEV. Assistance: YES
<b>6. Amounts concerned</b>	Total estimated cost: EUR 10 000 000 Total amount of European Union (EU) contribution: EUR 10 000 000	

<b>7. Aid modality(ies) and implementation modality(ies)</b>	Project Modality <b>Direct management</b> through: - Grants - Procurement			
<b>8 a) DAC code(s)</b>	Main DAC code: 16061 - Culture and recreation 15150 - Democratic participation and civil society			
<b>b) Main Delivery Channels</b>	20000 - Non Governmental Organisations (NGOs) and Civil Society 60000 - Private sector institutions			
<b>9. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	X	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
	<b>10. Global Public Goods and Challenges (GPGC) thematic flagship</b>	Human development		

**SUMMARY**

Continuous EU support to CSOs in Ukraine will help to foster the further democratisation and modernisation of the state through reforms monitoring, thematic support and expertise provision. The cultural sector has the potential to promote critical thinking and challenge hostile and/or overly-simplistic narratives as part of Ukraine's current nation-building process, including the embedding of democratic values into its national identity. The cultural and creative industries are, as well, valuable as a source of employment and economic growth. These two areas (CSOs and culture) are substantially interlinked, both functionally and operationally and face similar challenges, being dependant on external funding sources and policy context. This programme will be complemented by a contribution of 5 000 000 EUR from the bilateral envelope for Ukraine to the Eastern Partnership Civil Society Facility.

The overall objective of the action is to increase the viability and capacities of CSOs and cultural operators to contribute to the development of accountable, transparent and democratic institutions, social and economic development and the prevention of violent conflicts.

The following specific objectives could be set:

1. To increase the capacity of Ukrainian CSOs to perform their roles as independent actors in the sectors determined by the Single Support Framework, the Roadmap for Engagement with Civil Society in Ukraine for the period 2018-2020;
2. To enhance the Ukrainian creative and cultural sector's capacity and foster the development of the creative and cultural operators;
3. To ensure sustainability of the culture and creativity sector in Ukraine through equal and transparent access to public funding disbursed through Ukrainian Cultural Fund.

### 1.1 Context Description

The overall environment for Ukrainian **civil society organisations** (CSOs) can be characterised as rather favourable, with a satisfactory legal framework and vibrant and diverse civil society actors, especially in such sectors as elections, European integration, human rights protection and environment/green society. There are approximately 20,000 active CSOs operating in a wide diversity of areas and this CSO activity is not limited to the capital city Kyiv: only a quarter of these organisations is based in the capital and active CSOs can be found in great numbers in the regions (most notably in Odesa, Lviv, Dnipropetrovsk and Kharkiv). In addition to traditional CSOs, a growing number of entities are searching for new forms of mobilisation and inclusion of citizens, experimenting with new forms of association, such as group initiatives, hubs and social enterprises. This seems to be particularly relevant in the spheres of art and culture, digital communication, education, new service provision, and community development.

Since 2014, significant changes have taken place in the general environment for CSO activity. The legislative framework has been modernised and there is now a stronger engagement of civil society in the design and implementation of public policies. Since 2013, a significant increase in civil society activity has been observed in Ukraine, and the interest of the citizens and their willingness to volunteer in CSO activities has seemingly grown. CSOs are perceived as playing an important role in the development of a new political and administrative culture in post-Maidan Ukraine, in particular with regard to promoting transparency and accountability in public life. Yearly monitoring carried out by the Institute of Sociology of the National Academy of Sciences showed that the level of trust in CSOs and charity organisations has increased almost threefold from 2014 to 2017, from 13% to 37%. Still, the level of individual engagement and civic activism remains rather low with less than 20% of Ukrainians being members of CSOs.

The development of thematic civil society networks and platforms, in particular the National Platform of the Eastern Partnership Civil Society Forum, has had a consolidating impact and strengthened capacity among civil society. The importance of working in coalitions and creating synergies between the activities of different CSOs is now widely understood.

