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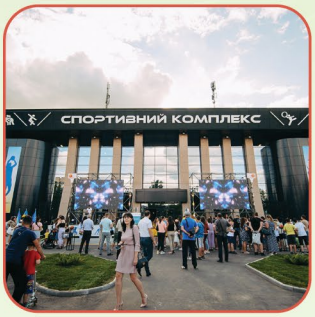

FINDINGS OF PUBLIC AND STAKEHOLDERS SURVEY ON SOCIO-ECONOMIC IMPACT OF THE EUROPEAN INVESTMENT BANK UKRAINE EARLY RECOVERY PROGRAMME: THE THIRD PHASE

NOVEMBER 2021

This report summarizes the findings of the third phase of a survey performed to assess the impact on the socio-economic conditions of the population in target regions of recovery efforts conducted under the Ukraine Early Recovery Programme (UERP). In addition, the research findings reflect the attitudes of local communities and IDPs regarding access to and satisfaction with the provision of public and social services, the level of trust in the local authorities and self-government bodies, as well as the engagement of citizens, NGOs and other stakeholders in the UERP implementation process.

This study was undertaken by the UN Development Programme in Ukraine under the project "Ukraine Early Recovery: Programme Implementation Support to Final Beneficiaries", implemented with financial support from the European Investment Bank, in partnership with the research agency Info Sapiens. The "Ukraine Early Recovery: Programme Implementation Support to Final Beneficiaries" project is part of the United Nations Recovery and Peacebuilding Programme (UN RPP).

The United Nations Recovery and Peacebuilding Programme (UN RPP) is being implemented by four United Nations agencies: the United Nations Development Programme (UNDP), the UN Entity for Gender Equality and the Empowerment of Women (UN Women), the United Nations Population Fund (UNFPA) and the Food and Agriculture Organization of the United Nations (FAO). Twelve international partners support the Programme: the European Union (EU), the European Investment Bank (EIB), the U.S. Embassy in Ukraine, and the governments of Canada, Denmark, Germany, Japan, the Netherlands, Norway, Poland, Sweden and Switzerland.

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LIST OF ACRONYMS

CAPI	Computer-assisted personal interviewing
EIB	European Investment Bank
EU	European Union
FB	UERP Final Beneficiary
FGD	Focus Group Discussion
IDP	Internally Displaced Person
MCTD	Ministry for Communities and Territories Development of Ukraine
MRTOT	Ministry for Reintegration of the Temporary Occupied Territories of Ukraine
NGO	Non-Governmental Organisation
SEP	Stakeholders Engagement Plan
SMP	Social Management Plan
TA	Technical Assistance
UNDP	United Nations Development Programme
UERP	Ukraine Early Recovery Programme

INTRODUCTION

Ukraine Early Recovery Programme is a multi-sector framework loan with a total amount of EUR 200 million, granted by the European Investment Bank to the Government of Ukraine. Based on the Loan Agreement of 22 December 2014, the EIB provides funds for the reconstruction and major repairs of social infrastructure facilities and improvement of public utilities (water and sanitation, electricity and heating), recovery of damaged or emergency schools and pre-schools, medical centers and hospitals, housing, administrative and public buildings, etc.

The initial goal of the UERP is the reconstruction of the critical infrastructure on Government-controlled territories of Donetsk and Luhansk oblasts as well as the adjacent Kharkiv, Dnipropetrovsk, and Zaporizhzhia oblasts, and to ensure decent living conditions for internally displaced people and host communities in these areas. The social services and infrastructure in the UERP target regions are under heavy pressure from the massive influx of IDPs. According to the Ministry of Social Policy of Ukraine, as of 6 July 2021, there were 514 259 registered IDPs in Donetsk Oblast, 284 637 IDPs in Luhansk Oblast, 136 816 IDPs in Kharkiv Oblast, 71 744 IDPs in Dnipropetrovsk Oblast, and 56 660 IDPs in Zaporizhzhia Oblast. Altogether 72.2% out of 1 473 650 IDPs registered in Ukraine reside in the above-mentioned oblasts.

In order to reduce the heavy workload on social and residential infrastructure in other regions of Ukraine that host a significant number of IDPs, in 2019, the UERP has been expanded to the specific municipalities in four additional oblasts of Ukraine: Odesa, Kherson, Poltava, and Kyiv (apart from the city of Kyiv). Based on data of the Ministry of Social Policy as of 6 July 2021, there were 39 194 registered IDPs in Odesa Oblast, 14 814 IDPs in Kherson Oblast, 22 718 IDPs in Poltava Oblast, and 67 663 IDPs in Kyiv Oblast (except the city of Kyiv) – which compose additional 9.8% out of total IDPs who are officially registered in Ukraine - that increased the UERP coverage and IDPs number in regions to well over 1.2 million (82% of the registered IDP in Ukraine).

The Ministry for Communities and Territories Development of Ukraine is the implementing authority of the UERP. The Programme is being implemented within separate batches for which the MCTD selects recovery sub-projects that receive funding after tendering and obtaining approval from the EIB.

The Ministry of Finance of Ukraine is responsible for the management of the UERP financial disbursements and payments. TRANSTEC TA (LLC, Belgium, Cowater International)[1] provides technical assistance to MCTD to support the implementation of the UERP. The final beneficiaries of the UERP are oblast and rayon state administrations, military-civil administrations, local self-governments: city, town, and village councils, as well as communal or state-owned enterprises and institutions.

As of 30 November 2021, 80 UERP sub-projects have been finished in 27 cities and communities of 7 oblasts of Ukraine, 134 sub-projects are in the active construction phase, and around 220 sub-projects in total are expected to be completed in nine target oblasts by October 2022. As of today, around 7.5 million residents in four regions of Ukraine, including more than 770 000 IDPs and representatives from other vulnerable groups, have already benefited or will benefit from the UERP implementation upon completion of all sub-projects.

In 2016 the EIB signed a Technical Assistance Cooperation Agreement with the MCTD. Under this agreement, UNDP TA team supports monitoring and implementation of sub-projects selected for financing under the UERP at different stages of a project cycle. UNDP also helps to develop the capacities of final beneficiaries for planning, procurement, identification and management of social impacts and risks, engagement of stakeholders and local communities in the sub-projects implementation.

To assess the socio-economic impact of the UERP and recovery sub-projects on the local communities and IDPs of target settlements and monitor the dynamics of the Programme implementation life-changing conditions, UNDP is to organize three annual phases of sociological survey. Besides the other goals, the survey's findings are aimed to reflect changes in the attitudes of local communities and IDPs regarding the access to and satisfaction with the social infrastructure and provision of public and social services, level of participation in decision-making, and interaction with local authorities and self-government, as well as the engagement of communities' representatives and other stakeholders in the UERP implementation process.

The first phase of the survey was conducted in September–October 2019, the second phase was conducted in August–September 2020. This report summarizes the findings of the third phase of the survey carried out in August–October 2021.

1 http://www.cowater.com/

SUMMARY

1. Survey background and overview of the methodology

The goal of the "Socio-Economic Impact of the European Investment Bank Ukraine Early Recovery Programme in Target Regions" survey is a periodical assessment of the socio-economic impact of sub-projects that are implemented within UERP.

The study consists of three phases and aims to assess the perception of the situation over time by two main target groups of respondents: the general population, including IDPs of the regions where UERP is being implemented, and final beneficiaries and community stakeholders engaged in the sub-projects implementation. The first phase of the survey was conducted in September–October 2019, the second phase was conducted in August–September 2020. This report summarizes the findings of the third phase of the survey carried out in August–October 2021.

Phase 3 of the survey consisted of the following components:

1) General population survey in the UERP target settlements.

1200 residents (aged 18+) from target settlements in 8 oblasts. The sample consisted of three subsamples - residents of target settlements in Donetsk and Luhansk oblasts (Subsample 1), Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts (Subsample 2), and Poltava, Odesa, and Kyiv oblasts (Subsample 3); the size of each subsample was 400 respondents.

2) Survey of IDPs who reside in the UERP target settlements.

350 IDPs (aged 18+) from target settlements in 8 oblasts.

3) Focus group discussions with the UERP final beneficiaries, contractors, and community stakeholders, including IDPs.

12 focus group discussions were held.

4) Phone interviews with the UERP final beneficiaries, local stakeholders, communities' representatives, and local media.

In the report, results from Phase 3 are compared with those from Phase 2 where possible. Phases 2 and 3 were conducted according to the same methodology that differs from Phase 1. Thus, the comparison of Phase 1 and Phases 2&3 is limited.

A detailed description of the methodology is provided in Annex A of this report.

2. Survey of residents and IDPs of target settlements of eight oblasts

- **Awareness of the infrastructure reconstruction.** Among the general population of target settlements, 76.6% are aware of at least one infrastructure reconstruction in their settlement over the last 2 years. Almost a half of the population are aware of the reconstruction of schools and other educational institutions; healthcare facilities (46.1% and 46.0% respectively). Local authorities are perceived to be the main contributors to such reconstructions. To the mind of the respondents of 8 target oblasts, the top 3 types of infrastructure objects where urgent reconstruction is needed are healthcare facilities (59.6%), residential buildings (57.3%), and educational institutions (46.4%). Around half of the surveyed IDPs stated they are aware of the reconstruction of healthcare facilities, schools, other educational institutions, and administrative buildings (60.3%, 58.4%, and 49.6%, respectively). Compared to Phase 2, awareness of reconstructions of all infrastructure facilities increased. The level of awareness of the assistance of foreign and international organizations is higher than among the general population – from 4.2% to 11.0%. Regarding the question of what types of social infrastructure need to be recovered the most urgently, the top 3 answers among the IDPs were the same as among the general population (residential buildings, healthcare facilities, and educational institutions).

- **Awareness of the EIB Ukraine Early Recovery Programme and projects implementation.** Among the general population sample, 6.6% (in comparison to 4.4% in 2020) stated they are aware of the European Investment Bank and Ukraine Early Recovery Programme. The awareness increased in all regions. The highest level of awareness among the sub-samples about the EIB and the UERP – 8.3% is in Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts; the lowest – 4.5% in Poltava, Odesa and Kyiv oblasts. The main source of information about the UERP for the local population is local media; the second most important source of information is official websites (16.5%). Among the surveyed IDPs, 5.9% stated they are aware of the European Investment Bank and Ukraine Early Recovery Programme (there is no statistically significant difference as compared to 6.3% in 2020).
- **Perception of the effects of the infrastructure reconstruction.** In general, the majority of the residents of target settlements (84.9%) believe that the infrastructure reconstruction could lead to improving the life situation in the community as a whole. The majority of IDPs from target oblasts believe that the reconstruction of infrastructure objects will improve the condition of these objects (92.8%), improving working and living conditions (92.4% and 89.1% respectively). Moreover, 46.5% of IDPs believe that improving the life situation in the community is the most important effect of the reconstruction of infrastructure facilities in the settlement.
- **Opportunities for citizens' participation in decision-making provided by local authorities and self-government bodies.** The share of respondents in target oblasts who believe that the opportunities for citizens' participation in decision-making provided by local authorities and self-governments are fully or rather sufficient increased from 22.5% compared to 31.2% in 2020). The improvement is recorded in Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts while the situation deteriorated in other sub-regions. Moreover, only 31.8% of the respondents stated that they take part in community-related public activities (there is no significant change compared to 2020), and only 5.8% do it regularly. Alike with the general population sample, the surveyed IDPs mostly believe that the opportunities that local authorities and/or self-governments in their settlements provide for citizens to participate in the decision-making process are fully or rather insufficient (40.9%). 37.2% of surveyed IDPs (compared to 25.5% in Phase 2) take part in community-related public activities, among whom only 6.5% do it regularly. Among the means of interaction used by the members of communities to deliver their opinion to local authorities, more than half of IDPs (56.2%) indicated personal meetings or individual appeals; 39.4% – collective meetings and 33.9% – petitions or collective appeals. Awareness of the most means of interaction increased in Phase 3 as compared to Phase 2.

- **Satisfaction with the quality of life in the settlement and urgent problems.** About two-thirds of the respondents both in the general sample and within the sub-samples are fully or rather satisfied with the quality of life in their settlements. Overall satisfaction increased in all surveyed regions, except Donetsk and Luhansk oblasts. Speaking about the satisfaction with certain life aspects, the three areas of the highest level of respondents' satisfaction are the availability of housing (65.1% fully or rather satisfied), the sufficient number of schools (65.8% fully or rather satisfied), and access to administrative services (59.8% fully or rather satisfied). In general, 74.4% of the surveyed IDPs – about the same share as in the general population sample – are fully or rather satisfied with the quality of life in their settlements and this share increased compared to 2020 (when it was 67.0%). Speaking about certain life aspects, the three areas of the highest level of IDPs' satisfaction are the access to administrative services (82.8% fully or rather satisfied), the sufficient number of schools (73.9% fully or rather satisfied), and the access to health care services (65.7% fully or rather satisfied). The satisfaction with all listed life aspects, except housing availability and quality, has increased since Phase 2. Speaking about the most urgent problems for the inhabitants of 8 target oblasts, the top one is the costs of living, including local prices (69.8%). The surveyed IDPs most often mentioned the cost of living, including local prices (69.9%) and the employment situation (42.7%).
- **The integration of IDPs in host communities and their plans for future residence.** More than two-thirds (71.9%) of surveyed IDPs fully or rather agree with the statement that they have fully integrated into the community where they currently live. So, the self-perception of integration significantly increased since Phase 2, when 57.1% of the surveyed IDPs reported so. 83.9% of the surveyed IDPs say that they were treated well when moving to a new community. Still, only a minor share of the surveyed IDPs (33.3%) fully or rather agree with the statement that they actively participate in the community-related public activities or can influence the communities where they live (24.2%). The IDPs who participated in FGDs also mentioned that currently, they positively assess the social interaction with their host communities. However, there was a bias against IDPs when a war conflict in Eastern Ukraine just started. Also, FGDs participants said that the attitude towards IDPs has improved during the last three years. Regarding the plans for the future place of residence – 60.5% of IDPs stated they plan to stay in a new settlement; this indicator increased compared to 42.9% in Phase 2.

3. UERP final beneficiaries' and community stakeholders' opinion survey

- **Awareness of the EIB Ukraine Early Recovery Programme and projects implementation among community stakeholders.** The majority of interviewed representatives know about the activities within the UERP: 96% among interviewed local stakeholders in 2021 (compared to 92.3% in 2020), 84.6% among interviewed communities' representatives in 2021 (compared to 74.1% in 2020). Yet, only 18 out of 26 contacted local media representatives stated they are aware of the activities within the UERP in their region, while in 2020, there were 19 out of 21. Thus, the level of awareness is relatively high among target audiences. A half of interviewed communities' representatives (50%) still believe that the provided financial assistance is non-returnable, and a significant number of local stakeholders believe the same (41.5%). The sources of information about the UERP sub-projects vary among different target groups. In 2021, the major sources were official websites (59.8%) and UNDP representatives (54%).

- **UERP sub-projects' impacts and compliance with the needs of local communities.** In 2021, 74.1% of the interviewed final beneficiaries claimed they assessed the needs of local communities, and this percentage increased compared to 2020 (64.9%). It should be noted that the most significant increase was of those who conducted both community's needs and risks of sub-projects implementation assessments (from 29.8% to 51.2%). The majority of both local stakeholders and communities' representatives observe or expect an improvement of social services as a result of the UERP sub-projects: 38.8% and 40%, respectively. The overwhelming majority of local stakeholders and communities' representatives surveyed over the phone believe that the UERP sub-projects implemented in their settlements meet the needs of both the local community and IDPs. Except for the communities' representatives' point of view on IDPs' needs, the shares of those who think that projects fully or rather meet the needs exceed 96%.

- **Main problems of the UERP sub-projects implementation.** The share of final beneficiaries who have encountered no problems when implementing sub-projects decreased from 21.1% in 2020 to 12.8% in 2021. Drastically increased shares of most mentioned issues: delays in financing from 17.5% to 52.6%, delays in work schedule from 4.4% to 50% etc. Based on the opinions collected during the FGDs of both the final beneficiaries and other stakeholders (during all phases), the two main problems of the UERP implementation were identified: 1) delayed procedures of decision making and approval of related documents, and 2) delayed payments/funding of sub-projects. Both problems finally lead to delays and losses in construction works and overall sub-project implementation. Contractors have issues with receiving payments and inflexible projects and contracts. Thus, some contractors are concerned that the UERP sub-projects are not commercially attractive to respectable companies and have a lot of reputational risks.

- **EIB Environmental and Social Standards: awareness and compliance.** Among final beneficiaries and community stakeholders, the declared awareness of EIB standards is quite high. 92% of final beneficiaries stated they are aware of at least one standard. 82.1% of local stakeholders and 73% of communities' representatives stated they are aware of at least one EIB standard. 82.7% of final beneficiaries reported monitoring compliance with EIB environmental and social standards in implementing the sub-projects. 34.7% of all final beneficiaries monitor the compliance at least once a month, and 78.7% monitor once a year. However, most contractors were unable to name the main EIB standards, as in Phase 2, either referring to the fact that the contract was signed long ago or saying that they were not personally involved in monitoring the documents, including Environmental and Social Covenant, during the tenders. The representatives of the contractors stated that they carry out construction works by Ukrainian legislation. Among the surveyed final beneficiaries, none reported instances of non-compliance. All local stakeholders stated that all standards were met. 2 communities' representatives reported issues regarding labour standards (working conditions, safety and hygiene), and 1 reported the violation of protection in the process of temporarily resettlement.
- **Social management and stakeholders engagement within the UERP.** 96.0% in 2021 vs. 94.7% in 2020 of final beneficiaries mentioned that they are aware of at least one social management and stakeholder engagement activity within the UERP. The awareness of all engagement activities within the UERP significantly increased. Among the final beneficiaries who are aware of social management and stakeholder engagement tools, significantly increased the share of those who utilized or are utilizing them in the course of the implementation of their sub-projects – 87.5% in 2021 vs. 66.7% in 2020. Usage of all forms of engagement significantly increased. 81.7% (59.6% in 2020) of the surveyed final beneficiaries reported having a Social Management Plan. Moreover, the greatest majority of those, who have the Plan, reported having complied with it. Those final beneficiaries, who have the SMP and comply with it, positively assess the impact of this tool on their sub-projects – 97.8% in 2021 and 98.3% in 2020 of them believe that it has significantly or rather improved the implementation of their sub-projects. The awareness of social management and stakeholders' engagement activities within the UERP significantly increased by local stakeholders – 63.1% in 2021 vs. 52.7% in 2020. The awareness by communities' representatives decreased – 30.0% in 2021 vs. 46.0% in 2020. The great majority (81.4%) of local stakeholders fully or rather agree with the statement that they had the opportunity to influence the process of preparation or implementation of the UERP projects. As for the community representatives – the majority indicated the same (9 out of 14 fully or rather agree). The share of final beneficiaries who reported that Working Implementing Groups were created to support the implementation of their sub-projects increased compared to 2020: 89.3% vs. 72.8%, respectively. 88.9% in 2021 and 79.2% in 2020 of final beneficiaries reported that they hold consultations with public and community stakeholders. A great majority of these consultations in 2021 – 91.1% were expert opinions of design organizations, technical supervision, and this indicator significantly increased compared to 2020, when it was 52.6%. 69.9% of local stakeholders and 37.9% of communities' representatives reported

having participated in such activities. To address proposals and grievances from the public and community stakeholders, more than half of the final beneficiaries (82.7% in 2021 vs. 56.1% in 2020) have specified the phone and e-mail address for possible inquires. 76.0% - grievances are considered by a specialist or at the meetings of the Working Group, and this indicator significantly increased compared to 2020 when it was 25.4%. Similarly, 73.3% mentioned the public is informed about the possibility of submitting grievances and proposals vs. in 2020 mentioned so 29.0%. 67.5% in 2021 and 54.8% in 2020 of local stakeholders and 44.8% in 2021 and 44% in 2020 of communities' representatives reported participating in the monitoring of sub-projects implementation.

- **Informing the public on the UERP sub-projects implementation.** In 2021 96.0% of all surveyed final beneficiaries claim they share the information on the sub-projects implementation with the public, and this share increased comparing to 2020 when it was 85.1%. The frequency of informing the public about sub-project implementation from several times a month to once in a quarter increased from 78.0% in 2020 to 90.7% in 2021. More than half of surveyed final beneficiaries (64%) indicated that they have the Communication Plan for their sub-projects and this share increased comparing to 2020 when it was 49.1%. According to the final beneficiaries surveyed over the phone, the main channels for sharing the information on the UERP sub-projects implementation are official websites (88.9%), posts in social media (86.1% and this indicator significantly increased compared to 60.0% in 2020), information stands, signs on objects (86.1% and this indicator significantly increased compared to 55.0% in 2020) and publications in local media (77.8% and this indicator significantly increased compared 61.0% in 2020). According to the focus groups with local media, their audiences are most interested in (1) how they benefit from the implementation of sub-projects, (2) how much money was spent and on what, especially if money was from the local budget, (3) deadlines and delays in sub-projects.

- **Anticorruption activities and practices within the UERP.** Both final beneficiaries (84.3%) and local stakeholders (83.3%) agree that the anticorruption measures improved the implementation of their sub-projects: anticorruption assessment of projects and contractors, anticorruption monitoring of contractors while implementing the sub-project, providing information and advisory support to project implementers. According to the final beneficiaries, the contractors are double-checked both by them and the EIB and UNDP TA, and also by law enforcement agencies, so the fraudulent contractors are not allowed to work on the sub-projects implementation, and thus there is no room for corruption schemes. Although the final beneficiaries mention that the best way to prevent risks connected to contractors' integrity is thorough monitoring of tender applications, including the due-diligence of the companies who apply for tenders – it should be addressed before the contract is signed. Local stakeholders claim that they have not faced corruption in the UERP sub-projects. But some of them suggest that much staff has not enough competence to indicate corruption. As for the Covenant of Integrity, only a few communities' representatives and other stakeholders were aware of this document; the contractors and final beneficiaries remembered it, although they found it hard to tell in detail

what this document was about. Speaking about the effectiveness of this document, with a single opinion, they noted that this is rather a formality than an effective way to prevent corruption risks. The final beneficiaries, in general, are to report the facts or suspicions of the corruption. However, they would report rather to their direct supervisors or UNDP than to higher management or law enforcement agencies. Due to a lack of time and qualified specialists, the local media representatives are not ready to run anticorruption investigations on their own. Instead, media representatives are more likely to cover already confirmed cases and investigations conducted by law enforcement agencies.