The violent conflict in the East of Ukraine has strongly affected CSOs in the affected region. The 2017 State of Civil Society report by Civicus states that: "The ongoing conflict in Ukraine is having a significant impact on the rights to freedom of expression, association and peaceful assembly. Independent and pro-Ukrainian media, as well as activists, are unable to

operate freely in Non-Government Controlled Areas of Donetsk and Luhansk (NGCA), where censorship is widespread. The LGBTI community has been prevented from freely exercising the right to peaceful assembly. Despite all of the challenges, civil society in Ukraine still plays a crucial role in attempts to build a functional democracy, uphold the rule of law and promote and protect human rights". Indeed, many local CSOs, in particular those focusing on the defence of human rights, have been forced to close down their activities or to be relocated. The CSOs that have remained in the NGCA focus at present mainly on humanitarian work. In other areas of eastern Ukraine, there is a vivid network of CSOs, including human rights ones, providing essential humanitarian and protection assistance to conflict affected population and the estimated 1.5 million internally displaced.

Funding opportunities have increased in the last four years. The major source of support comes from international donor organisations, with modest but growing local and private sources of funding (enterprises and organisations) and limited crowd funding. Also the Ukrainian state has developed instruments for CSO funding with the aim of making the sectors of culture, social services, science, and regional development more competitive. The amount of the state budget funds provided for civil society continues to increase: approx. EUR 11 mio 2018 compared to EUR 7.9 mio in 2017.<sup>1</sup> This trend is important for the establishment of productive and mutually reinforcing of state-civil society cooperation. However, the outdated by-laws and administrative requirements make it difficult to use public funding effectively. Some international organisations are attempting to introduce models for public funding, including a specific national fund or pooling them with international funds, but the current legislative environment does not provide any basis for concrete and sustained success.

While the formal organisational aspects of CSOs have improved, the following factors still hamper the functioning of civil society in Ukraine:

- Continuous pressure and numerous attacks targeting CSOs activists, followed by the lack of proper investigation;
- Legislative, administrative, fiscal and judicial pressure on CSO activities. Despite numerous appeals of the donor community, the e-declarations introduced for anti-corruption organisations in 2017 remain in place.

**The cultural sector** currently represents 4% of Ukraine's GDP (and employs around 3% of the working population), which makes it comparable to the mining, construction and financial services sectors. Cultural institutions often operate in outdated management models and lack contemporary evidence-based management, efficient planning and programming, fundraising campaigns, building of new relationships with audiences/users as well as with the overall creative community.

The ongoing and successful decentralisation process provides a welcome opportunity to renovate the country's cultural sector fabric throughout the entire territory, notably regarding infrastructure and management models. However, policy makers, particularly at local level, have not acknowledged the need for new venues and the capacity of the creative community

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[http://texty.org.ua/pg/article/hohobi/read/86189/Derzhava\\_vydilyla\\_gromadskym\\_organizacijam\\_368\\_miljoniv\\_gryven](http://texty.org.ua/pg/article/hohobi/read/86189/Derzhava_vydilyla_gromadskym_organizacijam_368_miljoniv_gryven)

to regenerate city areas. Therefore, cultural and creative operators face difficulties in accessing resources due to financial and administrative barriers.

The cultural and creative industries (CCIs) are not only valuable as a source of employment and economic growth. Culture provides an unrivalled space for the discussion and articulation of community and national identities, offering the potential to reinforce empathy and understanding, trust and tolerance. The sector has the potential to promote critical thinking and challenge hostile and/or overly-simplistic narratives as part of Ukraine's current nation-building process, including the embedding of democratic values into its national identity. It can also help strengthening social cohesion and proactively endorse values of equality, diversity and inclusion, for example through addressing issues of disability, language ethnicity, women's and LGBTI rights, as well as by working with internally displaced populations. They operate in a similar domain and reinforce the efforts of the CSOs in the above-mentioned domains.

Public funding for culture, similar to the state support to civil society, needs greater clarity and better criteria in relation to the transparency of selection processes, regularity of support and sustainable development. The recently created Ukrainian Cultural Fund pioneers the introduction of transparent and fair procedures for grants distribution. However, it faces a wide array of obstacles, such as a lack of training and certification for experts, assessing grant proposals, gaps and shortcomings in by-laws, regulating project evaluation and implementation, as well as outdated paper-based procedures of evaluation, which substantially increase the workload related to the evaluation stage.

These obstacles are common for all existing Ukrainian instruments and institutions dealing with public funding distribution through grant schemes. CCIs need more information, contacts and skills to finalise the sectoral modernisation, as well as resources to invest in long-term planning requirements. Some alternative and interesting funding endeavours are being developed, among them crowdfunding platforms, but structural improvement is needed in the public systems and legislation to ease access and diversify funding alternatives for the sector.