- **Sufficiency of capacity and resources for sub-project implementation.** 79.3% of final beneficiaries reported they have fully or rather sufficient resources for sub-projects implementation. The final beneficiaries believe that the most important resources needed for sub-project design, development, and further implementation are: (1) financial resources and timely payments, (2) in-house specialists and experts, whose relevant training (skills and knowledge) will allow for more efficient and effective work with the Programme documents, (3) UNDP specialists to answer ongoing questions and help with handling difficult situations, (4) stable legislation base, (5) support of local authorities.
- **Overall perception of the UERP and sub-projects implementation. 96.1% of the final beneficiaries are fully or rather satisfied with the implementation of the UERP.** In 2020, the contractors who participated in the FGDs also noted that, apart from the problems with payments delays and fixed prices, they are satisfied with the framework and procedures of the UERP in general. In 2021, their attitude changed to a negative one. As for the level of satisfaction of communities' stakeholders who are aware of the processes of the UERP implementation in target settlements – 95.3% of local stakeholders (and this share increased compared to Phase 2, when it was 87.1%) and 80% (similarly to Phase 2) of communities' representatives are fully or rather satisfied with the implementation process. Among the aspects, the community stakeholders were satisfied within the sub-projects implementation – the high quality of the projects, the correlation of the sub-projects with the needs of the communities. Among the aspects they are not satisfied with – the very slow duration of the sub-projects implementation was mentioned most often.

PART 1.
GENERAL POPULATION SURVEY

This section presents the results of a quantitative survey of **1200 residents** of the settlements in **eight target oblasts** where the UERP sub-projects are being implemented and the comparison of results of Phase 3 [2021] and Phase 2 [2020] (whereas the results of Phase 1 [2019] are not fully comparable due to different sample design). For the detailed list of target settlements, please see Table A1.1. of Annex A.

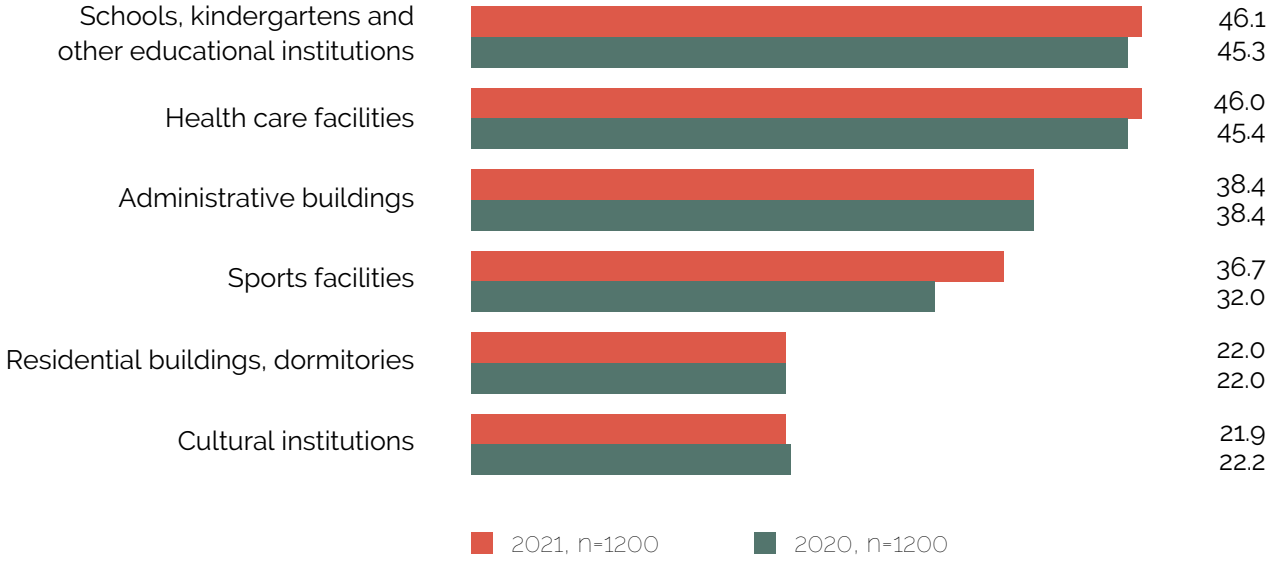
Following consultations with the EIB and UNDP TA Team, the sample design for Phase 3 and 2 has been adjusted to the current state of the UERP implementation. In Phase 1, the sample design was designed seeking the equal representation of all regions covered by the Programme. While the Programme implementation is currently in the advanced stage with a bigger number of sub-projects under construction, the decision was to pay more attention during Phase 2 and Phase 3 to communities where the sub-projects are already in progress or finished. This approach is aimed to learn better how people perceive the social and economic impacts of the UERP. To achieve the above-mentioned goal, new settlements were added to the sample in Donetsk, Luhansk, Zaporizhzhia, and Kharkiv oblasts.

1.1. Awareness of the infrastructure reconstruction

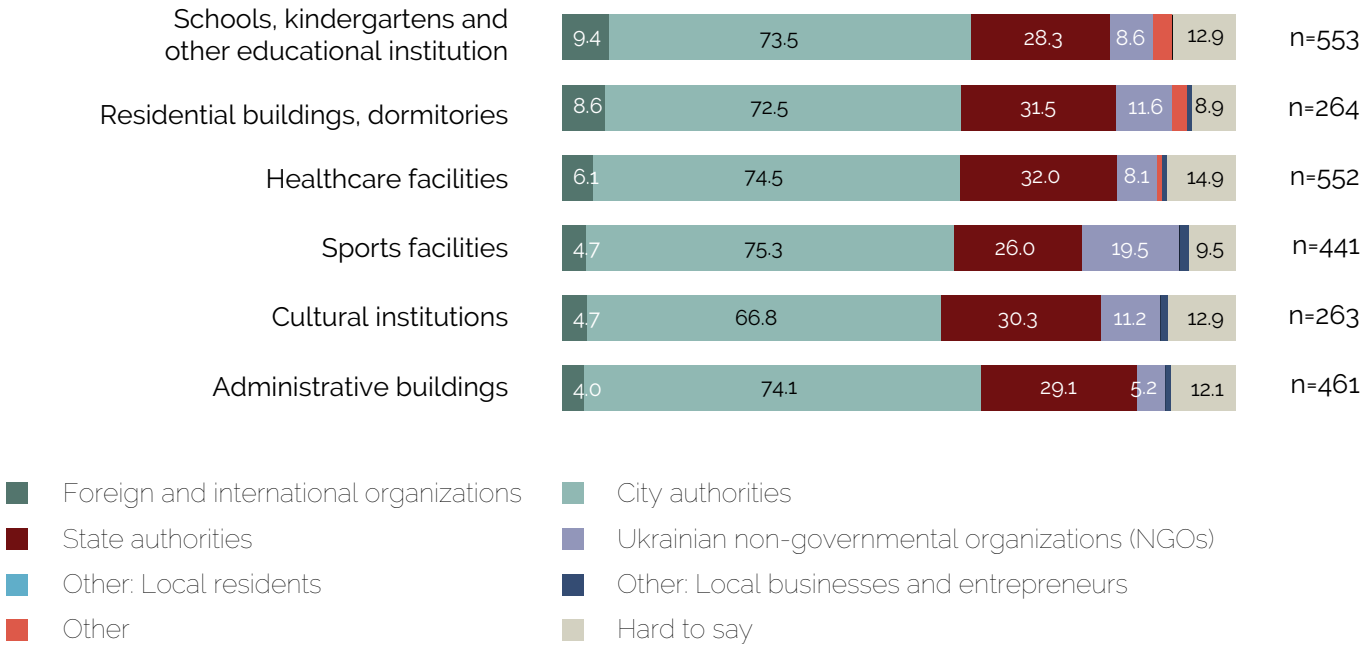
Among the general population of target settlements, 76.6% are aware of at least one infrastructure reconstruction which has happened in their settlement over the last 2 years. Almost a half of the population are aware of the reconstruction of schools and other educational institutions; healthcare facilities (46.1% and 46.0% respectively).

Local authorities are perceived to be the main contributors to such reconstructions. Among those respondents who are aware of the reconstruction of each type of infrastructure facility, from 66.8% to 74.5% say that they have been restored with support from local authorities. The awareness of the contribution from foreign and international organizations for the reconstruction of social infrastructure has increased but remains quite low – from 4.0% to 9.4%, depending on the type of the facilities.

Graph 1.1.1. Awareness of the infrastructure reconstruction in the settlement over the last 2 years, among all respondents, n=1200, comparison of the results of Phase 3 and Phase 2 of the survey, %

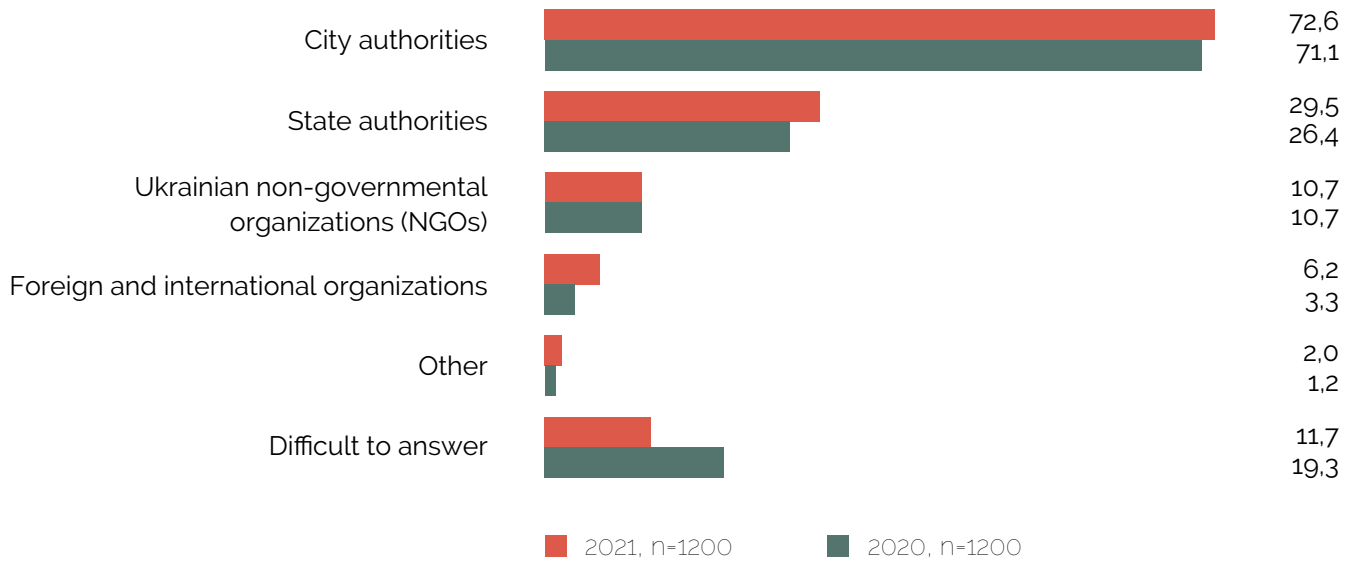


Graph 1.1.2. Awareness of the contribution to the reconstruction of infrastructure facilities in a settlement over the last 2 years, among the respondents who answered "Yes" for each type of infrastructure facilities; options sorted by the highest level of awareness of foreign and international organizations' contribution to reconstruction, %



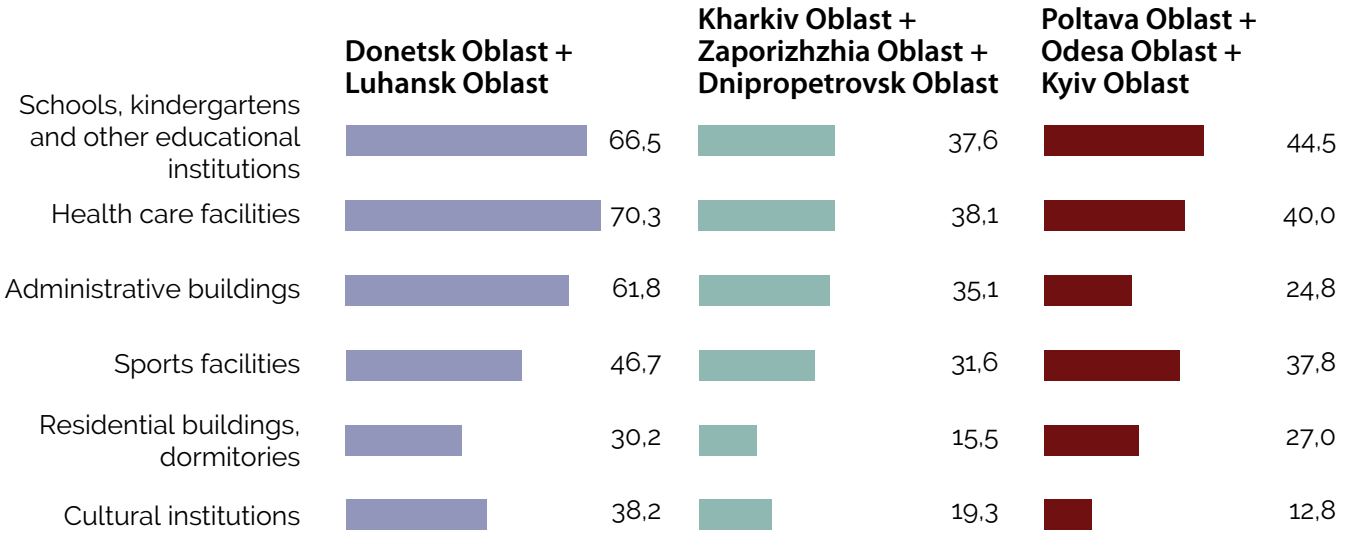
If compared to 2020, the share of those who attribute the reconstruction to local and state authorities, as well as to international and foreign organizations, has increased. The share of those who do not know has decreased.

Graph 1.1.3. **Awareness of the contribution to the reconstruction of infrastructure facilities in a settlement over the last 2 years, among the respondents who answered «Yes», mean by categories: schools, kindergartens, and other educational institutions; health care facilities; administrative buildings; sports facilities; residential buildings, dormitories; cultural institutions; comparison of the results of Phase 3 and Phase 2 of the survey, %**



The highest level of awareness is registered in Donetsk and Luhansk regions.

Graph 1.1.4. **Awareness of the contribution to the reconstruction of infrastructure facilities in a settlement over the last 2 years, among the respondents who answered «Yes» for each type of infrastructure facilities, by region, %**

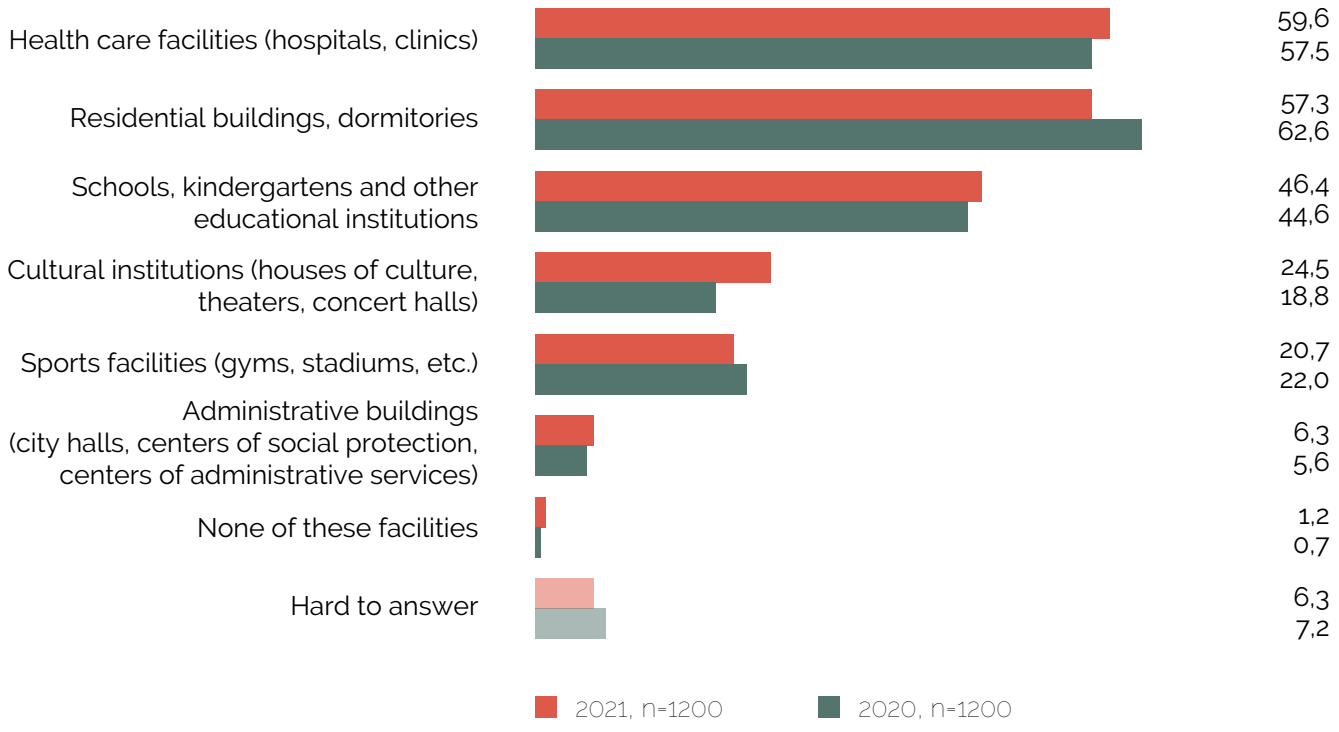


To the mind of the respondents of 8 target oblasts, the top 3 types of infrastructure objects where urgent reconstruction is needed are healthcare facilities (59.6%), residential buildings (57.3%), and educational institutions (46.4%).

Based on answers of the residents of settlements included in both Phases of the survey, the need for the urgent reconstruction of healthcare facilities, schools, and other educational institutions, cultural institutions, and administrative facilities increased in Phase 3 [2021].

At the same time, the urgency of the reconstruction of residential buildings and sports facilities is significantly lower in Phase 3 [2021] compared to Phase 2 [2020].

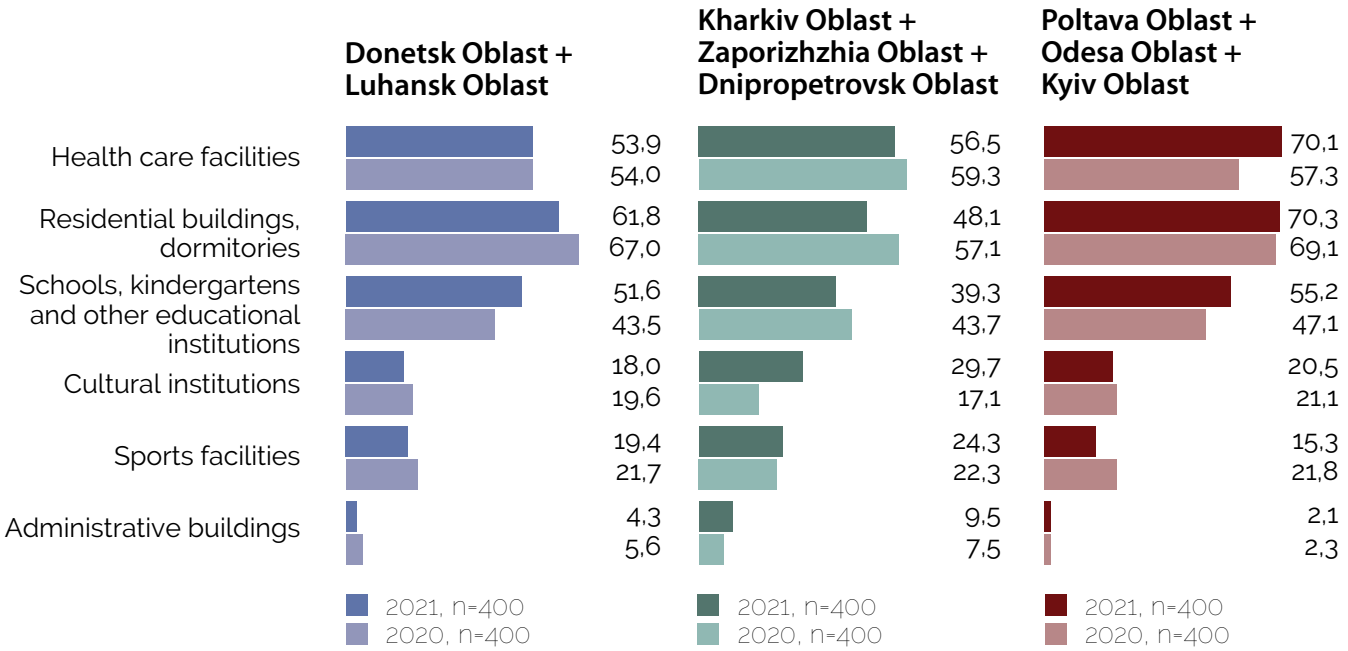
Graph 1.1.5. **Breakdown of answers to the question «Which of these infrastructure facilities need reconstruction and improvement in your settlement the most urgently?», among all respondents, comparison of the results of Phase 3 and Phase 2 of the survey, %**



However, in Donetsk and Luhansk regions, the reconstruction of residential buildings comes in the first place.

Graph 1.1.6.

Breakdown of answers to the question «Which of these infrastructure facilities need reconstruction and improvement in your settlement the most urgently?», among all respondents, comparison of the results of Phase 3 and Phase 2 of the survey by region, %



1.2. Awareness of the EIB Ukraine Early Recovery Programme and projects implementation

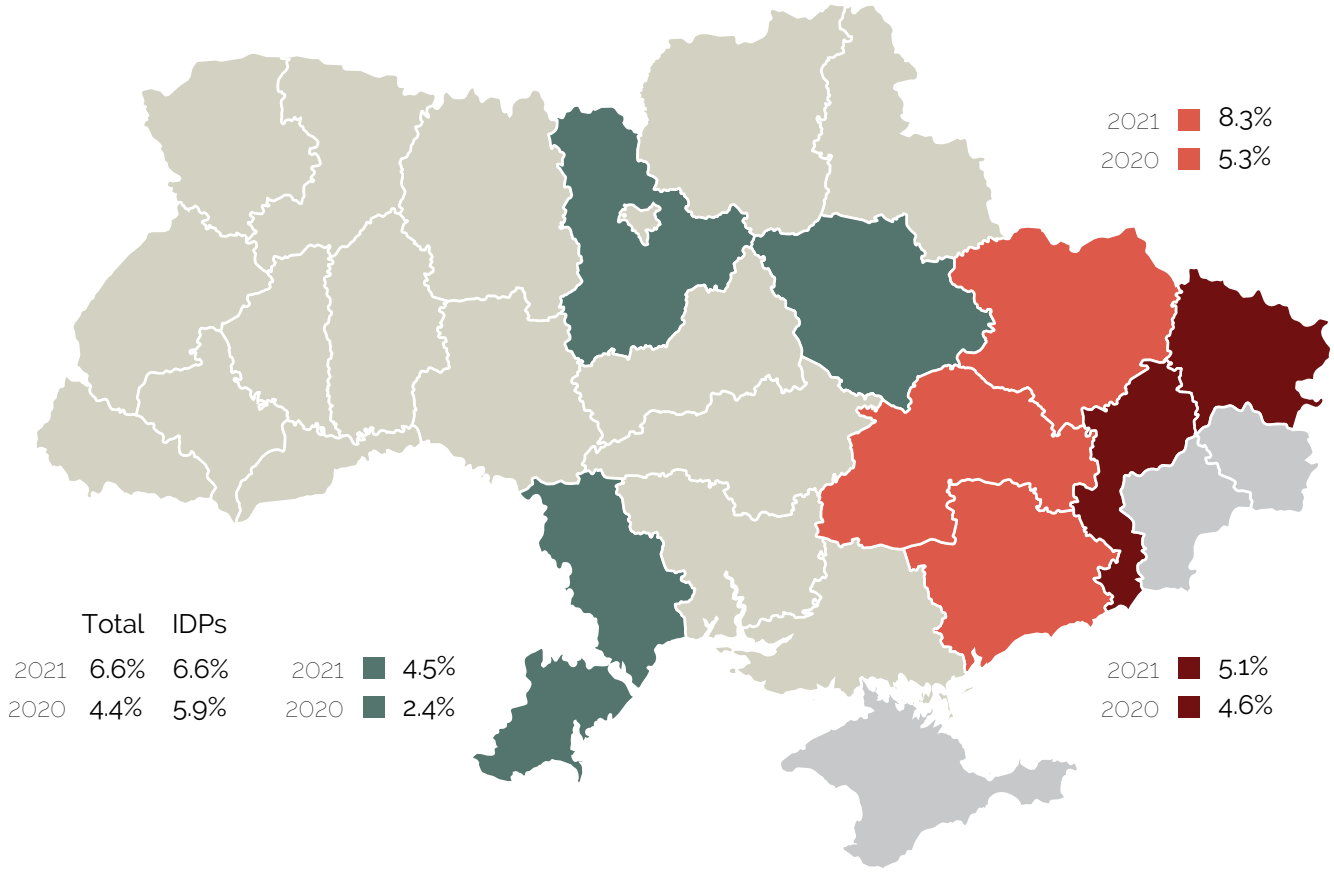
Among the general population sample, 6.6% (in comparison to 4.4% in 2020) stated they are aware of the European Investment Bank and Ukraine Early Recovery Programme. The awareness increased in all regions.

The highest level of awareness about the EIB and the UERP among the sub-samples – 8.3% is in Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts; the lowest – 4.5% in Poltava, Odesa, and Kyiv oblasts.

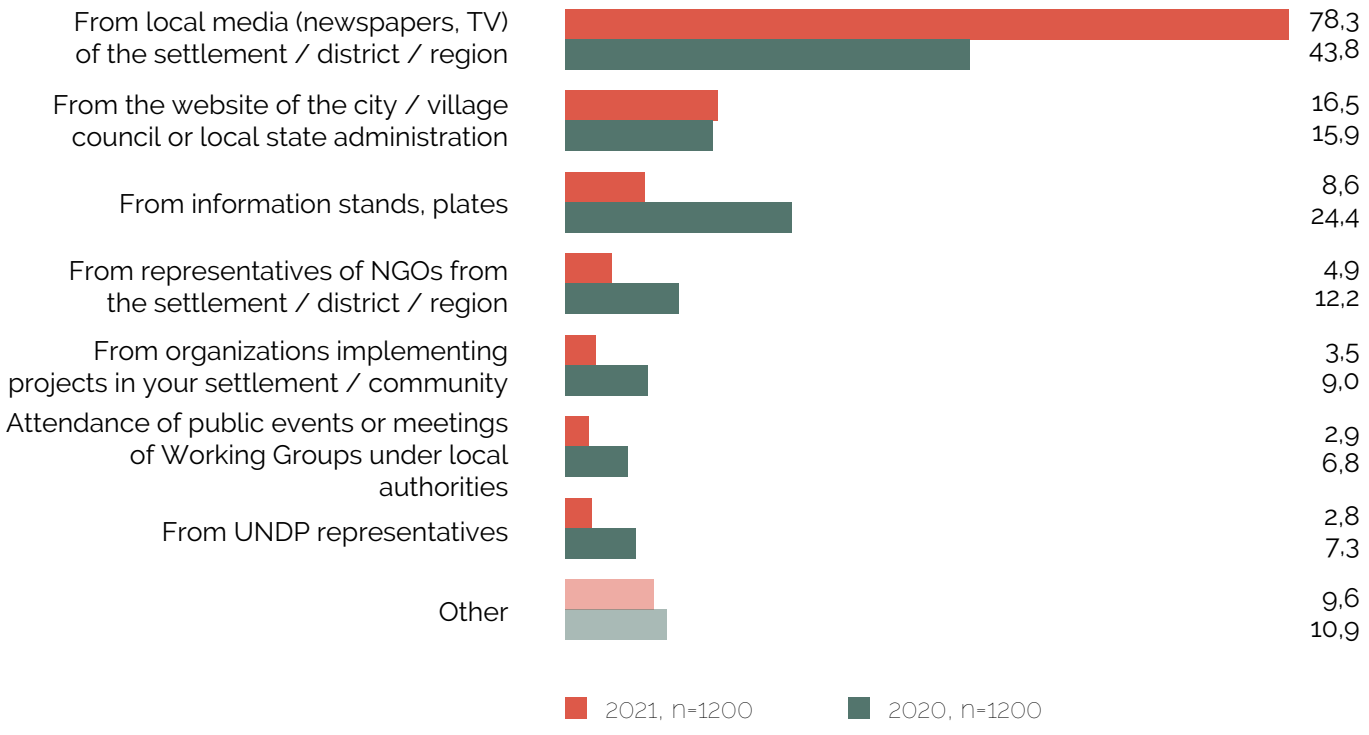
By gender, 8.0% of men and 5.5% of women said they were aware of the EIB and the UERP.

The main source of information about the UERP for the local population are local media. The role of this source increased compared to 2020 – 78.3% of those, who are aware of the UERP, listed this source (as compared to 43.8% in 2020); the second most important source of information is official websites of local implementers (16.5%).

Graph 1.2.1. Awareness of the activities of the European Investment Bank and Ukraine Early Recovery Programme, %

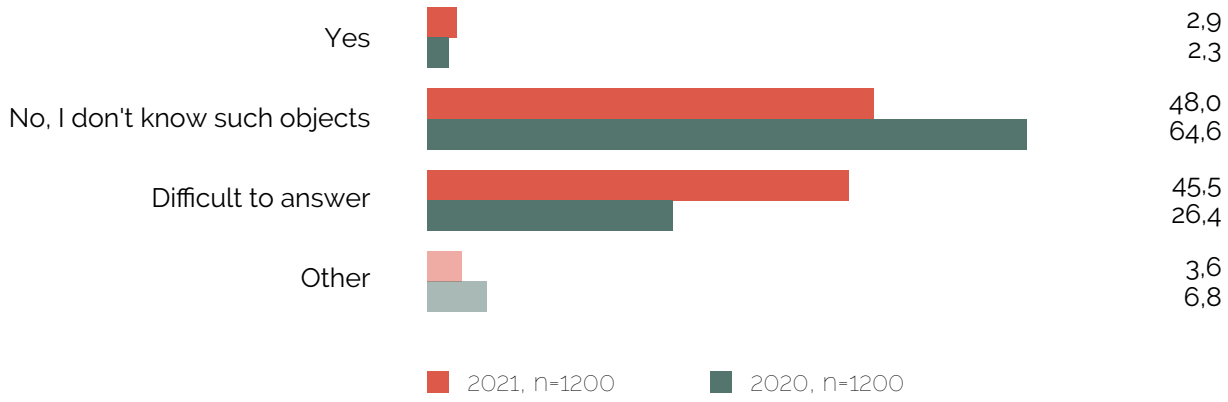


Graph 1.2.2. Sources of information about the UERP, among respondents who are aware about the UERP, comparison of the results of Phase 3 and Phase 2 of the survey, %



69.7% of respondents, who are aware of the UERP, are also aware that the Ministry for Communities and Territories Development of Ukraine implements the Programme at the national level. At the same time, 16.8% were not in a position to answer which public authority implements the Programme. However, only 2.9% of those aware of the UERP know the exact sub-projects implemented in their settlements within the Programme.

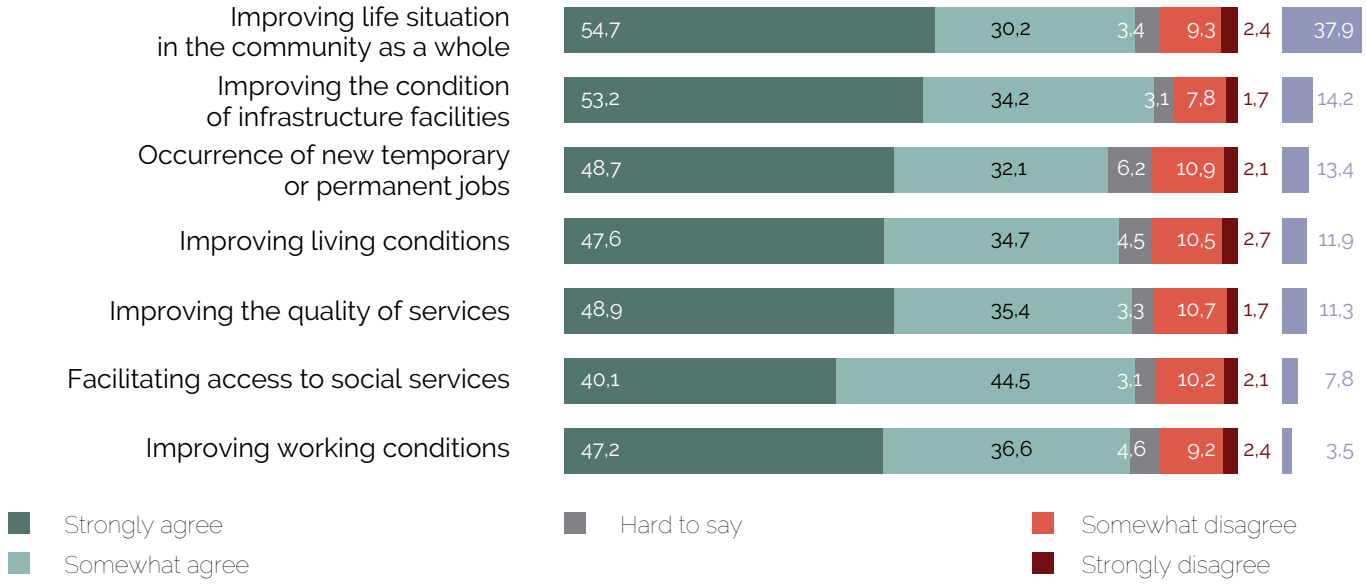
Graph 1.2.3. **Awareness of the UERP sub-projects implemented in the settlement among respondents who are aware of the UERP, comparison of the results of Phase 3 and Phase 2 of the survey, %**



1.3. Perception of the effects of the infrastructure reconstruction

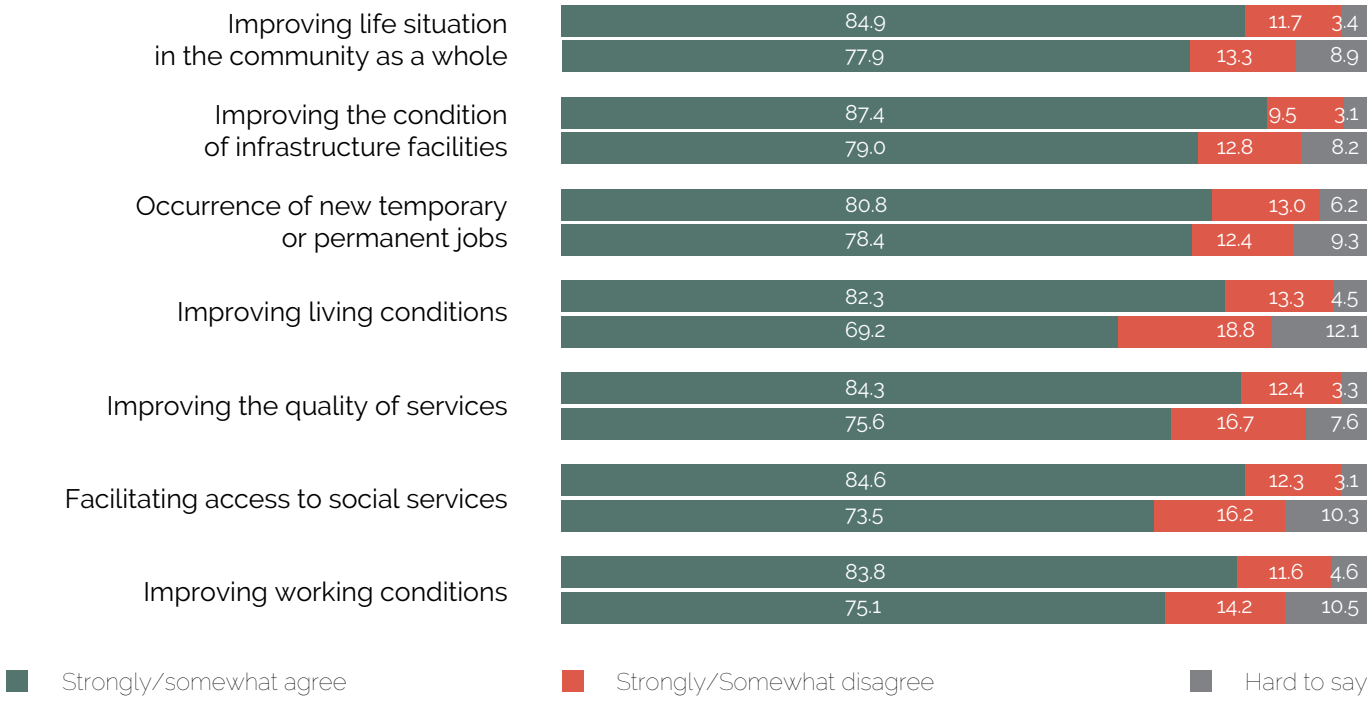
Graph 1.3.1. **In general, the majority of the residents of target settlements (84.9%) believe that the infrastructure reconstruction could lead to improving the life situation in the community as a whole, %**

To what extent do you agree that the restoration of such facilities as schools, kindergartens, health care facilities, etc., can lead to such changes in the local community? | The most important result for you personally



As for the comparison of Phases 3 and 2, there is a significant increase in the number of those who fully or rather agree that the infrastructure reconstruction may lead to all kinds of positive effects.

Graph 1.3.2. **Expected effects of the infrastructure reconstruction in the settlement, comparison of the results of Phase 3 and Phase 2 of the survey, %**

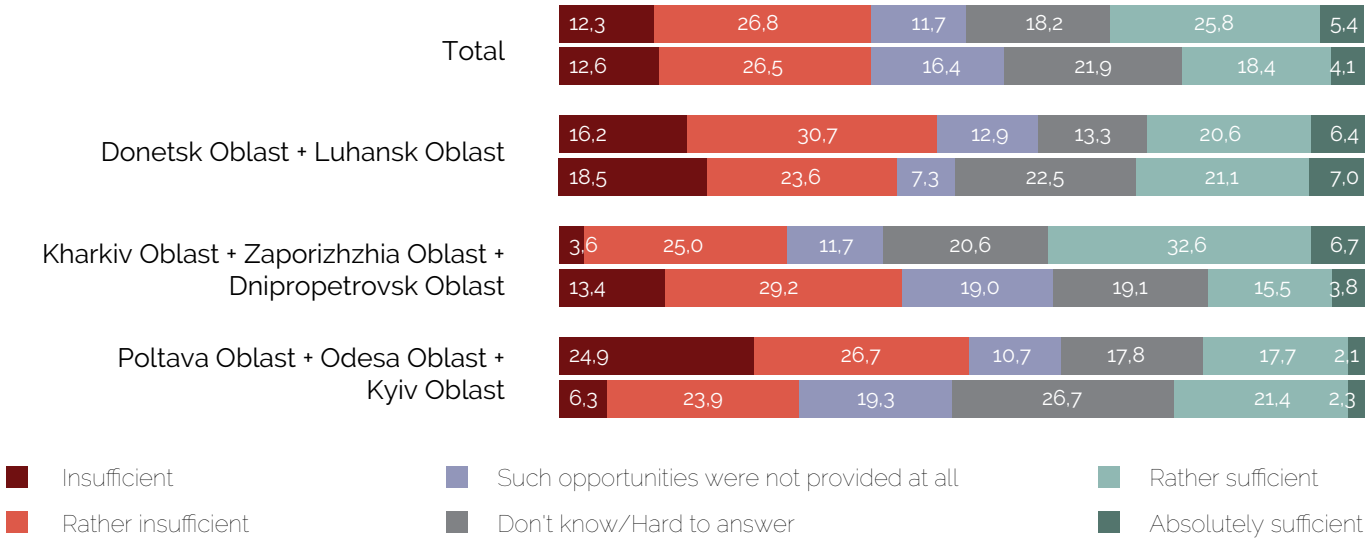


1.4. Opportunities for citizens' participation in decision-making provided by local authorities and self-government bodies

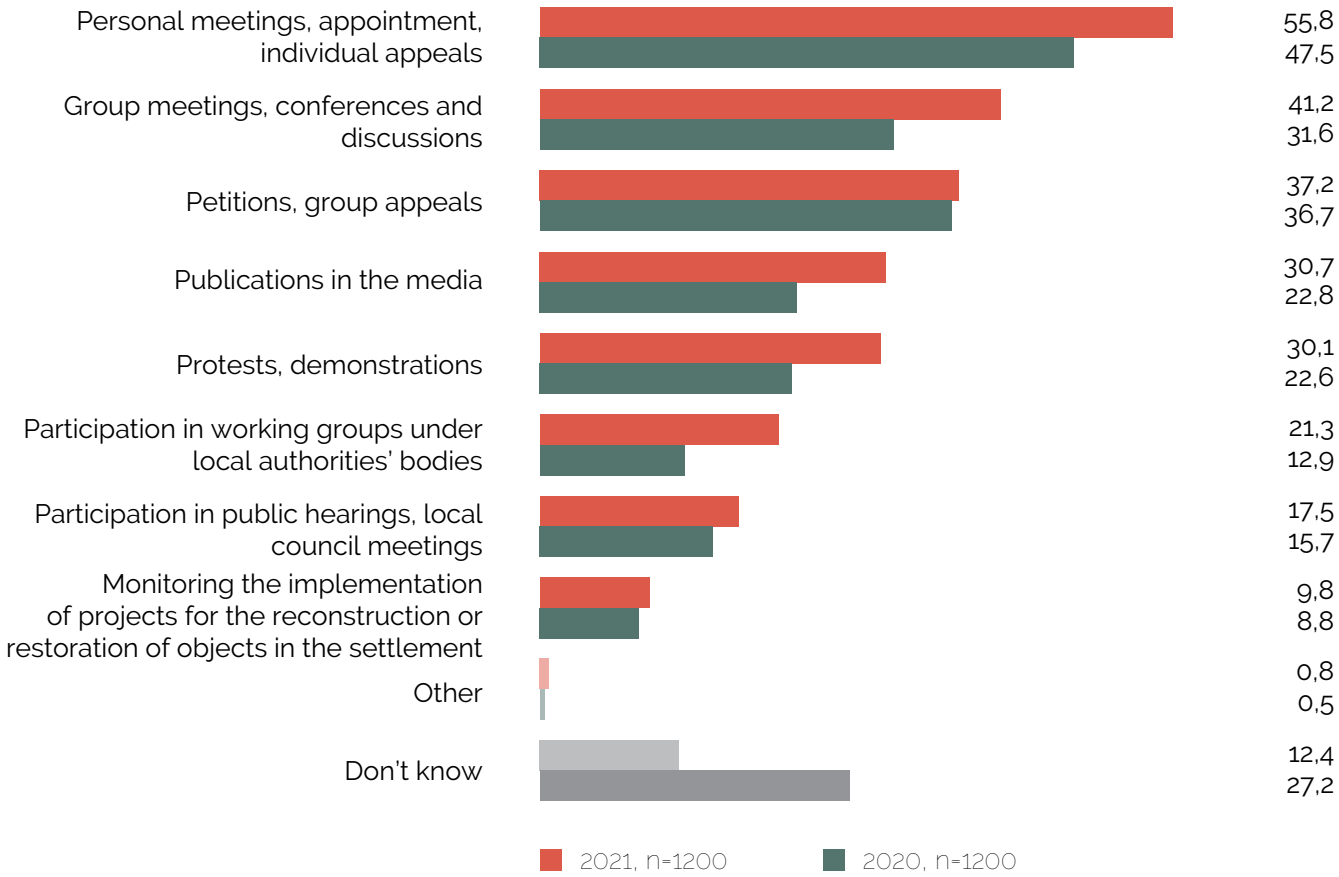
The share of respondents in target oblasts who believe that the opportunities for citizens' participation in decision-making provided by local authorities and self-governments are fully or rather sufficient increased from 22.5% in 2020 to 31.2% in 2021. Yet, 11.7% of respondents mentioned that such opportunities were not provided at all (16.4% in 2020).

Within the sub-samples, most respondents are rather dissatisfied with the opportunities provided. The improvement is recorded in Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts while the situation deteriorated in other sub-regions.