The think-tank sector, belonging to the civil society, has been similarly vitalised after Maidan, with think-tanks forging alliances and producing analysis that informs domestic reform processes as well as the strategies of Ukraine's partners. However, Ukrainian think-tanks are lacking stable EU support and access to Brussels- and Member-States-based decision making processes which reduces their contributions to ad-hoc input. This limits the voice of Ukraine's civil society and analyst community as well as information flows relevant for Brussels- and Member-States-based decision making with regard to Ukraine.

## 1.2 Policy Framework

The communication of the Commission "**The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations,**" is unambiguous about the role of civil society as critical governance actor. "It represents and fosters pluralism and can contribute to more effective policies, equitable and sustainable development and inclusive growth. It is an important player in fostering peace and in conflict resolution."

The Joint Communication "**Towards an EU strategy for international cultural relations**" underlines the role of culture in the promotion of "the EU's fundamental values, such as

human rights, gender equality, democracy, freedom of expression and the rule of law, as well as cultural and linguistic diversity", and explains how "inter-cultural dialogue can contribute to addressing major global challenges – such as conflict prevention and resolution, integrating refugees, countering violent extremism, and protecting cultural heritage".

The "**Eastern Partnership – Focusing on key priorities and deliverables**" Staff Working Document aims not only at civil society engagement in all priority sectors of cooperation between the EU and partner countries, but also sets targets for the outreach of capacity development programmes in partner countries.

The **EU-Ukraine Association Agreement** refers to a reinforced dialogue in the sector of culture, promotion of cultural cooperation and diversity, as well as encourages the involvement of "civil society organisations in Ukraine's policy reforms".

### 1.3 Public Policy Analysis of the partner country/region

The **Long-term strategy for Culture development - strategy of reforms** was adopted by the Ukrainian Government in 2016. It envisages, inter alia, the sector modernisation as well as support to innovations and creative industries. The Strategy has been further complemented by the **Law on Ukrainian Cultural Fund** which entered into force in 2017. The law stipulates that the Fund is entitled to support the development of modern cultural practices and the production of competitive national cultural products. The Fund became operational in 2018 and receives substantial budgetary support.

The Government also adopted the **Strategy for civil society development in Ukraine for 2016-2020** and established a Coordination Council for civil society development, which has not achieved any tangible results up to date. The strategy focuses on establishing effective procedures for public participation and engagement into national and local policy formulation; wider participation of the CSO in the social and economic development of Ukraine; creating favourable conditions for inter-sectoral cooperation.

### 1.4 Stakeholder analysis

**Civil society organisations, activists and platforms** are the key stakeholders directly involved in the implementation of the action, benefitting from the financial support, but also for the establishment of sustainable, effective and transparent budgetary support mechanisms in the long term.

**Cultural and creative sector operators**, both public and private, will be beneficiaries of EU grants but will also benefit from the improved access to public funding. They will gain skills and experience and increase their capacity to provide cultural services and create competitive cultural and creative products.

The **Presidential Administration** positions itself as a lead counterpart in the dialogue with civil society of Ukraine. It will benefit from the enhanced capacities of the CSOs who will be more enabled to provide thematic support, meaningful dialogue and public oversight of reforms implementation in Ukraine.

The **Ministry of Culture** oversees the formulation and implementation of the cultural policies and is directly interested in the optimisation of the limited budgetary funds in the

area of culture. The Ministry is undergoing a reorganisation and learning process in order to become capable to respond to the emerging needs of the creative industries.

The **Ukrainian Cultural Foundation** is the most advanced governmental institution dealing with public funding available through grant schemes. Nevertheless, its capacity is limited by outdated procedures, by-laws and the absence of modern evaluation and management tools.

**Other governmental bodies in charge of grant schemes** will benefit from the establishment of a modern grant evaluation and management system in the longer perspective through the opportunity to appropriate the expertise, practices and software to their own areas of operation.

**Local authorities** are among the stakeholders of the action directly benefitting from the grant implementation both in the cultural and civil society domain. They will be able to pick up the best practices of public finance management and delegating certain functions (such as social and cultural services to CSOs and cultural operators), thus ensuring local development and citizens' well-being.