Graph 1.4.1. **Perception of the sufficiency of opportunities for citizens' participation in decision-making provided by local authorities and self-government bodies, comparison of the results of Phase 3 and Phase 2 of the survey, by region, %**



Graph 1.4.2. **Awareness of the means of interaction used by the members of communities to deliver their opinion to local authorities, among all respondents, compa-rison of the results of Phase 3 and Phase 2 of the survey, %**

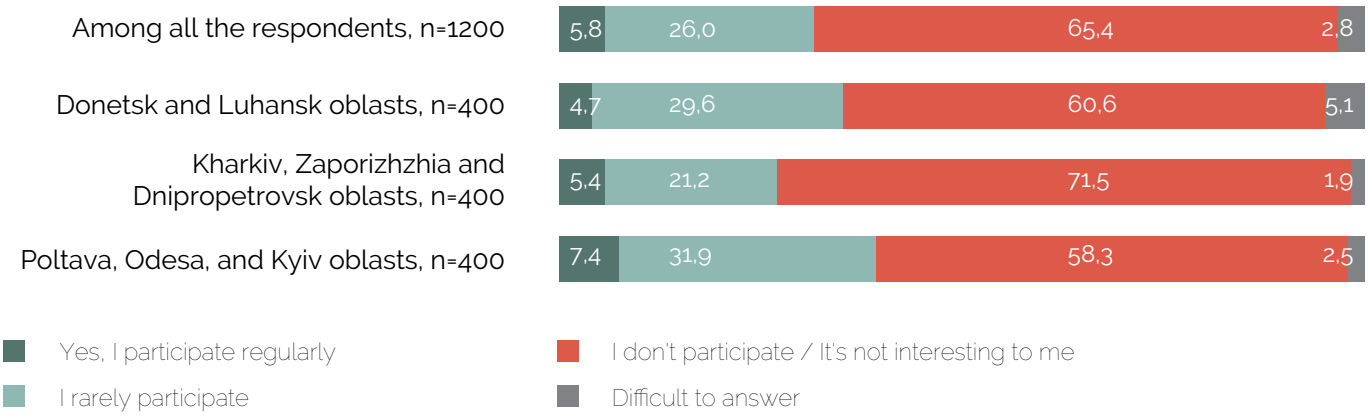


As for the means of interaction used by the members of communities to deliver their opinion to local authorities, the residents indicated personal meetings or individual appeals (55.8%), collective meetings (41.2%), petitions, or collective appeals (37.2%). Personal meetings were indicated as the best mean of interaction with local authorities in all phases of the survey.

Awareness of almost all the means of interaction significantly increased in Phase 3 [2021] compared to Phase 2 [2020]. It is also important to note that the share of the respondents who are not aware of the means of interaction with local authorities' and/or self-governments' representatives decreased from 27.2% to 12.4%.

Moreover, only 31.8% of the respondents stated that they take part in community-related public activities (there is no significant change compared to 2020), and only 5.8% do it regularly. In the sub-samples, residents of in Poltava, Odesa, and Kyiv oblasts consider themselves to be the most active – 7.4% of respondents said that they often take part in community-related public activities. There are 5.4% of such respondents in Kharkiv, Zaporizhzhia, and Dnipropetrovsk oblasts, and 4.7% – in Donetsk and Luhansk oblasts.

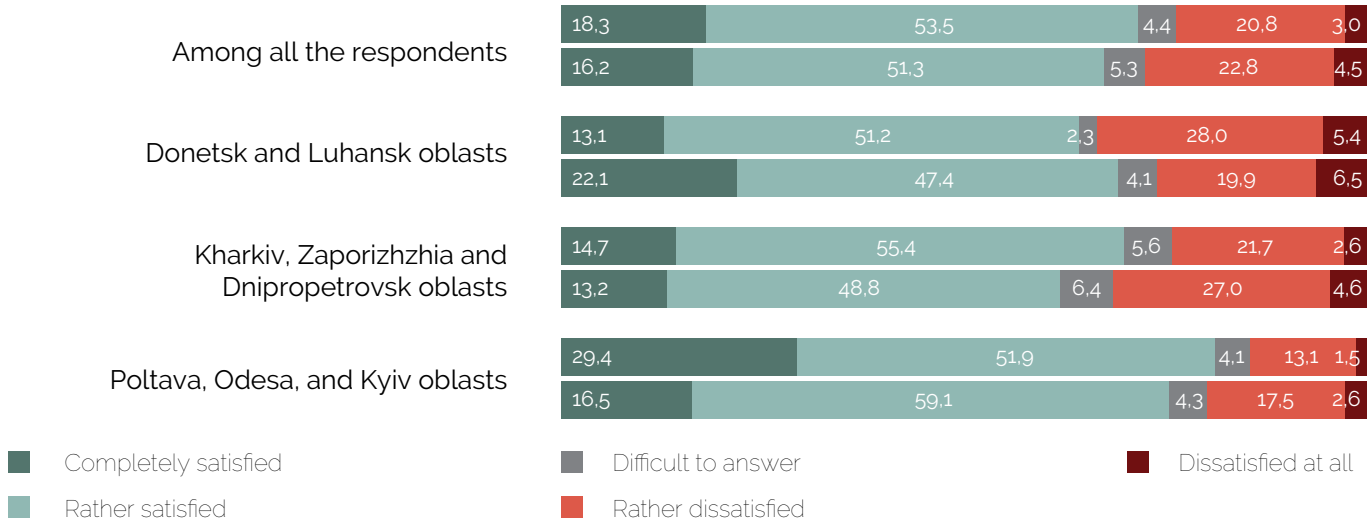
Graph 1.4.3. **Perception of self-participation in community-related public activities, among all respondents, by region, %**



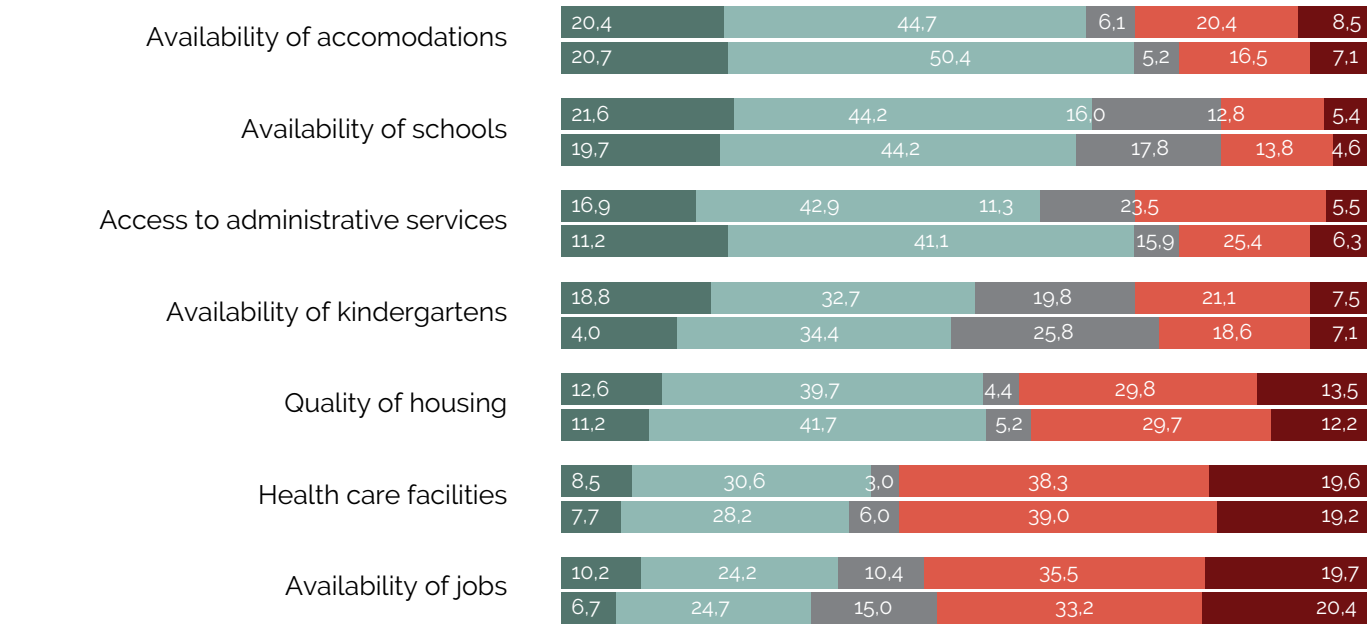
1.5. Satisfaction with the quality of life in the settlement and urgent problems

About two-thirds of the respondents both in the general sample and within the sub-samples are fully or rather satisfied with the quality of life in their settlements. Overall satisfaction increased in all surveyed regions, except Donetsk and Luhansk oblasts.

Graph 1.5.1. **Satisfaction with the quality of life in the settlement, among all respondents, comparison of the results of Phase 3 and Phase 2 of the survey, %**



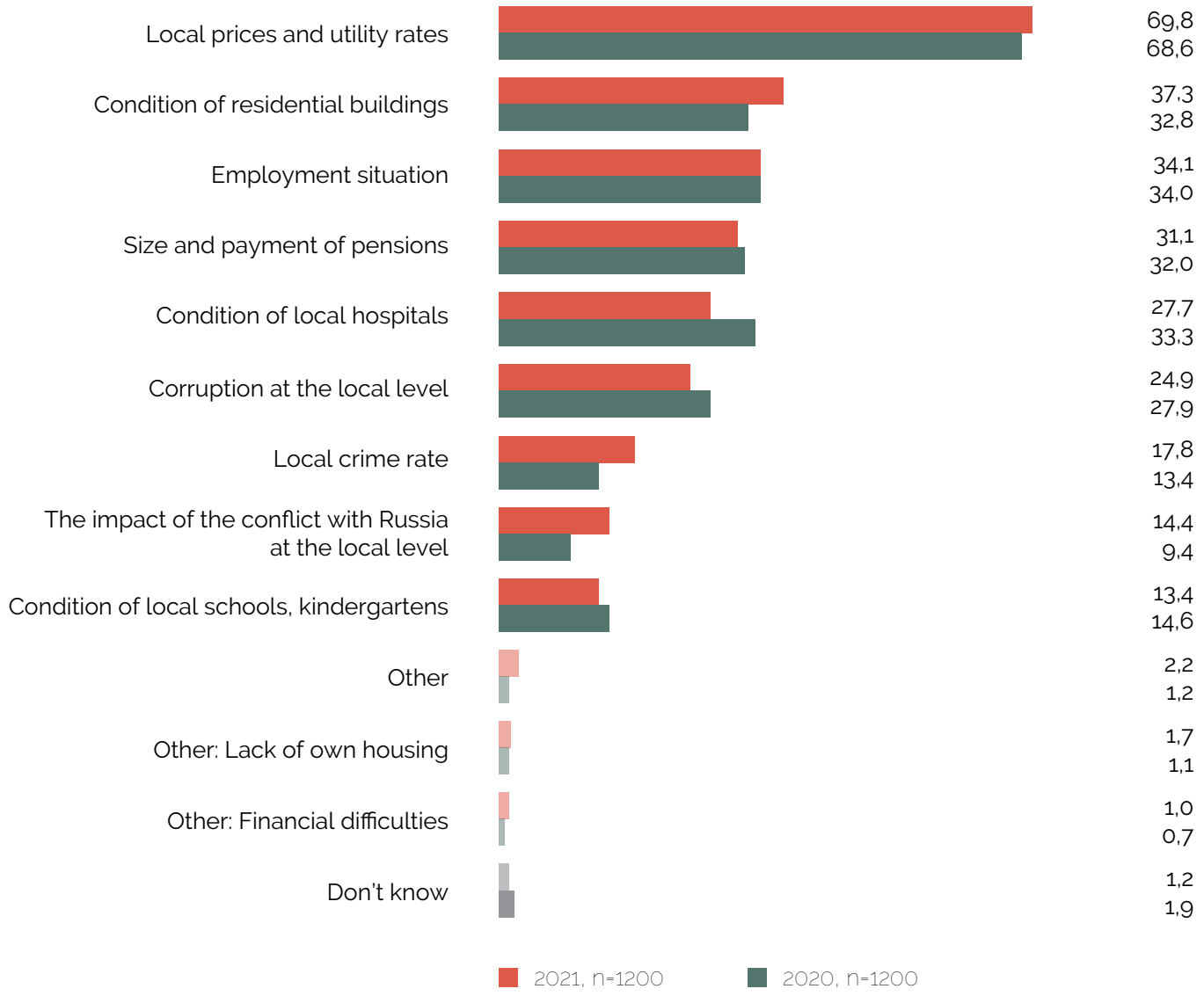
Graph 1.5.2. **Satisfaction with certain life aspects in the settlement, among all respondents, among all respondents, comparison of the results of Phase 3 and Phase 2 of the survey, %**



Speaking about the satisfaction with certain life aspects, the three areas of the highest level of respondents' satisfaction are the availability of housing (65.1% fully or rather satisfied), the sufficient number of schools (65.8% fully or rather satisfied), and access to administrative services (59.8% fully or rather satisfied).

As for the changes between the results of Phases 1 and 2 of the survey, there is a statistically significant increase in the level of satisfaction with all life aspects except housing quality and availability. In particular, there is a statistically significant decrease in the level of satisfaction with housing availability.

Graph 1.5.3. **The most urgent problems for local inhabitants, among all respondents, comparison of the results of Phase 3 and Phase 2 of the survey, %**



Speaking about the most urgent problems for the inhabitants of 8 target oblasts, the top one is the costs of living, including local prices (69.8%). The condition of residential buildings (37.3%), employment situation (34.1%), size and payment of pensions (31.1%) are in the following positions.

The comparison of Phase 3 and Phase 2 results shows a statistically significant decrease in the number of residents who mentioned that the size and payment of pensions, condition of local hospitals, corruption at the local level, and condition of local schools and kindergartens is the most urgent problem for them. At the same time, there is a significant increase in the number of residents who mentioned local prices, the condition of residential buildings, the local crime rate, and the impact of the conflict with Russia at the local level as the most urgent problem.

PART 2.
SURVEY OF THE INTERNALLY DISPLACED PERSONS

This section presents the results of a quantitative survey of **350 IDPs** and **2 focus group discussions** with IDPs who reside in settlements in 8 target oblasts where the UERP sub-projects are being implemented.

The main goal of the Ukraine Early Recovery Programme is the rehabilitation of critical infrastructure in Eastern Ukraine and neighbouring regions, where social services and infrastructure are under heavy pressure from the massive influx of IDPs and from other disruptions caused by the conflict in Donbas. In Phase 1 [2019] of the survey, the situation of IDPs was analysed within the general sample of the population of target settlements in respective oblasts.

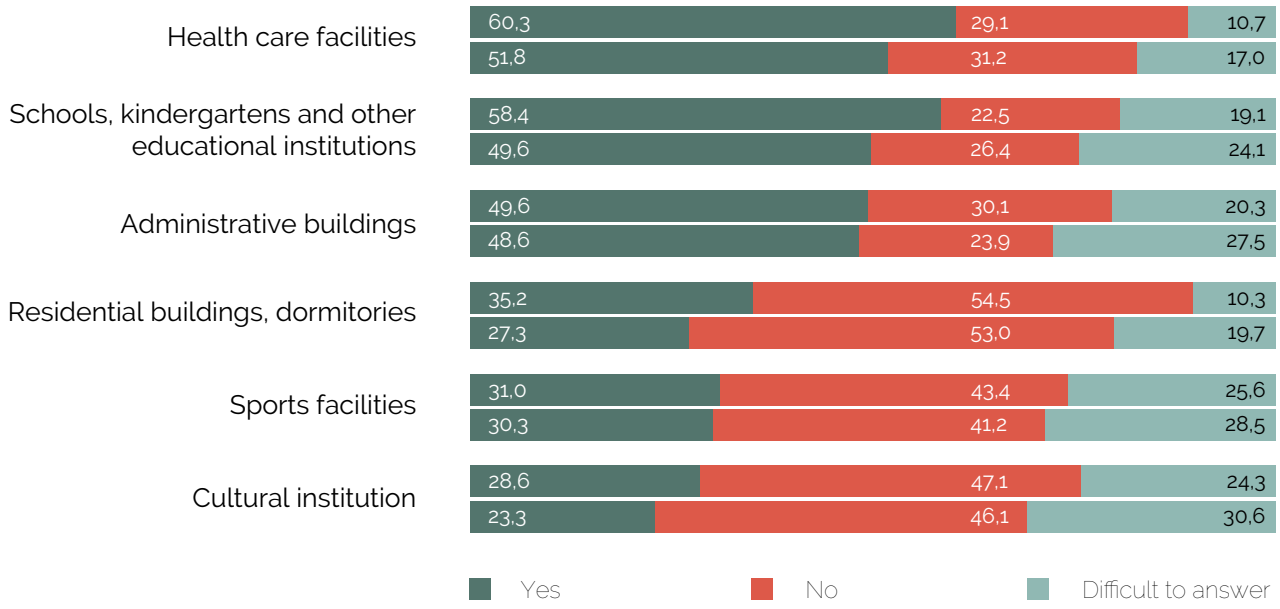
Based on the evaluation of Phase 1 and to better analyse the perceptions of IDPs regarding the life situation in host communities and implementation of recovery projects, the decision was made to conduct in Phase 2 [2020] and Phase 3 [2021] an additional survey (separately from the general population sample) of the IDPs who reside in target oblasts. Same as the general population survey, the survey of IDPs was conducted in the settlements/communities where the UERP sub-projects are in progress or already finished. For the detailed sample of IDPs from target oblasts, please see Table A2.1. in Annex A.

2.1 Awareness of the infrastructure reconstruction

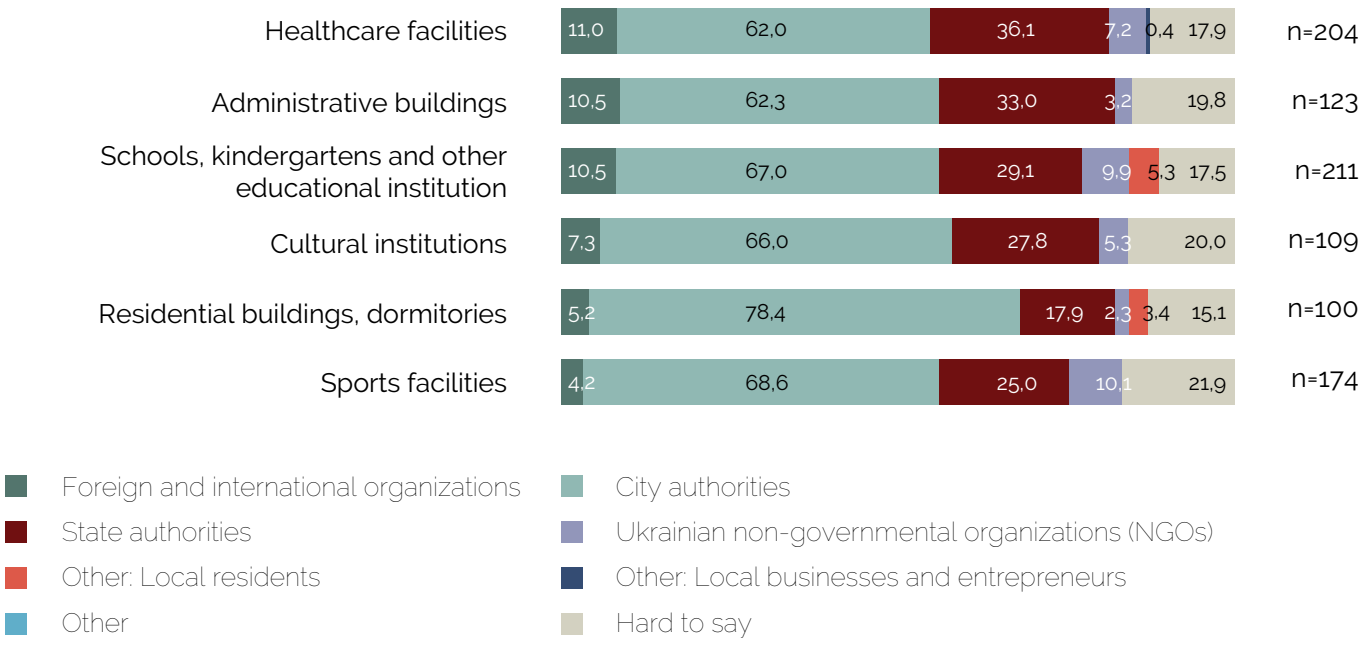
Around half of the surveyed IDPs stated they are aware of the reconstruction of healthcare facilities, schools, and other educational institutions as well as administrative buildings (60.3%, 58.4%, and 49.6% respectively). Compared to Phase 2 [2020], awareness of reconstructions of all infrastructure facilities increased.

The majority of surveyed IDPs perceive the local authorities as the main contributors of such reconstructions – the same as among the general population sample. The level of awareness of the assistance of foreign and international organizations is higher than among the general population – from 4.2% to 11.0% depending on the type of infrastructure facilities.

Graph 2.1.1. **Awareness of the infrastructure reconstruction in the settlement over the last 2 years, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**

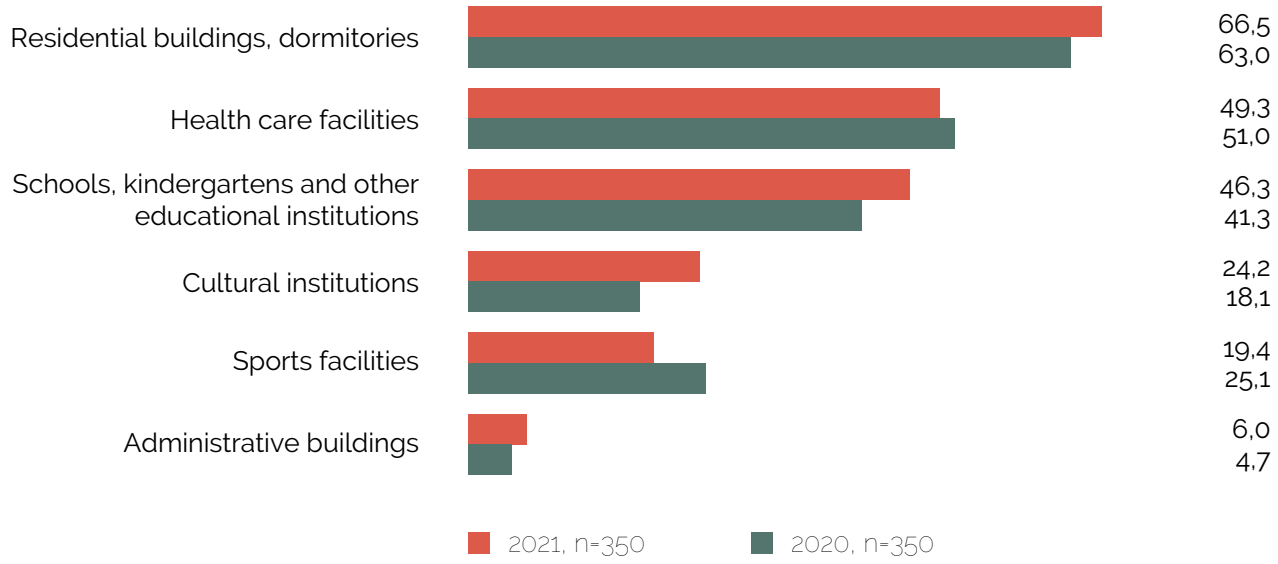


Graph 2.1.2. **Awareness of the contribution to the reconstruction of infrastructure facilities in the settlement over the last 2 years, among surveyed IDPs who answered "Yes" for each type of infrastructure facilities; options sorted by the highest level of awareness of foreign and international organizations' contribution to reconstruction, %**



Regarding the question of what types of social infrastructure need to be recovered the most urgently, the top 3 answers among the IDPs were the same as among the general population: residential buildings, healthcare facilities, and educational institutions. The only difference is that the need to recover residential buildings is far ahead of healthcare facilities (66.5% and 49.3% respectively), and this gap has widened since Phase 2.

Graph 2.1.3. **Breakdown of answers to the question "Which of these infrastructure facilities need reconstruction and improvement in your settlement the most urgently?", among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



During the FGDs, the same types of facilities were discussed as those which need to be restored the most urgently.

"In Mariupol on the coast, there is an abandoned boarding house, either 12 or 14 floors. I want it to be restored and given to people [IDPs] for housing" (IDP, Luhansk Oblast)

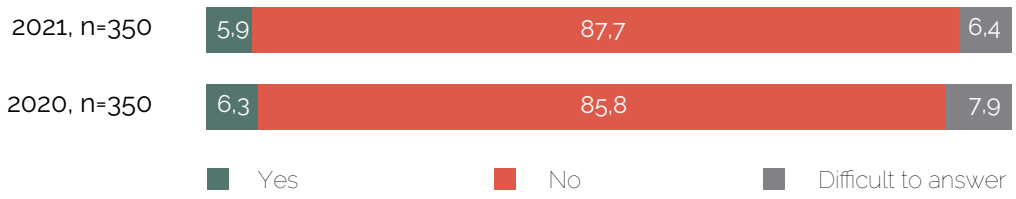
"The local authorities insulated the children's ward, made repairs inside [the hospits]... But all the other wards are in a very poor condition" (IDP, Luhansk Oblast)

"They can hire professors, renovate some building [for IT schools], educate children [in IT]" (IDP, Kharkiv Oblast)

2.2. Awareness of the EIB Ukraine Early Recovery Programme and projects implementation

Among the surveyed IDPs, 5.9% stated they are aware of the European Investment Bank and Ukraine Early Recovery Programme (there is no statistically significant difference as compared to 6.3% in 2020).

Graph 2.2.1. **Awareness of the activities of the European Investment Bank and Ukraine Early Recovery Programme, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



IDPs who indicated that they are aware of the UERP were asked to answer several questions about their awareness of the UERP sub-projects in their settlements and overall satisfaction with the sub-projects implementation.

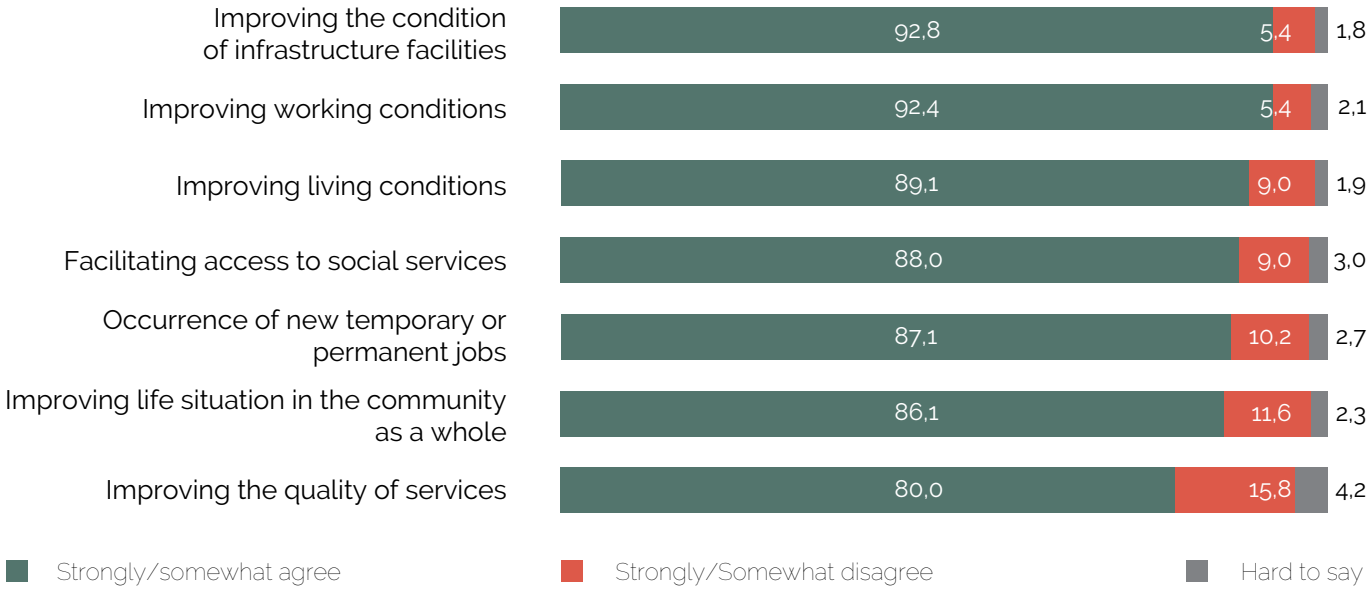
But the total number of such respondents among the overall IDPs sample (16 women and 5 men out of 350 IDPs) is insufficient for analysis.

2.3. Perception of the effects of the infrastructure reconstruction

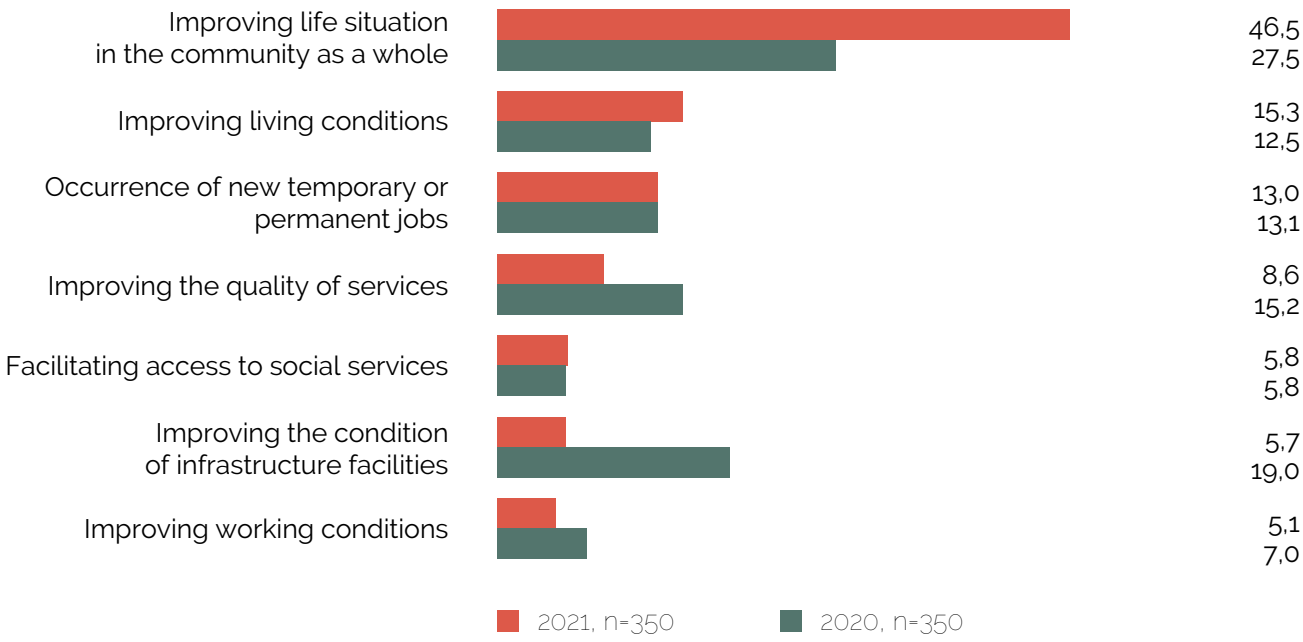
The majority of IDPs from target oblasts believe that the reconstruction of infrastructure objects will improve the condition of these objects (92.8%), improving working and living conditions (92.4% and 89.1% respectively).

Moreover, 46.5% of IDPs believe that improving the life situation in the community is the most important effect of the reconstruction of infrastructure facilities in the settlement.

Graph 2.3.1. **Expected effects of the infrastructure reconstruction in the settlement, among surveyed IDPs, n=350, %**



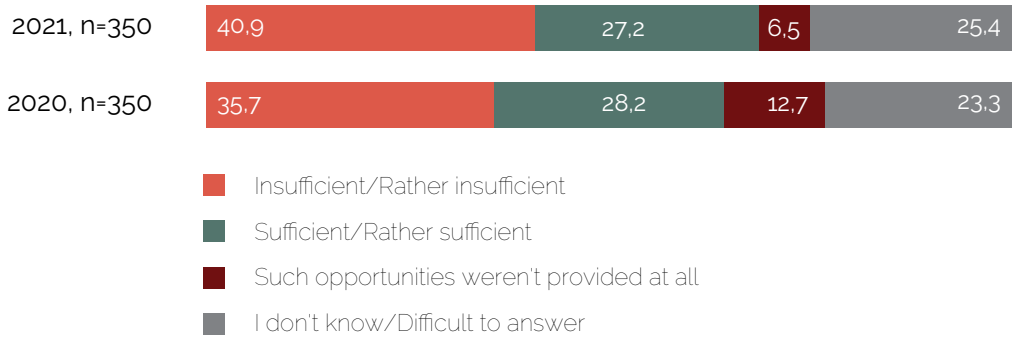
Graph 2.3.2. **Perception of the most important possible effects of reconstruction of infrastructure facilities in the settlement, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



2.4. Opportunities for citizens' participation in decision-making provided by local authorities and self-government bodies

Alike with the general population sample, the surveyed IDPs mostly believe that the opportunities that local authorities and/or self-governments in their settlements provide for citizens to participate in the decision-making process are fully or rather insufficient (40.9%). Only 6.5% of IDPs mentioned that such opportunities were not provided at all, which is lower than in Phase 2 [2020] when 12.7% of IDPs said so.

Graph 2.4.1. **Perception of the sufficiency of opportunities for citizens' participation in decision-making provided by local authorities and self-government bodies, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



Among the means of interaction used by the members of communities to deliver their opinion to local authorities, more than half of IDPs (56.2%) indicated personal meetings or individual appeals; 39.4% – collective meetings and 33.9% – petitions or collective appeals.

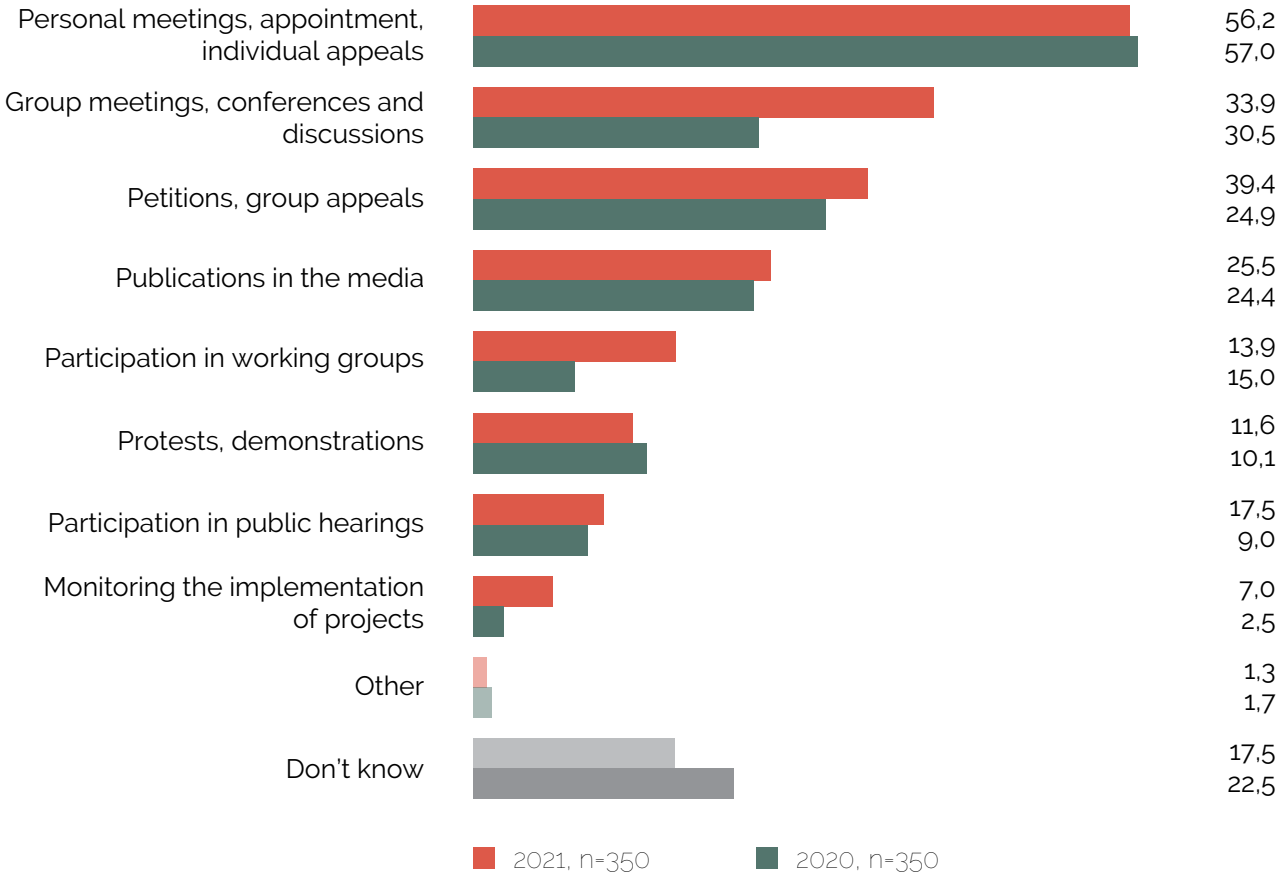
Awareness of the most means of interaction increased in Phase 3 [2021] as compared to Phase 2 [2020]. 17.5% of IDPs were not in a position to indicate the means of interaction with local authorities in the communities they live in (22.5% in Phase 2).

Moreover, 37.2% of surveyed IDPs (compared to 25.5% in Phase 2) take part in community-related public activities, among whom only 6.5% do it regularly. Among FGDs participants, there were also just a few respondents who were somewhat active.

At the same time, most FGDs participants believe that they are active just because they pay taxes. Among the main reasons for not being active is the lack of time, interest, and confidence in the authorities.

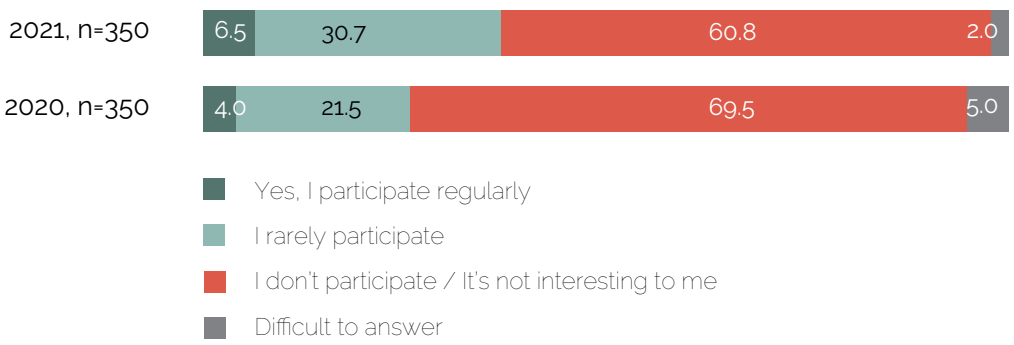
Graph 2.4.2.

Awareness of the means of interaction used by the members of communities to deliver their opinion to local authorities, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %



Graph 2.4.3.

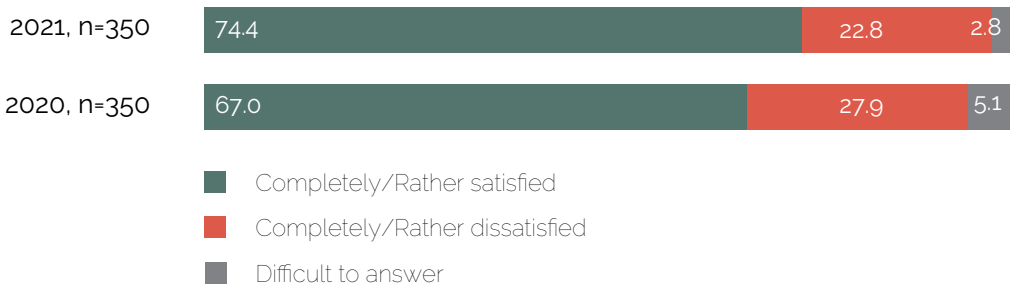
Perception of self-participation in community-related public activities, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %



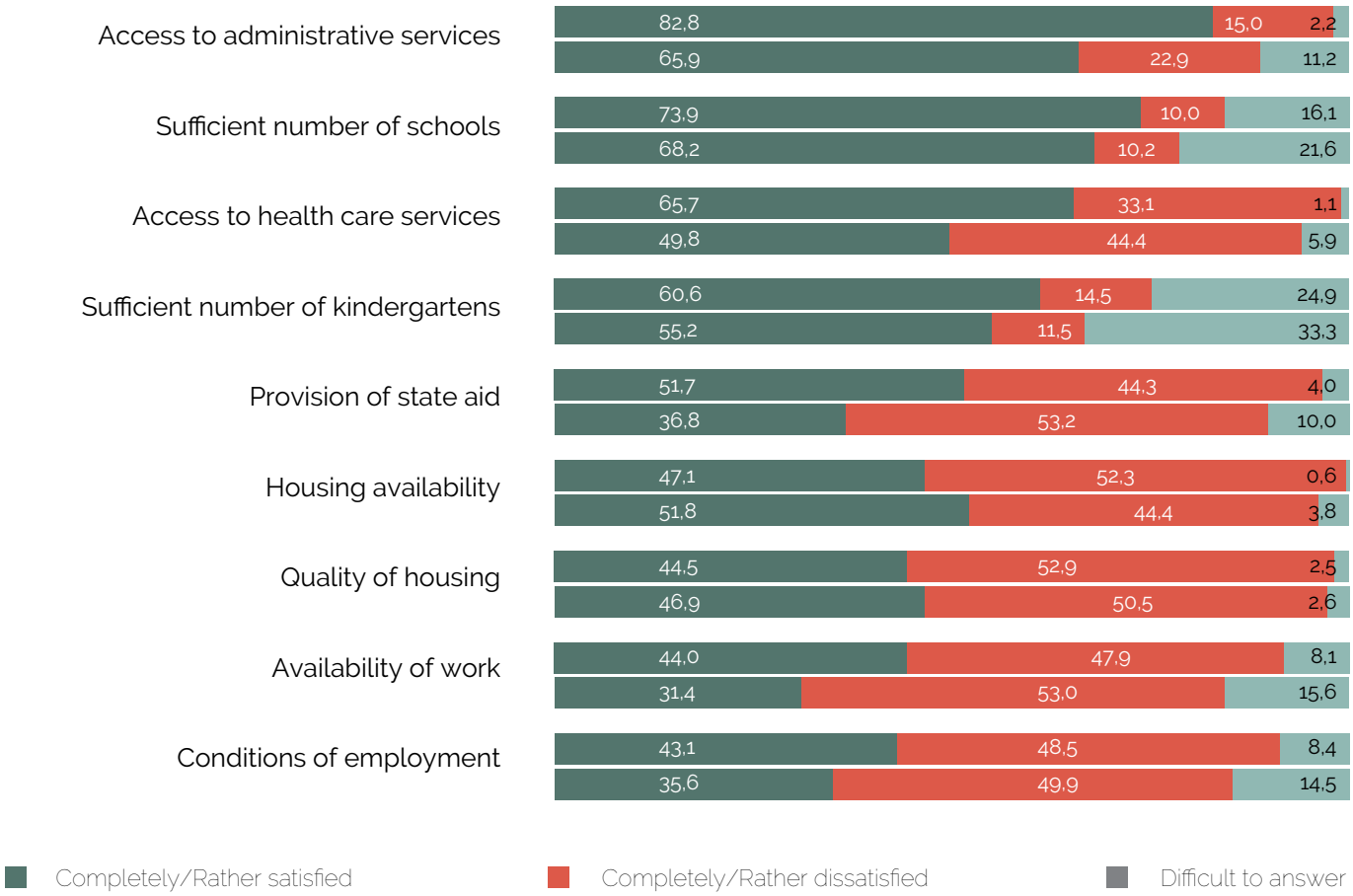
2.5. Satisfaction with the quality of life in the settlement and urgent problems

In general, 74.4% of the surveyed IDPs – about the same share as in the general population sample – are fully or rather satisfied with the quality of life in their settlements. The share of satisfied respondents increased as compared to Phase 2 [2020] when it equals 67.0%.