The final beneficiaries are the **citizens of Ukraine**. They will benefit from CSO work on advocacy for better reforms and development, monitoring of governance and direct implementation of aid by CSOs. They will also benefit from better information about governmental policies and will be better represented and have a greater say in their definition and implementation. They will benefit as well from the enhanced cultural sector of Ukraine, contributing to their economic well-being, social cohesion and security.

## 1.5 Problem analysis/priority areas for support

The intervention seeks to address the challenges faced by the stakeholders in the areas of culture and civil society. Further sectors to be supported through grants provision to CSOs will be established on the basis of the main priorities in Ukraine at the time of the publication of the Call for Proposals, thus ensuring a timely and flexible response to the internal policy challenges. Such an action design will allow selecting the calls' priorities without a traditional time lag, intrinsic to technical assistance life-cycles. Further flexibility is achieved through the division of the CSOs assistance envelope between the national and regional actions.

The priorities of the cultural component will remain cultural dialogue and value orientation, thus contributing to social cohesion and peace-building measures. A rights based approach will allow involving marginalised and vulnerable groups, thus further contributing to social cohesion.

Public funding for culture, similar to the state support to civil society, needs greater clarity and better criteria in relation to the transparency of selection processes, regularity of support and sustainable development.

## 2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
The Government of Ukraine changes	M	Both a bilateral and multilateral dialogue

its political course after the presidential and parliamentary elections of 2019, limiting space for participatory democratic processes and equal access to public funding by cultural operators.		with the Government of Ukraine have proved to be an effective mitigation tool and early-response mechanism to cope with political attacks against civil society.
The conflict in the East of Ukraine deteriorates or turns into an active phase.	M	The on-going political dialogue and continued economic pressure ensure the security status quo.
The macro-economic situation deteriorates due to internal or external economic factors, thus influencing the public financing provided to the cultural sector and viability of culture and creative industries operators.	M	The minimum co-financing requirements established in the action do not add pressure to the potential applicants' financial standing, while streamlining the grants distribution procedures de facto contribute to the budgetary savings.
<b>Assumptions</b>		
<ul style="list-style-type: none"> <li>• The Government and the new President of Ukraine will keep the pro-European and democratic policy direction.</li> <li>• The economy will continue to grow with an increasing share of CCI sectors and adequate budgetary support provided on competitive basis.</li> <li>• The Ukrainian Cultural Fund continues to exist as per legislation in force and to distribute grants to cultural operators.</li> </ul>		

### 3 LESSONS LEARNT AND COMPLEMENTARITY

#### 3.1 Lessons learnt

EU-Ukraine cooperation since 2014 has been evolving along three main axes: stronger economy, stronger governance and stronger society. Within the latter, emphasis has been made on the re-enforcement of civil society and free and diverse media, improved respect for Human Rights, electoral and parliamentary reforms and support to cope with the consequences of the conflict in eastern Ukraine, including massive displacement of population..

The Single Support Framework stipulates that participation of civil society will be mainstreamed into all focal sectors. Civil society organisations are expected to play a more direct role in the implementation of activities, holding the government to account, monitoring reform and being a genuine partner for the government. An up to 5% complementary envelope is foreseen for targeted support in order to ensure a stable source of funding for civil society organisations and target their capacity development, including for those working outside the focal sectors.

Since the revolution of dignity, the demand for efficient public spending has grown in Ukraine. First of all, the plan of government priorities to be implemented by 2020 lists the increased effectiveness of budget programs as a component of the system of government finance management. Second, the demand for increased efficiency of public spending has grown due to the economic crisis and the deficit of budget funds.



Despite the rapid evolution of the cultural and creative sectors in Ukraine in the last years, the capacity and skills of the operators remain limited, especially of those in the public domain. Used to stable though scarce governmental support, they still need to adjust to competitive environment and do not trust the existing support schemes, mainly due to a lack of transparency and expertise on the management side.

### **3.2 Complementarity, synergy and donor co-ordination**

Complementarity and synergies will be sought with other civil society and culture support programmes currently running or planned for Ukraine. EU reform support programmes which mainstream civil society involvement, such as EUACI, Energy Efficiency etc as well as coordination in the area of policy support provided by other donors will be ensured.

The programme will mainly build upon the experience of the on-going **EIDHR** and **Support to Civil Society national programmes** with relevant adjustment of the priorities and specific objectives of the planned call to cover the most up-to-date developments in the policy and political environment of Ukraine.

The **Creative Europe (2014-2020) programme** provides support through a number of schemes and initiatives, most of which require multiple partnerships and substantial co-financing to finance cultural cooperation projects and initiatives.

The **Cross-border cooperation programmes** Poland-Belarus-Ukraine, Romania-Ukraine and Hungary-Slovakia-Romania-Ukraine include people-to-people components and support trans-border cultural projects, mainly targeting cultural heritage issues of the participating countries' border regions. Only a limited number of Ukrainian oblasts are eligible for participation.

The **Eastern Partnership Civil Society Facility 2019 – 2020** will include EUR 5 000 000 from the bilateral allocation for Ukraine as part of the new approach to civil society support. The overall objective of the instrument is to strengthen and promote CSOs role as critical actors of governance and socio-economic development in the EU's wider Eastern Neighbourhood. The implementation of the programme through Strategic Partnership Agreements will complement the CSO grant component of this action document. The Rapid Response Mechanism will allow complementing the action with flexible support measures if the necessity arises.

**Eastern Partnership, Culture. III.** The third phase of the regional programme will primarily focus on cultural heritage promotion and tackling regional cultural challenges. The programme is at its early identification stage.

The **Culture Bridges** programme has paved the way to the current action's cultural components through the identification of the needs and capacities of cultural operators in Ukraine. The grant component of the programme is currently highly popular and attracts numerous applications substantially exceeding the existing funding. The sub-granting component will phase out by the time of the current action implementation start.

**House of Europe.** This action will complement the House of Europe initiative which includes enhanced cultural, intellectual and artistic exchanges within Ukraine and between Ukraine and the EU including (i) the partial reimbursement of the annual entry ticket for the participation in the Creative Europe programme and (ii) a cultural dialogue programme to support mutual understanding and cultural diversity within Ukraine and between Ukraine and other European countries through mobility and project initiatives.

## **4 DESCRIPTION OF THE ACTION**

### **4.1 Overall objective, specific objective(s), expected outputs and indicative activities**

The **overall objective** of the action is to increase the viability and capacities of CSOs and cultural operators to contribute to the development of accountable, transparent and democratic institutions, social and economic development and the prevention of violent conflicts.

The following **specific objectives** are envisaged:

1. To increase the capacity of Ukrainian CSOs to perform their roles as independent actors in the sectors determined by the SSF, the Roadmap for Engagement with Civil Society in Ukraine for the period 2018-2020;
2. To enhance the Ukrainian creative and cultural sector's capacity and foster the development of the creative and cultural operators;
3. To ensure sustainability of the culture and creativity sector in Ukraine through equal and transparent access to public funding disbursed through Ukrainian Cultural Fund.

**Expected results** (outputs under direct control of the Programme) are:

1. CSOs are involved regularly into policy making and implementation of the overall reform process;
2. Capacity of cultural operators to contribute to social and economic development is raised;
3. Knowledge and capacities of the governmental stakeholders to distribute grants from the state budget to civil society and cultural actors increased, transparent procedures for public support established on the basis of the pilot action with the Ukrainian Cultural Fund, equal access to public funding secured, flexible response to civil society needs and priorities through public finance instituted.

**Main components and activities:**

1. Component 1. Call for proposals to CSOs. The programme will provide grants to promote and safeguard a meaningful and structured participation of CSOs in domestic policies of Ukraine, in the EU programming cycle and in international processes including, where relevant, where it comes to civil society monitoring of the investigation of attacks against activists and assisting activists at risk. The specific priority sectors for the Call to be established on the basis of existing policy instruments and the specific political situation upon the finalisation of the elections in Ukraine. A separate lot will provide a grant scheme for systemically supporting Ukrainian think-tanks in contributing to Brussels- and Member States-based decision making processes via a dedicated interface.
2. Component 2 Call for cultural operators. The programme will provide grants to Ukrainian cultural operators to carry out cooperation projects in Ukraine. Projects should address at least one of the following objectives:
  - Exploring diversity and promoting intercultural dialogue through cultural activity;
  - Stimulating greater participation in cultural activities by the general public;