Graph 2.5.1. **Satisfaction with the quality of life in the settlement, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



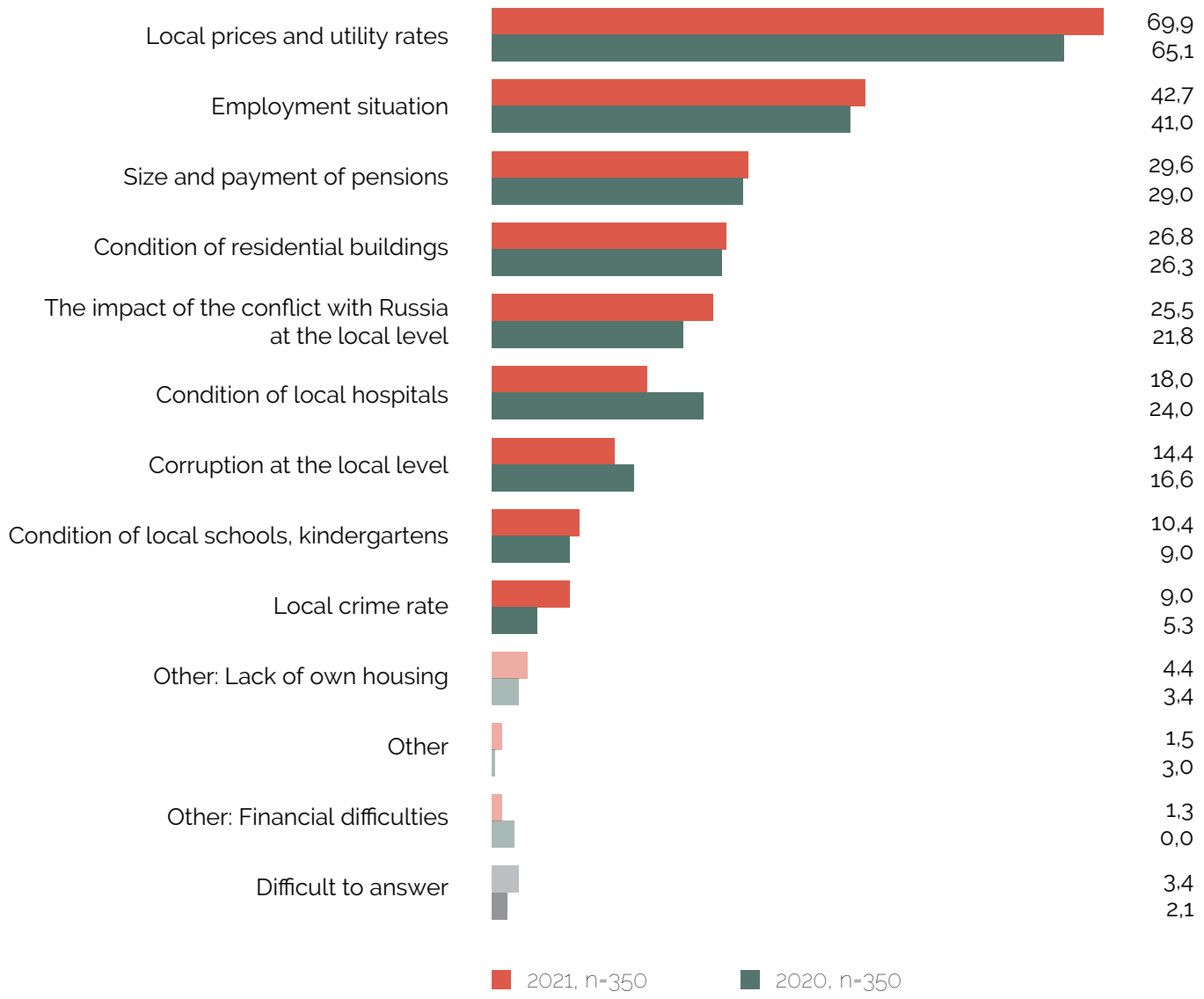
Graph 2.5.2. **Satisfaction with certain life aspects in the settlement, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



Speaking about certain life aspects, the three areas of the highest level of respondents' satisfaction are the access to administrative services (82.8% fully or rather satisfied), the sufficient number of schools (73.9% fully or rather satisfied), and the access to health care services (65.7% fully or rather satisfied).

The satisfaction with all listed life aspects, except housing availability and quality, has increased since Phase 2 [2020]. It is also important to highlight that, unlike the locals, more IDPs are fully or rather dissatisfied with the availability of housing, its condition, and quality.

Graph 2.5.3. **The most urgent problems for local inhabitants, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



The majority of FGDs participants stated that they are generally satisfied with the quality of life in the communities where they live today. Speaking about the main reasons for their dissatisfaction and discomfort, the participants mentioned: (i) no possessing of own housing in the host community; (ii) high price level/price increase; (iii) low level of salary/deficit of working places with a decent level of salary.

Speaking about the most urgent problems, the surveyed IDPs most often mentioned the cost of living, including local prices (69.9%) and the employment situation (42.7%). The answers are similar to those of the general population sample. However, the employment issue is more urgent among IDPs than among the general population.

During the FGDs, the IDPs indicated the housing-related problems as those of the most urgent. Among such problems, the most meaningful are: (i) not possessing an apartment on own property, (ii) high rates for rent. In particular, possession of an apartment in own property is seen as one of the major factors for integration in the host community.

> *"Almost any person feels integrated if he has a home here - that's what keeps him as an anchor"* (IDP, Lugansk Oblast)

2.6. The integration of IDPs in host communities and their plans for future residence

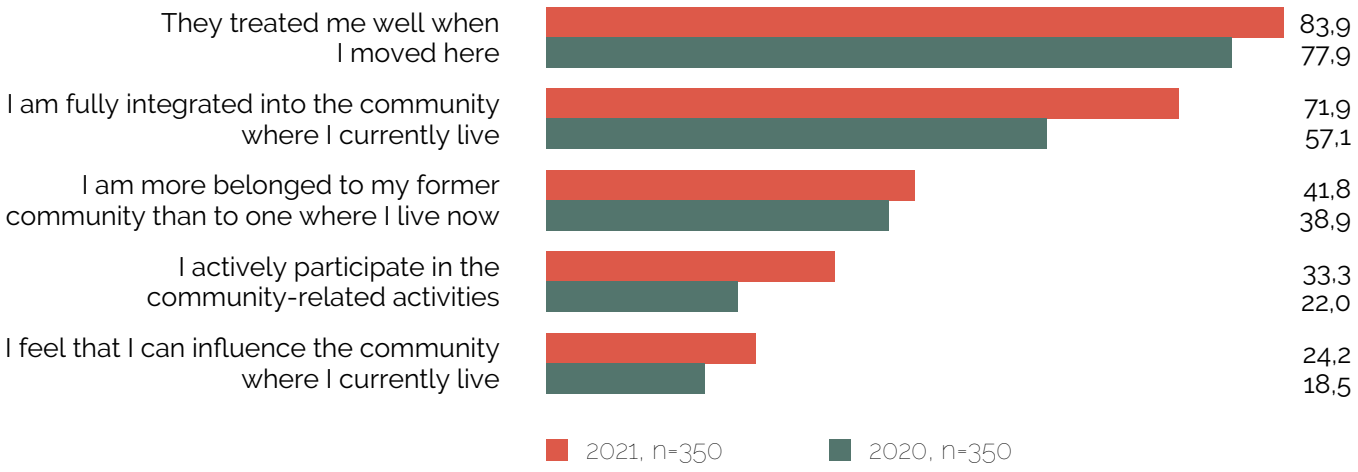
More than two-thirds (71.9%) of surveyed IDPs fully or rather agree with the statement that they have fully integrated into the community where they currently live. So, the self-perception of integration significantly increased since Phase 2 [2020], when 57.1% of the surveyed IDPs reported so. 83.9% of the surveyed IDPs say that they were treated well when moving to a new community.

Still, only a minor share of the surveyed IDPs (33.3%) fully or rather agree with the statement that they actively participate in the community-related public activities or can influence the communities where they live (24.2%).

The IDPs who participated in FGDs also mentioned that currently, they positively assess the social interaction with their host communities, although there was a bias against IDPs when a war conflict in Eastern Ukraine just started. Also, FGDs participants said that the attitude towards IDPs has improved during the last three years.

> *"In the beginning, when we just moved, there was a wary attitude... At the moment, I can say that it has already levelled off"* (IDP, Donetsk Oblast)

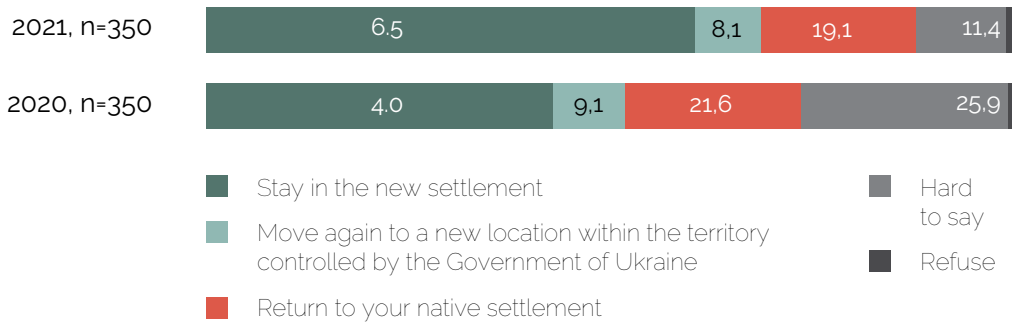
Graph 2.6.1. **The level of self-perception of IDPs in host communities, share of those who fully or rather agree with the statement, among surveyed IDPs, n=350, comparison of the results of Phase 3 and Phase 2 of the survey, %**



"It seems that people were in some way afraid of us at first. That's why they did they not rent out apartments to us... Now everyone got already used to us" (IDP, Odesa Oblast)

Regarding the plans for the future place of residence – 60.5% of IDPs stated they plan to stay in a new settlement; this indicator increased as compared to 42.9% in Phase 2. 19.1% of the surveyed IDPs plan to return to their home settlement, and 8.1% – to move to another place within the territory under the control of Ukrainian Government. It is also worth noting that only 11.4% of the surveyed IDPs find it difficult to answer this question compared to 25.9% in Phase 2.

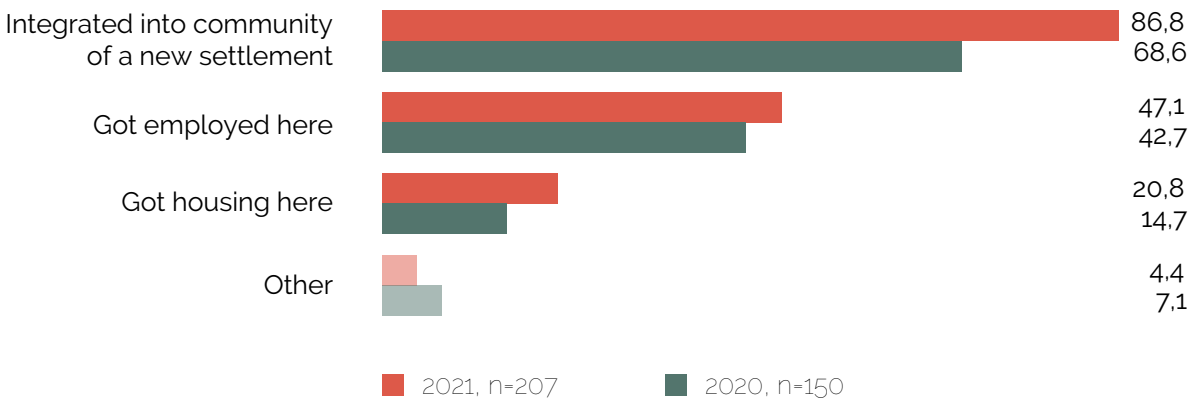
Graph 2.6.2. **Plans for the future residence, among surveyed IDPs, comparison of the results of Phase 3 and Phase 2 of the survey, %**



The main reasons for planning to stay in the current settlement are feeling integrated into a community of a new settlement (86.8%) and getting employed there (47.1%).

Graph 2.6.3.

Reasons for staying in the current settlement, among surveyed IDPs who plan to stay in a new settlement, comparison of the results of Phase 3 and Phase 2 of the survey, %



PART 3.
UERP FINAL BENEFICIARIES' AND COMMUNITY STAKEHOLDERS' OPINION SURVEY

This section presents the outcomes of phone interviews and focus group discussions (FGDs) with the UERP final beneficiaries and a wide range of community stakeholders, namely:

1. local stakeholders: representatives of local authorities and self-government bodies, heads/deputy heads of local councils, regional state administrations, local councils' members, management and staff of the facilities where construction works are carried out;
2. communities' representatives: members of local NGOs, local civil activists, members of parents' committees;
3. representatives of local media;
4. representatives of construction companies/contractors (only FGDs were conducted with this target audience).

As compared to Phase 1, more community stakeholders who were aware of the Programme and specific sub-projects were reached during Phase 2 and Phase 3. Due to the difference in the number of respondents of respective target audiences surveyed in Phase 1 and Phase 2, it is impossible to provide a detailed comparison of the results of the first two Phases, while the comparison is possible for Phase 2 and Phase 3. At the same time, the comparison of the general trends observed in Phases 1 and 2 is provided in respective sub-sections.

The information in this section is presented in the following order: each sub-section stands for a topic and includes the survey results of several target audiences if the topic was discussed with them.

3.1. Awareness of the EIB Ukraine Early Recovery Programme and projects implementation among community stakeholders

The majority of interviewed representatives know about the activities within the UERP: 96% among interviewed *local stakeholders* in 2021 (compared to 92.3% in 2020), 84.6% among interviewed *communities' representatives* in 2021 (compared to 74.1% in 2020). Yet, only 18 out of 26 contacted local *media representatives* stated they are aware of the activities within the UERP in their region, while in 2020, there were 19 out of 21. Thus, the level of awareness is relatively high among target audiences.

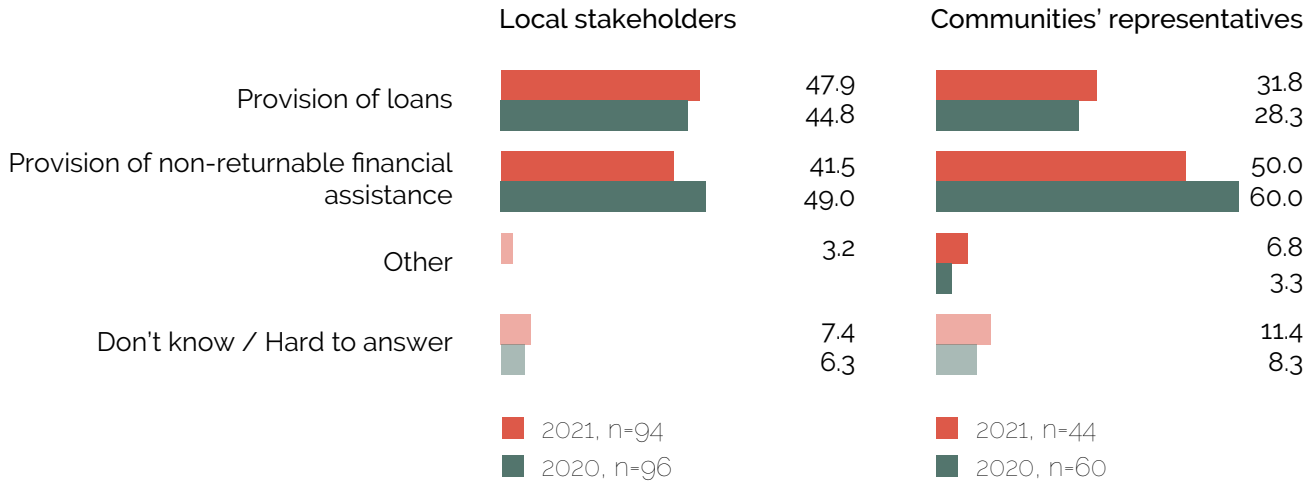
Graph 3.1.1. **Breakdown of answers to the question «Do you know about the Ukraine Early Recovery Programme, which is financed by the European Investment Bank?», %**

A half of interviewed *communities' representatives* (50%) still believe that the provided financial assistance is non-returnable, and a significant number of local *stakeholders* believe the same (41.5%). A smaller share of *local media representatives* (7 out of 18) also thinks that the financial assistance is non-refundable. Yet, there is an observed decrease in the share of respondents who consider the assistance as non-returnable among all the above-mentioned audiences.

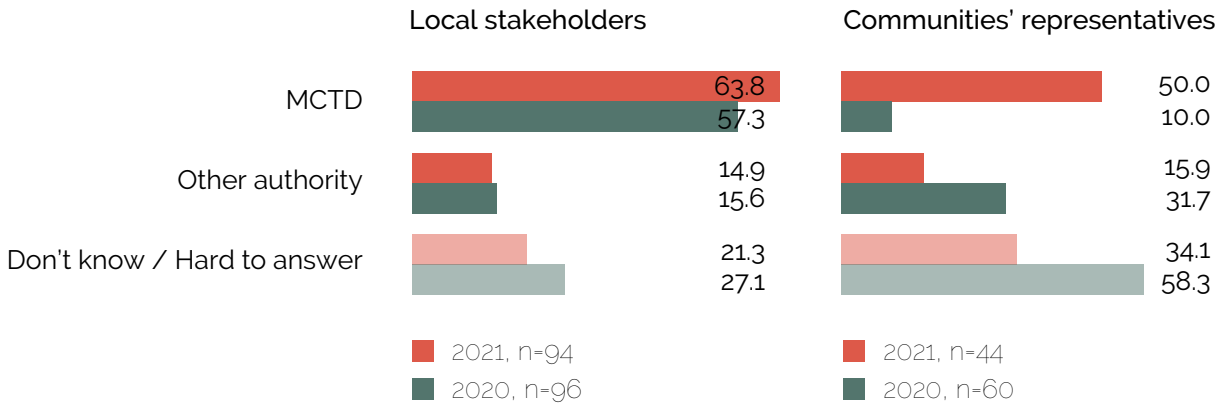
However, not all the community stakeholders are well-informed about the Programme's implementer. 63.8% of *local stakeholders* are aware that on the national level, the UERP is being implemented by the Ministry for Communities and Territories Development of Ukraine (57.3% in 2020), while half of *communities' representatives* are aware of this (a significant increase from 10% in 2020). At the same time, only 7 out of 18 surveyed *media representatives* who are aware of the UERP know that MCTD is the implementor of the Programme (6 out of 19 in 2020), while most of them – 11 out of 19 – either believe it's being implemented by other authorities or are not aware of the implementer at all.

Among the local stakeholders, who stated they are aware of the UERP, 93.6% are informed about specific sub-projects in their settlements. Among communities' representatives, who stated they are aware of the UERP, 81.8% are informed about specific sub-projects. With it, among media representatives, this level of awareness is only 10 persons out of 18.

Graph 3.1.2. **Breakdown of answers to the question "From what you know, what are the sources of funding and conditions of implementation of the Programme", among those who are aware of the UERP, %**



Graph 3.1.3. **Breakdown of answers to the question "As far as you know, which state authority implements the UERP at the national level?", among those who are aware of the UERP, %**



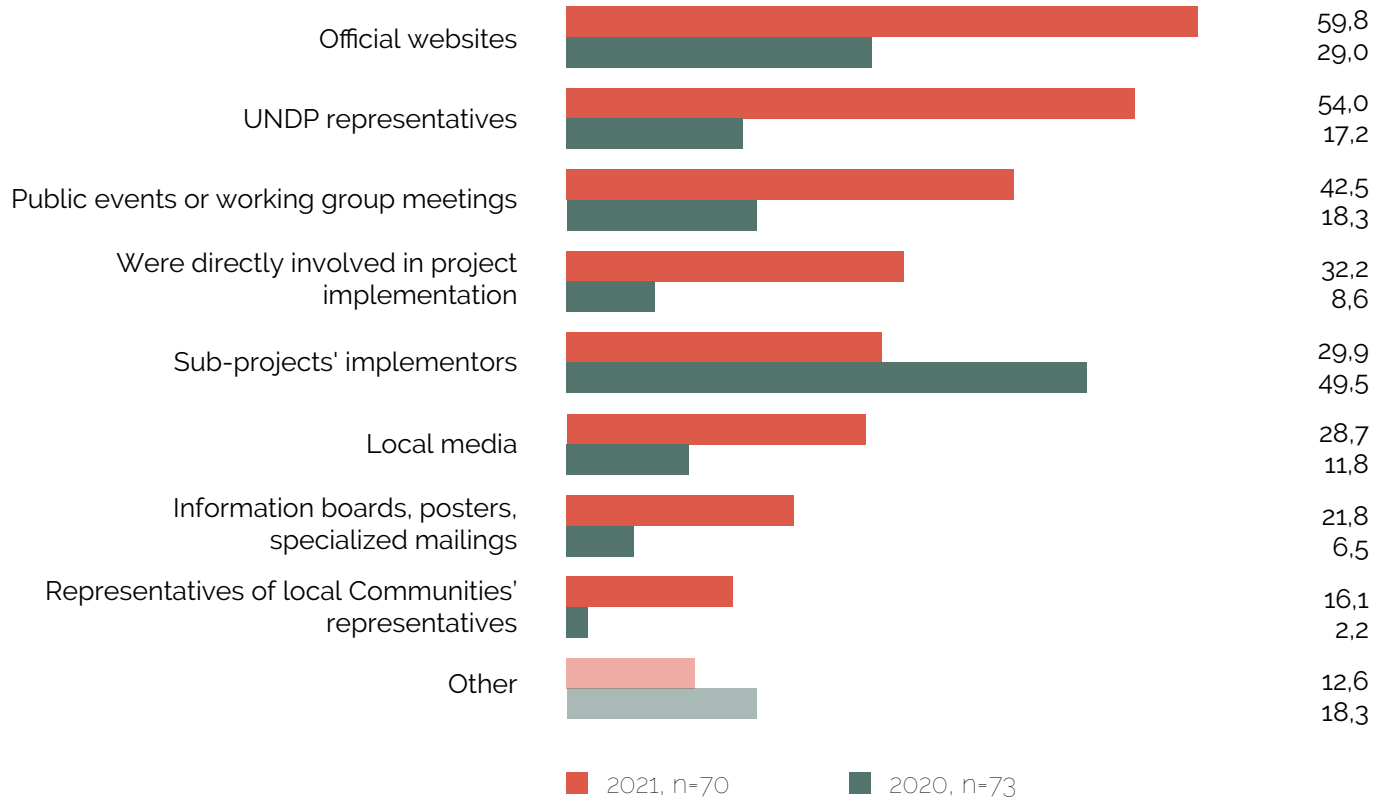
The sources of information about the UERP sub-projects vary among different target groups. In 2020, almost half of *local stakeholders* (49.5%) got information about the UERP sub-projects from the sub-projects implementors. In 2021, the major sources were official websites (59.8%) and UNDP representatives (54%).

Graph 3.1.4.

Breakdown of answers to the question "Are you aware of reconstruction projects of social infrastructure – schools, kindergartens, health care facilities, dormitories – which are implemented or completed under the UERP in your settlement, community", %

Graph 3.1.5.