- Encouraging cooperation between civil society organisations, public sector organisations and private sector organisations operating in the cultural and creative sectors;
  - Developing the knowledge and capacity of operators working in the cultural and creative sectors;
  - Support protection and revitalisation of cultural heritage sites;
  - Promote mobility and co-creation with European cultural operators;
  - Engaging under-represented or marginalised groups, including internally displaced and conflict affected populations in cultural activity
  - Content creation to promote critical thinking, peace-building, community reconciliation and democratic values.
3. Component 3. Support to UCF. The component related to the support to the state-funded Ukrainian Cultural Fund will cover three major strands of activities:
- Legislative review of existing procedures to identify bottlenecks in the provision of grants from the state budget;
  - Development of a single platform for public funding (grants) provision, evaluation and management for all the existing governmental schemes and instruments;
  - Training and certification of evaluation experts.

## 4.2 Intervention Logic

The Programme will capitalise on the work started by earlier initiatives and ongoing support in the sectors of civil society and culture, which focuses on the implementation of the Association Agreement articles related to continuous support to civil society in its traditional role of major reforms watchdog and catalyst, as well as to culture.

The establishment of a transparent selection mechanism for distributing grants with funding from the state budget through the Ukrainian Cultural Fund will both establish a best practice precedent in the country for the distributing of grants by the state and simultaneously stimulate the development of the cultural sector. This experience may be replicated for other state funds on the basis of the experience of this pilot. On the longer term perspective, it will contribute to CSO sustainability, competitive social services provision, and establish better links between local authorities and civil society in tackling common challenges.

The implementation of the action will allow to address the sectoral problems of civil society and cultural and several levels through complementarity to the programmes listed above.

## 4.3 Mainstreaming

Gender and children rights, social and economic rights, resilience and conflict sensitivity, human rights and other relevant cross-cutting issues are integrated in the design of the action.

The Action will include **gender aspects** by, inter alia, setting women's and children's rights as a cross-cutting issue for the CSO call for proposals. Support measures directed at the cultural sector shall positively affect women who represent the majority of its workforce. The Action will also seek to avoid reinforcing gender inequalities and stereotypes by implementing a Do No Harm approach. The Action will aim at piloting multi-actor processes for achieving inclusive, sustainable economic development in the country. It will also strive to promote inclusiveness when it comes to internally displaced and conflict affected

populations with a community reconciliation purposes. It will support the mobilisation of different local actors for joint efforts for **inclusive and sustainable growth**.

The rights based approach will be used during the design of the specific calls for proposals.

#### **4.4 Contribution to SDGs**

This intervention is relevant to the 2030 Agenda. It contributes primarily to the progressive achievement of SDG(s) "Decent work and economic growth" and "Peace, justice and strong institutions", while also contributing to "Industry, Innovation, and Infrastructure", "Gender equality", "Partnerships for the goals".

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is **60** months from the date of where a financing agreement is concluded.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

### **5.3 Implementation modalities**

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

#### **5.3.1 Grants: (direct management)**

(a) Purpose of the grant(s)

- Grants to promote a meaningful and structured participation of CSOs in domestic policies of Ukraine;
- Grants for systemic support to Ukrainian think-tanks;
- Grants for capacity building of cultural operators.

(b) Type of applicants targeted

The call will target legal persons, falling under the following categories:

- civil society organisations;
- public operators;
- local authorities;
- think-tanks;
- educational institutions.

### 5.3.2 Procurement (direct management)

Procurement will contribute to achieving the specific objective and results described in section 4.1 under component 3, including the establishment of grants evaluation and management system for Ukrainian cultural fund.

### 5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

### 5.5 Indicative budget

	<b>EU contribution (amount in EUR)</b>	<b>Indicative third party contribution, in currency identified</b>
<b>Component 1 – Grants to CSOs</b> (cf. section 5.3.1)	<b>5 500 000</b>	
<b>Component 2 – Grants for cultural operators</b> (cf. section 5.3.1)	<b>3 000 000</b>	
<b>Component 3 – Procurement</b> (cf. section 5.3.2)	<b>1 000 000</b>	
<b>Evaluation</b> (cf. section 5.9)	<b>200 000</b>	
<b>Audit/ Expenditure verification</b> (cf. section 5.10)		
<b>Communication and visibility</b> (cf. section 5.11)	<b>300 000</b>	
<b>Total</b>	<b>10 000 000</b>	

### 5.6 Organisational set-up and responsibilities

The grant component will not require any additional organisational set up while the support project for Ukrainian cultural fund will be further streamlined by a Steering committee in charge of the supervision of the project.