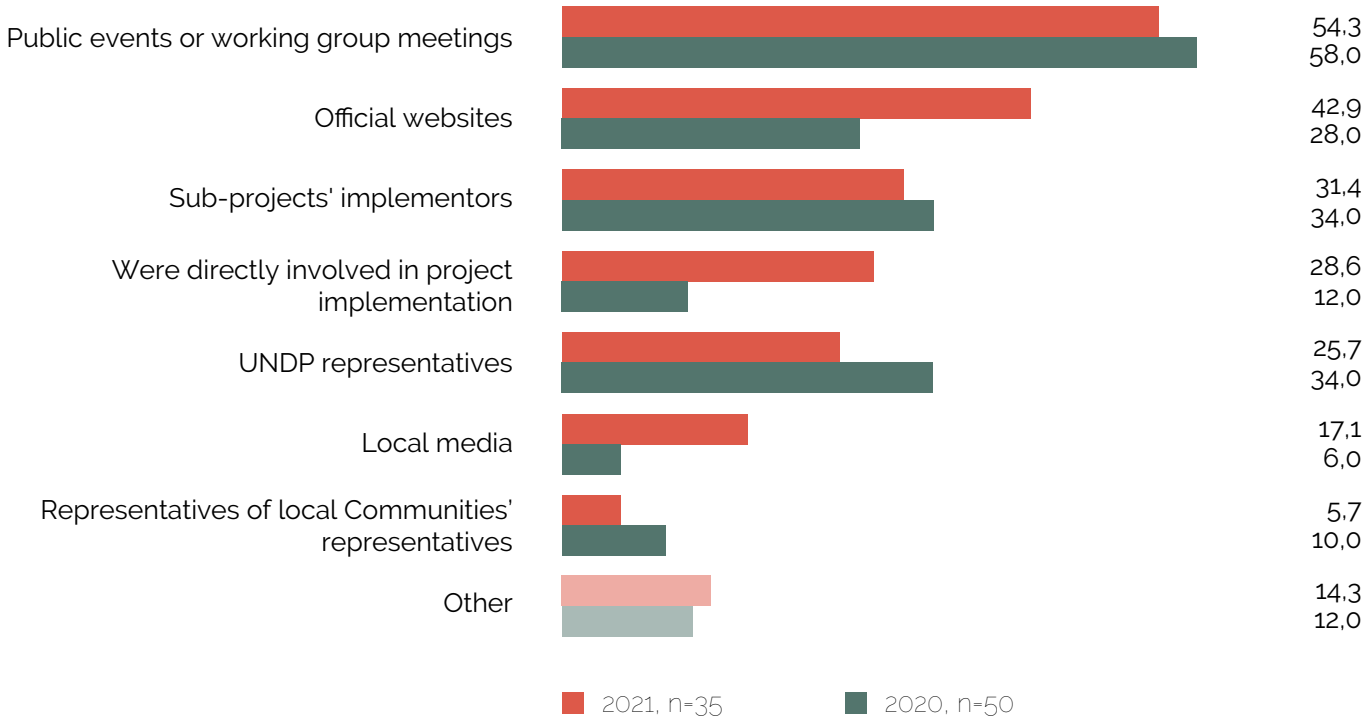
Breakdown of answers to the question "Where did you get the information about the UERP sub-projects from?", among local stakeholders who are aware of the UERP sub-projects in their community, %



The majority of *communities' representatives* receive information about the sub-projects in their settlements from public events or working group meetings – 54.3% (58% in 2020) – which remains the primary source of information.

As for the *local media representatives*, the main source of information is local official websites (7 out of 10) and organizations implementing sub-projects (5 out of 10).

Graph 3.1.6. **Breakdown of answers to the question "Where did you get the information about the UERP sub-projects from?", among communities' representatives who are aware of the UERP sub-projects in their community, %**



Most *contractors* got information about the possibility of participating in the implementation of sub-projects from the ProZorro public procurement platform[2]. However, in Donetsk and Luhansk oblasts, at the focus group, participants concluded that the primary source is unofficial contacts.

> *"There are thousands of these tenders on ProZorro. Of course, it is difficult to monitor them"* (Contractors, Donetsk Oblast)

2 Open e-procurement platform in Ukraine where the tender announcements for procurement of goods, works and services at public expense are published according to the Law of Ukraine "On Public Procurement"..

3.2. UERP sub-projects' impacts and compliance with the needs of local communities

64.9% of the interviewed final beneficiaries claimed they conducted the assessment of the needs of local communities in 2020. In 2021, the percentage increased to 74.1%. It should be noted that the most significant increase was of those who conducted both community's needs and risks of sub-projects implementation assessments (from 29.8% to 51.2%).

Graph 3.2.1. **Breakdown of answers to the question "Before submitting the sub-project application, did you conduct an assessment of needs of local community, including the needs of IDPs and vulnerable groups, as well as risks assessment?", among the final beneficiaries, %**

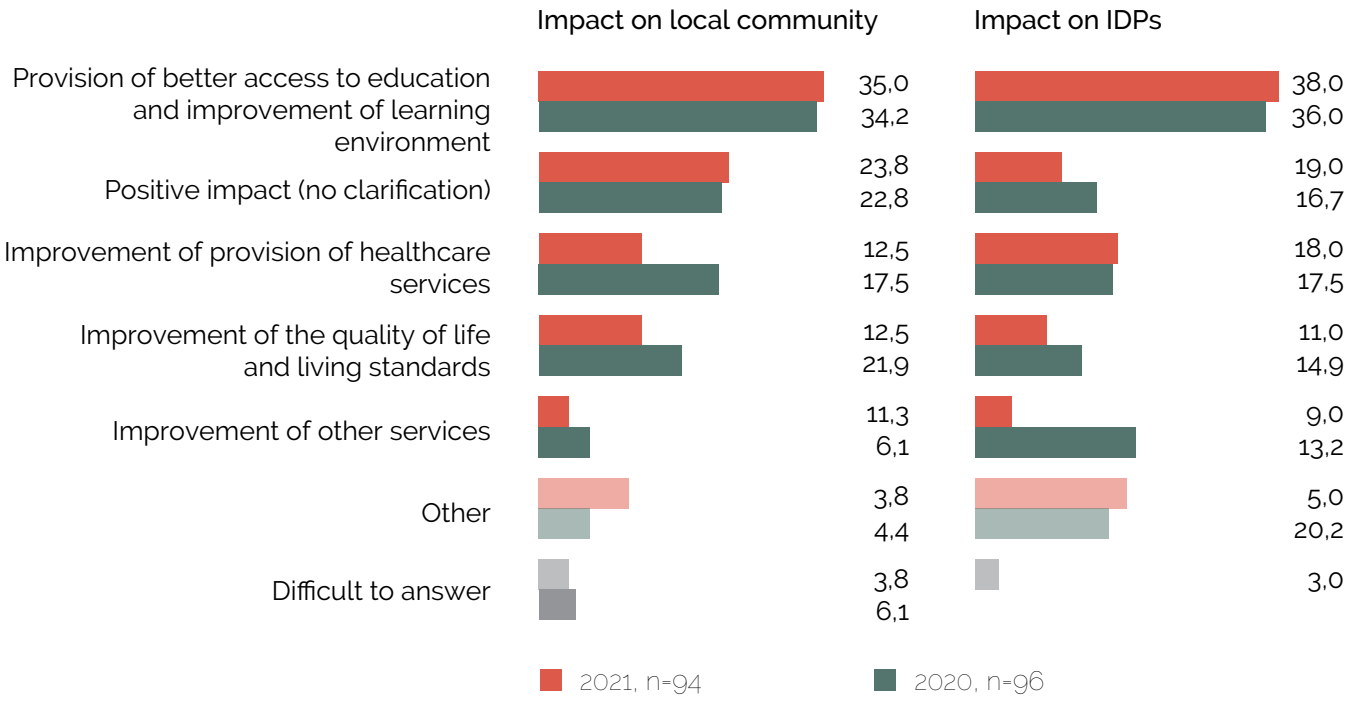
In 2020 and 2021, the majority of final beneficiaries who did not conduct such assessments could not name the exact reasons for not performing such activities. Those final beneficiaries either stated that such actions were undertaken by other departments/organizations or were out of their scope of work.

Among the **main needs of local communities and IDPs**, many *final beneficiaries* who conducted community's needs and risks assessment (42 in total) mentioned in 2021: the need for repair, insulation, and improvement of conditions of educational institutions (16 respondents indicated as needs of the local population and 12 respondents as needs of IDPs), the need for quality and affordable healthcare (12 respondents indicated as needs of the local population and 13 respondents as needs of IDPs), and the need to improve living conditions (9 respondents indicated as needs of the local population and 10 respondents as needs of IDPs). The tendency didn't change since 2020.

Among the **main risks of sub-projects implementation**, the *final beneficiaries* who conducted the risks assessment (42 in total) identified: the problems with financing and inflation (10) and the risk of not finishing the sub-project on time (8) – the prioritization of risks didn't change since 2020.

In 2020 and 2021, the *final beneficiaries* perceive a positive **impact** of sub-projects on both local community members and IDPs, mostly in terms of better access to services (education, healthcare) and improvement of the quality of life and living conditions. 23.8% and 11.0% of final beneficiaries also stated that sub-projects positively impact their communities and IDPs, respectively, but did not provide additional clarification on the essence of this impact.

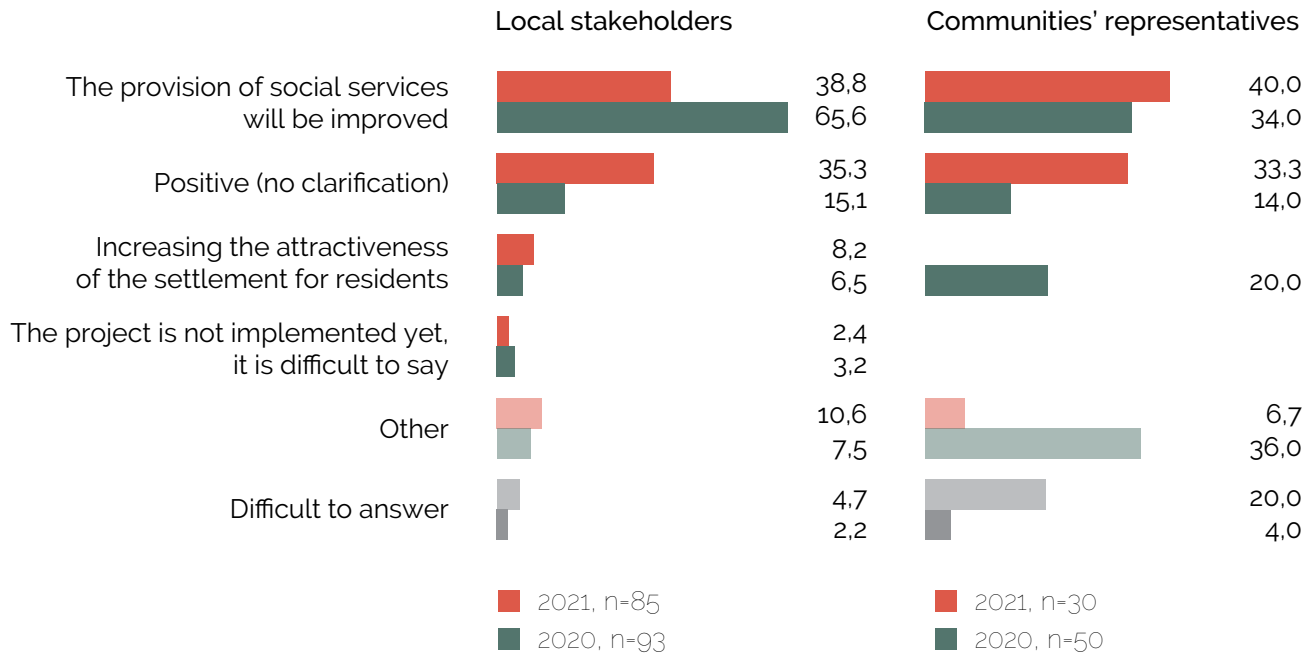
Graph 3.2.2. **Breakdown of answers to the questions "What impact on local residents/ IDPs do you observe or expect as a result of the UERP sub-projects implementation?", among the final beneficiaries, %**



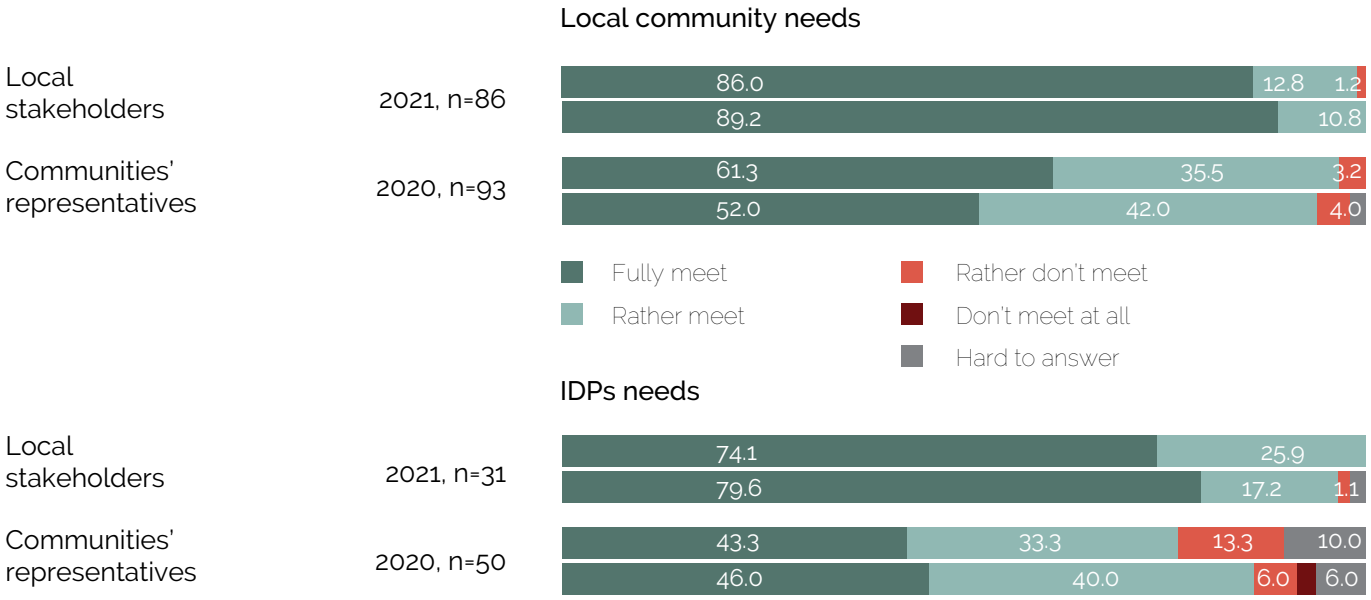
Many of both *local stakeholders* and *communities' representatives* observe or expect an improvement of social services as a result of the UERP sub-projects: 38.8% and 40%, respectively. Also, both target audiences have a significant share of those who believe in a generally positive effect on local residents: 35.3% and 33.3% respectively.

The overwhelming majority of *local stakeholders* and *communities' representatives* who were surveyed over the phone believe that the UERP sub-projects implemented in their settlements meet the needs of both local community and IDPs. Except for the *communities' representatives'* point of view on IDPs needs, the shares of those who think that projects fully or rather meet the needs exceed 96%.

Graph 3.2.3. Breakdown of answers to the questions "What impact on local residents do you observe or expect from the implementation of the UERP sub-projects?", %



Graph 3.2.4. Breakdown of answers to the questions "In your opinion, do the submitted or implemented sub-projects meet the needs of local community/IDPs?", among local stakeholders and communities' representatives who are aware of the UERP sub-projects in their community, %



"Yes, we also have projects that meet the needs [of residents], even in terms of IDPs. We have people who came to us from big cities for a permanent place of residence. And they have a very high bar for the services provided in the community. There is a swimming pool, a music school. These are the services that are needed. This is what they are used to: that there is an opportunity to play sports, to receive some cultural services." (Local stakeholders, Donetsk Oblast)

"Given that these are schools and the Palaces of Culture, kindergartens, hospitals – this is 100% hit. At least one, two, three in the community. And IDPs are also interested in this. Because often there are more places and more opportunities after the reconstruction." (Communities' representatives, Zaporizhzhia)

The perception of whether the UERP sub-projects meet the local community's needs among the representatives of local media is like among the other target groups. All of the *media representatives* (10 out of 10 in 2021 and 18 out of 18 in 2020) believe that the sub-projects fully or rather meet the needs of local communities, while all respondents in 2021 and 16 out of 18 in 2020 mentioned that the sub-projects meet the needs of IDPs who reside in their settlement.

3.3. Main problems of the UERP sub-projects implementation

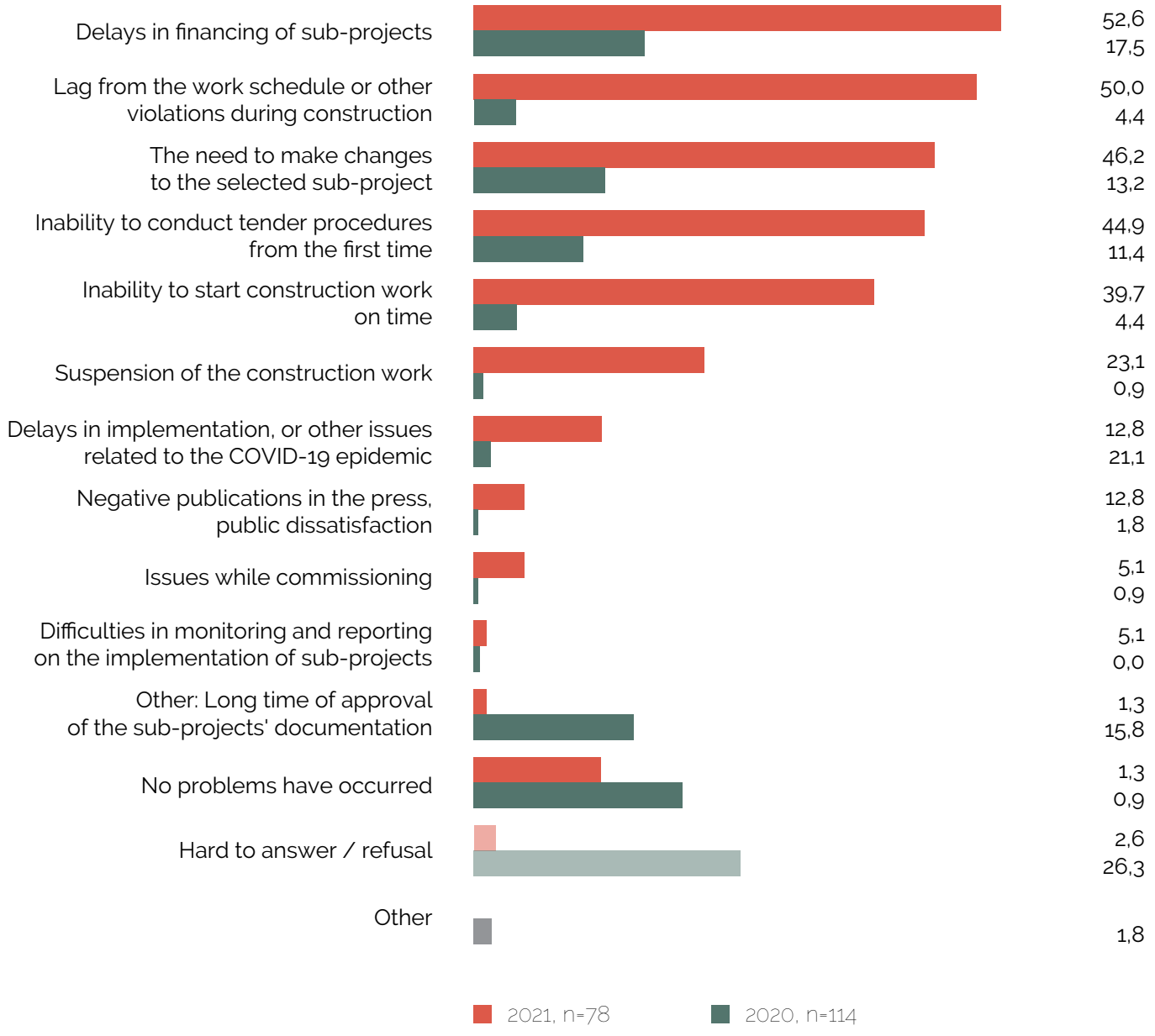
The share of *final beneficiaries* who have not encountered any problems when implementing sub-projects decreased from 21.1% in 2020 to 12.8% in 2021. Drastically increased the shares of most mentioned problems: delays in financing – from 17.5% to 52.6%, delays in work schedule – from 4.4% to 50%, etc. The changes can be explained by moving to later stages of sub-projects and accumulation of issues faced by the respondents.

Based on the opinions collected during the FGDs of both the final beneficiaries and other stakeholders (during all phases), the two main problems of the UERP implementation were identified: 1) delayed procedures of decision making and approval of related documents, and 2) delayed payments/funding of sub-projects. Both problems finally lead to delays and losses in construction works and overall sub-project implementation.

"The bureaucratization of the process - this is what hurts us now. Until now, the money has not reached us. They should have been at the beginning of the year. For some reason, we don't have the money yet. That is why both our contractors and we suffer. We closed the largest Palace of Culture for renovations, broke it in half, and we didn't go any further. We are running out of time.

I understand that approval, proofreading of projects are all necessary and important. But when, in fact, a decision has already been made, I would like us not to disrupt the planned work due to the lack of funding, which such a respectable organization guarantees. That is all serious and very disappointing that it turns out that way." (Local stakeholders, Donetsk Oblast)

Graph 3.3.1. **Breakdown of answers to the question "Which problems have you/your team faced when implementing the UERP sub-projects?", among the final beneficiaries, %**



"We faced a problem at the very beginning when we were already starting to carry out the work. We were given only 12% for prepayment, although it had to be up to 30% according to the contract. And naturally, the contractor expected to complete about 30% of the work. We started last year in the fall. And it turned out that there was not enough money. The roof was dismantled. And as they say, further work had to be suspended. And we had floods there, and everything else..." (Final beneficiaries, Donetsk Oblast)

According to final beneficiaries, lags from the work schedule or other violations during construction were addressed mainly through consulting with a contractor (25.6%), adjusting sub-projects design (23.1%), and other communication with responsible parties, e.g., MCTD, other state or local authorities (23.1%). Delays in financing were addressed mainly due to communication with responsible parties (34.2%).