### 5.7 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner in charge of the technical assistance component shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes)

as measured by corresponding indicators, using as reference the Logframe matrix (for project modality) or the partner's strategy, policy or reform action plan list (for budget support).

SDGs indicators and, if applicable, any jointly agreed indicators as for instance per Joint Programming document should be taken into account.

The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the grant evaluation and management platform for Ukrainian cultural fund is expected to serve as a pilot action, expected to be further extended to other public funding grants distribution instruments in Ukraine.

The Commission shall inform the implementing partner at least 14 days in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

It is foreseen that audit services may be contracted under a framework contract.

## **5.10 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

**APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)**

	<b>Results chain: Main expected results (maximum 10)</b>	<b>Indicators (at least one indicator per expected result)</b>	<b>Sources of data</b>	<b>Assumptions</b>
<b>Impact (Overall Objective)</b>	To increase the viability and capacities of CSOs and cultural operators to contribute to the development of accountable, transparent and democratic institutions, social and economic development and the prevention of violent conflicts.	<i>CSOs sustainability index (baseline value for 2017: 3.3 and final target for 2021: 3.1)</i>  Democracy Index (Economist Intelligence Unit's) <i>(baseline value for 2017: 5.69 and final target for 2021: 6)</i>	Sustainability index (USAID)  Economist Intelligence Unit	
<b>Outcomes (Specific Objectives)</b>	S.O.1 To increase the capacity of Ukrainian CSOs to perform their roles as independent actors in the sectors determined by the SSF, the Roadmap for Engagement with Civil Society in Ukraine for the period 2018-2020;  S.O. 2 To enhance the Ukrainian creative and cultural sector's capacity and foster the development of the creative and cultural operators;  S.O. 3 To ensure sustainability of the culture and creativity sector in Ukraine through equal and transparent access to public funding disbursed through Ukrainian Cultural Fund.	<u>For S.O. 1</u> Number of proposals received matching minimum quality requirements; Level of trust to CSOs by the population in accordance with local sociological survey. <u>For S.O. 2</u> Share of GDP related to Culture and Creative Industries (baseline value for 2017: 4% and final target for 2021: 5%).  <u>For S.O. 3</u> Number of proposals received; Number and type of complaints by unsuccessful applicants (e.g. on unfair selection and quality of assessment).	CfP results in the Delegation's reporting  Yearly monitoring by the national institute of sociology  National statistics on culture sector growth  Statistic on cultural services provision  Yearly reports of the Ukrainian Cultural Fund	



<p><b>Outputs</b></p>	<p>O.1 CSOs are involved continuously into policy making and implementation of the overall reform process;</p> <p>O.2 Capacity of cultural operators to contribute to social and economic development is raised;</p> <p>O.3 Knowledge and capacities of the governmental stakeholders to distribute grants from the state budget to civil society and cultural actors increased, transparent procedures for public support established on the basis of the pilot action with the Ukrainian Cultural Fund, equal access to public funding secured, flexible response to civil society needs and priorities through public finance instituted.</p>	<p><u>For O.1</u> Level of implementation of the national Strategy for civil society (baseline value for 2017: 45% and final target for 2021: 80%).</p> <p><u>For O.2</u> Number of cultural operators receiving grants from the Ukrainian Cultural Fund. Number of trainings delivered.</p> <p><u>For O.3</u> Number of proposals evaluated online through automatic procedures (baseline value for 2017: 0 and final target for 2021: 100%).</p>	<p><u>For O.1</u> USAID reports in the framework of "Citizens in action"<sup>2</sup></p> <p><u>For O.2</u> Ukrainian Cultural Fund reports</p> <p><u>For O.3</u> Ukrainian Cultural Fund reports</p>	
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<sup>2</sup> <http://dif.org.ua/article/gromadski-eksperti-nazvali-problemi-ta-uspikhi-derzhavnoi-politiki-spriyannya-rozvitku-gromadyanskogo-suspilstva>