As for the contractors, their main issues from focus groups are:

1. Financial issues
    a. a..Inability to do proper financial management due to unreliable financing (delays).
    b. Payments can be cut or decreased.
    c. Due to the payment delays, contractors have spent too much of their working capital or own money.
    d. Issues with VAT compensation.
    e. Requirements of bank guarantees for both contract and pre-payment.
    f. If the sub-project is delayed, prices can increase, which requires additional unplanned expenses.
2. Inflexible fixed-price[3] contracts
    a. It does not allow changing types of work and performing additional works, if necessary, while sub-project design documentation can have flaws that require adjusting.
    b. The project can become outdated due to the implementation of new national regulations, standards. Also, some materials or equipment cannot be purchased/ rented since they are not available at the market.

3 According to Decree No. 293 issued by the Ministry of Regional Development, Construction, Housing and Communal Services of Ukraine on 5 July 2013, the fixed contract price is defined as a fixed estimate, which can be adjusted only in some cases with the consent of the parties in the manner prescribed by the contract.

"Last year, I realized that we might not get this money at all. I would break the contract. But I can't break it either, because there is a bank guarantee that I will lose if I stop working. And so it turns out that because of all this, work is being carried out in jerks. That is, as long as I have working capital, I do the job. If I run out of them, I stop and wait for the payment. Now I have a total debt of about ten million. I stopped work because, as my colleagues said, funding was cut for me, like for everyone else. It is not clear why. We planned to fulfil everything that we had promised... They somehow decided that we would not finish these works by the end of the year. But as a result, we stopped in September. And instead of implementing the contract in October, November, December, I will not do it. Because, first of all, I have no money. Secondly, if I bring them in, I'm unsure if I will get them back this year." (Contractor, Donetsk Oblast)

Due to the issues mentioned above, some contractors are concerned that the UERP sub-projects are not commercially attractive to respectable companies and have a lot of reputational risks. Therefore, other projects can be more interesting, including public-funded from state or local budgets.

The above-mentioned issues were also mentioned by the UERP final beneficiaries and local stakeholders in Phase 1 and Phase 2 of the survey. No new problematic areas or bottlenecks were indicated. Yet, it seems like payment delay has become a more concerning issue for the contractors.

The main means used for problem-solving, which were reported by the contractors, are:

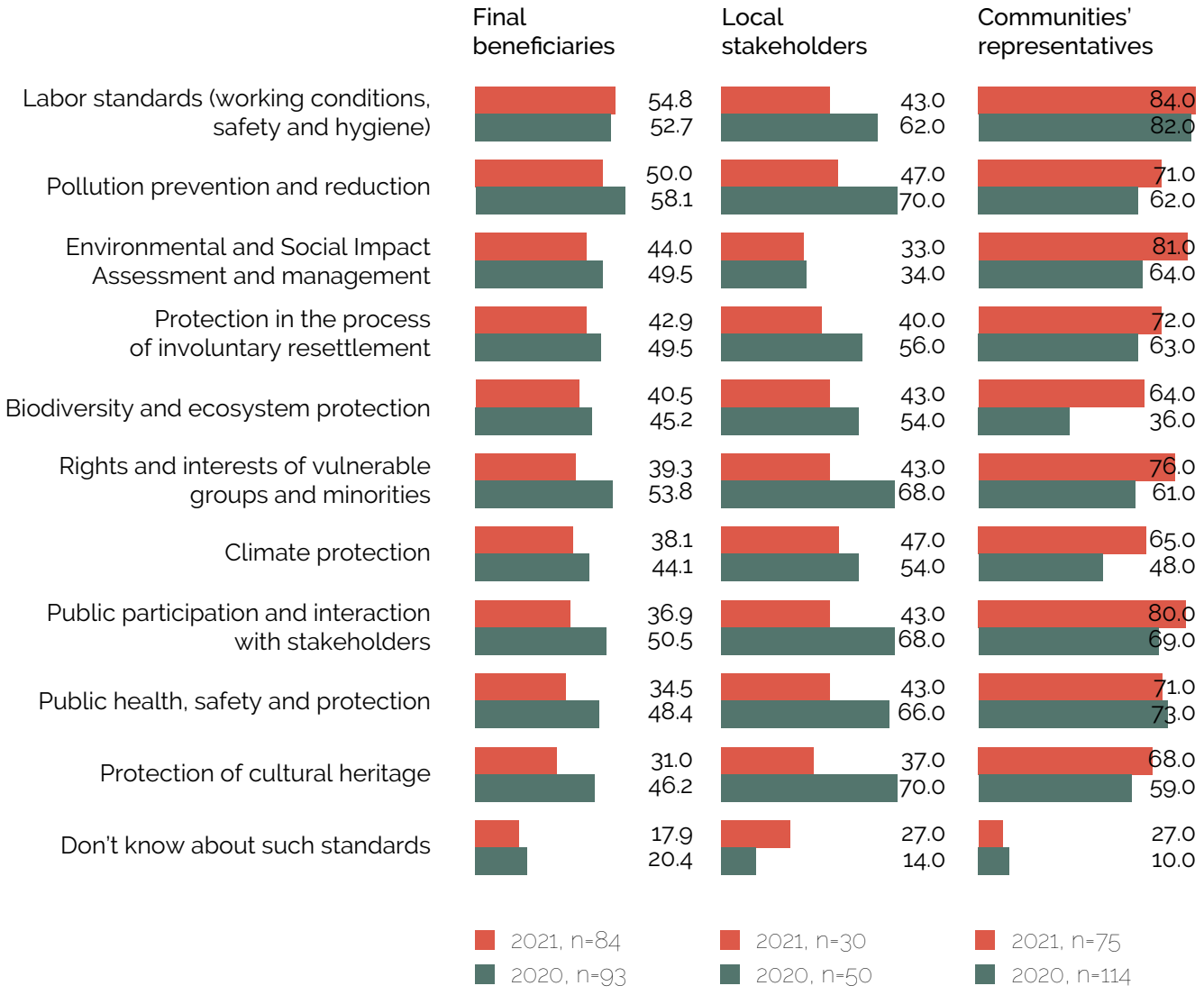
- official correspondence, and
- final beneficiary-UNDP-contractor meetings and consultations, with the involvement of government agencies, local authorities.

In 2020, only 1.8% out of all surveyed final beneficiaries mentioned that there were some delays because of the pandemic restrictions. In 2021, the share of those who have indicated that COVID-19 is a problem for the implementation of the UERP sub-project(s) increased to 12.9%.

3.4. EIB Environmental and Social Standards: awareness and compliance

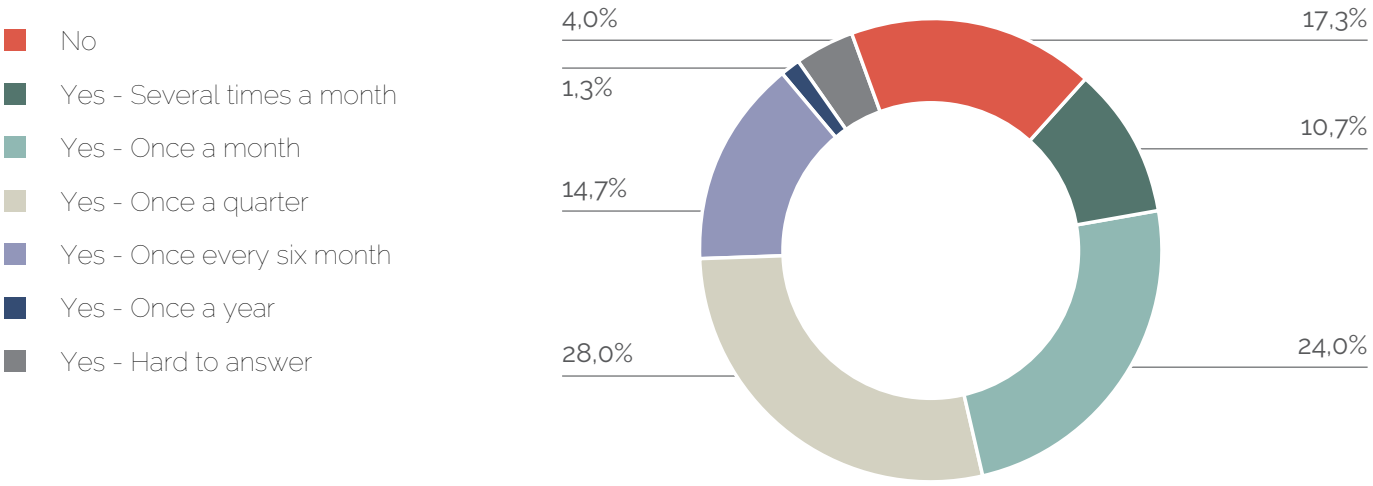
Among final beneficiaries and community stakeholders, the level of declared awareness of EIB standards is quite high. 92% of *final beneficiaries* stated they are aware of at least one standard. 82.1% of *local stakeholders* and 73% of *communities' representatives* stated they are aware of at least one EIB standard.

Graph 3.4.1. **Breakdown of answers to the question "To the best of your knowledge, what are the Environmental and Social Standards of the European Investment Bank?", among final beneficiaries, local stakeholders, and communities' representatives , %**



82.7% of *final beneficiaries* reported that they conducted monitoring of compliance with EIB environmental and social standards in implementing the sub-projects. 34.7% of all final beneficiaries monitor the compliance at least once a month, and in total 78.7% monitor once a year or more often.

Graph 3.4.2. **Breakdown of answers to the questions "Do you regularly monitor compliance with EIB environmental and social standards in the implementation of the sub-project(s)? and "How often?", among final beneficiaries, %**



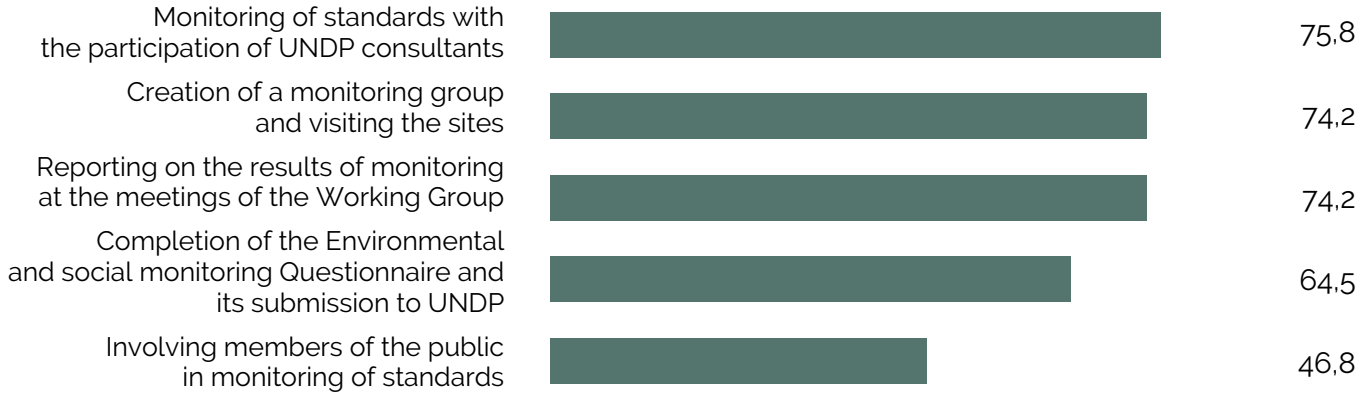
Primarily, the monitoring of compliance with the standards is conducted with the participation of UNDP consultants (75.8% among those final beneficiaries who monitor the compliance), with the creation of monitoring groups and visiting the sites (74.2%) and reporting on the results of monitoring to the Working Groups (74.2%). 46.8% of surveyed final beneficiaries involved the members of the public in the monitoring of standards.

Among the 13 final beneficiaries who do not monitor the compliance with EIB environmental and social standards, 4 stated that it wasn't their responsibility, 4 – that there was no need in the monitoring and 1 that they didn't have enough information to conduct the monitoring.

Most of the contractors were unable to name the main EIB standards, as in Phase 2, either referring to the fact that the contract was signed long ago or saying that they were not personally involved in monitoring the documents, including Environmental and Social Covenant, during the tenders. The representatives of the contractors stated that they carry out construction works in accordance with Ukrainian legislation. The contractors pointed out that if one works responsibly, honestly, and complies with the law, then one will not violate any of the above-mentioned standards.

Graph 3.4.3.

Breakdown of answers to the question "How do you carry out such monitoring?", among final beneficiaries who monitor compliance with EIB environmental and social standards, %

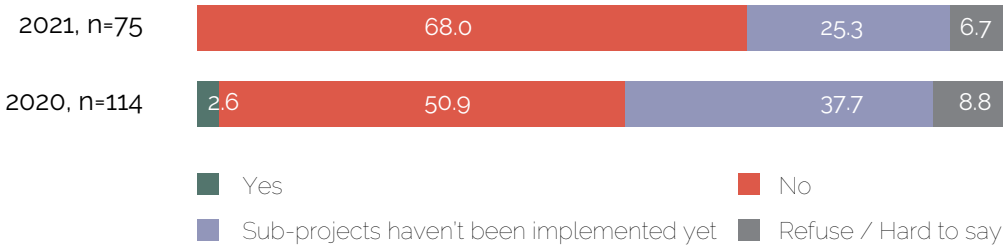


> *"Nothing more than Ukrainian legislation requires. Compliance with labor protection standards, helmets, vests, cables, belts on the site. No more. Information board. These are the same things that building management requires. There are no specific additional restrictions [from the EIB] for us on the performance of work."* (Contractors, Luhansk Oblast)

In terms of compliance with the EIB Environmental and Social Standards, while implementing sub-projects, among the surveyed *final beneficiaries*, none reported that there were instances of non-compliance, and one in four reported that their sub-projects are not yet started, and this share decreased: 25.3% in 2021 vs. 37.7% in 2020.

Graph 3.4.4.

Breakdown of answers to the question "In your opinion, were any of these standards not met during the implementation of your sub-project(s)?", among all final beneficiaries, n=75, %

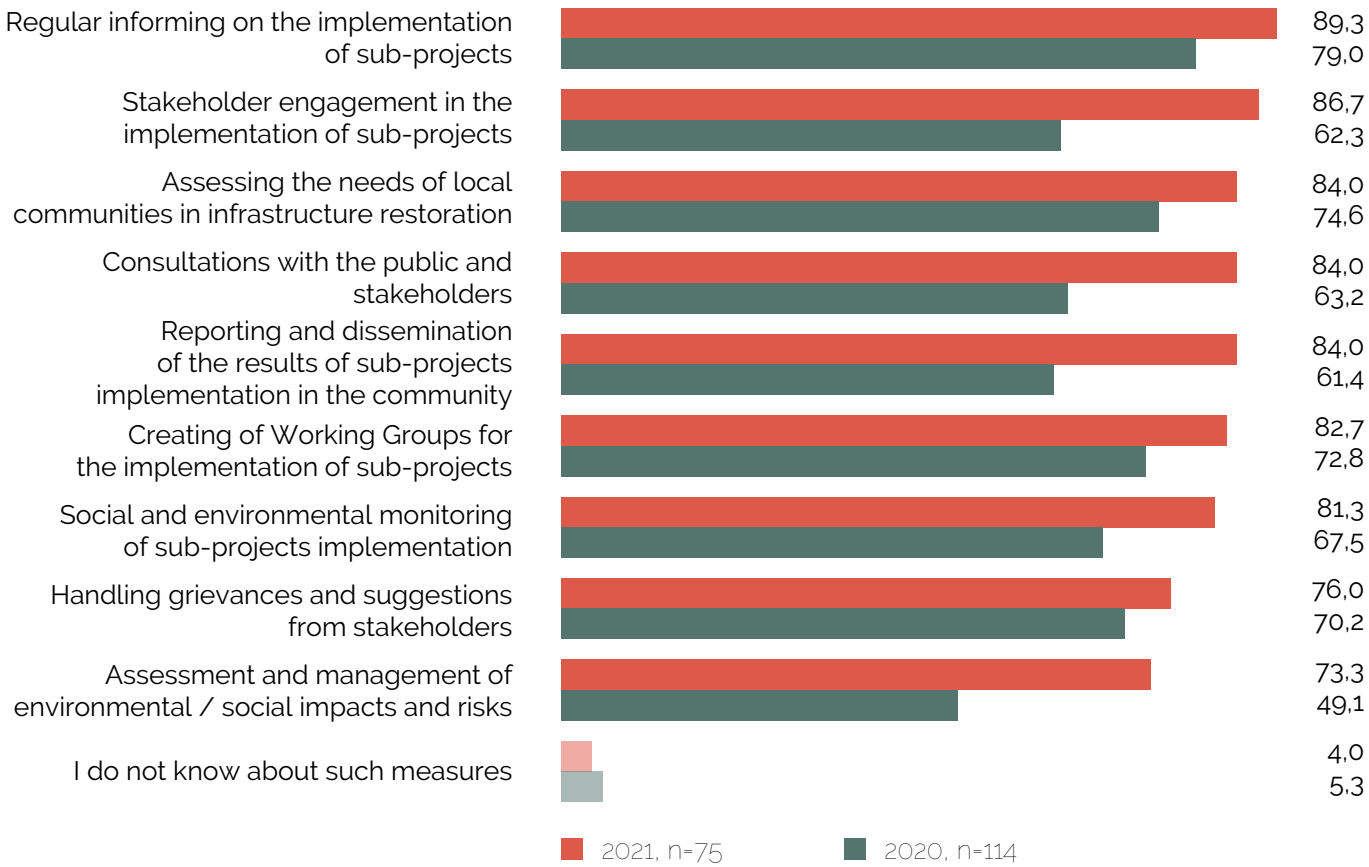


All *local stakeholders* stated that all standards were met as well. Two *communities' representatives* reported issues regarding labour standards (working conditions, safety and hygiene), and one reported on the violation of protection in the process of temporarily resettlement. Among the main reasons which caused such issues, the *communities' representatives* indicated the lack of control and new authorities.

3.5. Social management and stakeholders engagement within the UERP

96.0% in 2021 vs 94.7% in 2020 of *final beneficiaries* mentioned that they are aware of at least one social management and stakeholder engagement activity within the UERP[4]. The awareness of all engagement activities within the UERP significantly increased. The best-known activities mentioned by the interviewed final beneficiaries are regular informing on the implementation of sub-projects (89.3% in 2021 vs 79.0% in 2020) and stakeholder engagement in the implementation of sub-projects (86.7% vs 62.3%).

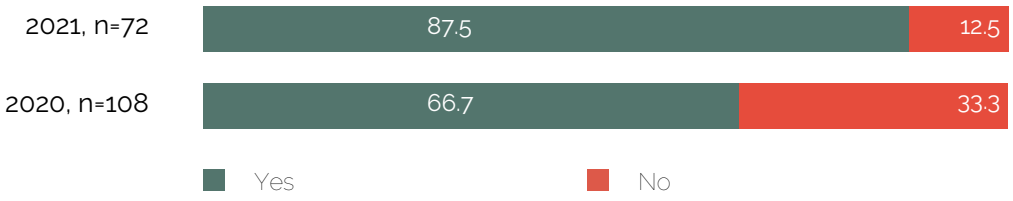
Graph 3.5.1. **Breakdown of answers to the question "What social management and stakeholder engagement activities within the UERP are you aware of?", among final beneficiaries, %**



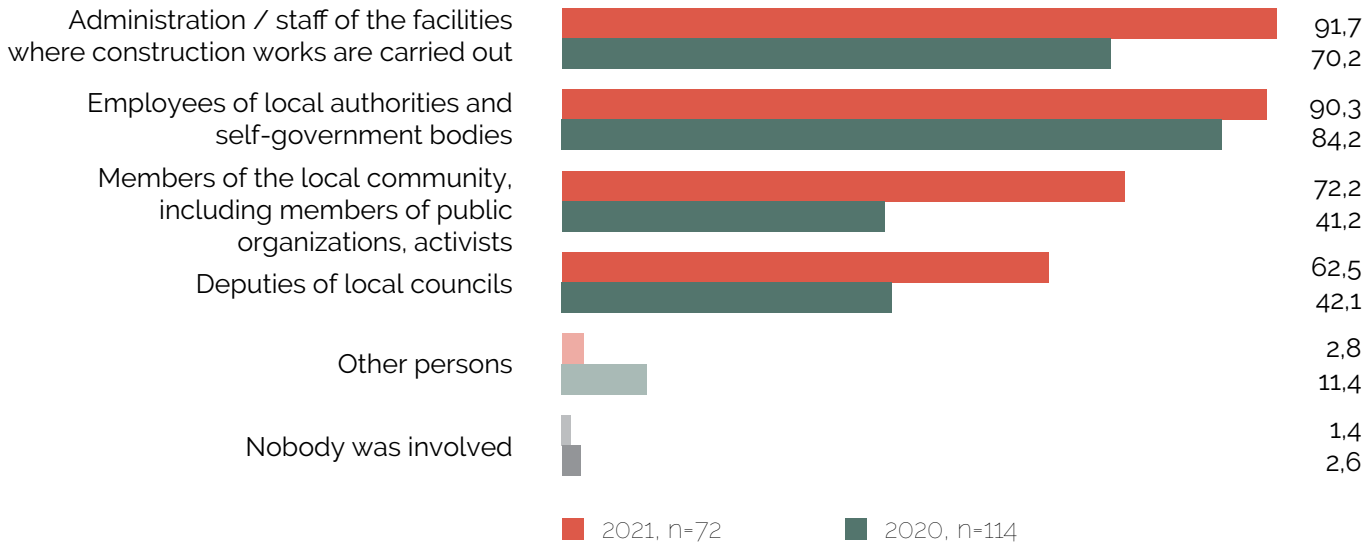
4 Calculated as 100% - 4.0% (and 100% - 5.3% in 2020) of those who "do not know about such measures".

Among the *final beneficiaries* who are aware of social management and stakeholder engagement tools, significantly increased the share of those who utilized or are utilizing them in the course of the implementation of their sub-projects – 87.5% in 2021 vs. 66.67% in 2020. The final beneficiaries, who stated they did not use social management tools and stakeholder involvement in the development or implementation of subprojects, named the following reasons: 4 out of 9 did not know about such an opportunity, 2 out of 9 stated that it is the responsibility of another department.

Graph 3.5.2. **Breakdown of answers to the question "Do/did you use social management and stakeholder engagement tools during the development and/or implementation of your sub-projects?", among final beneficiaries aware of social management and stakeholder engagement activities, %**



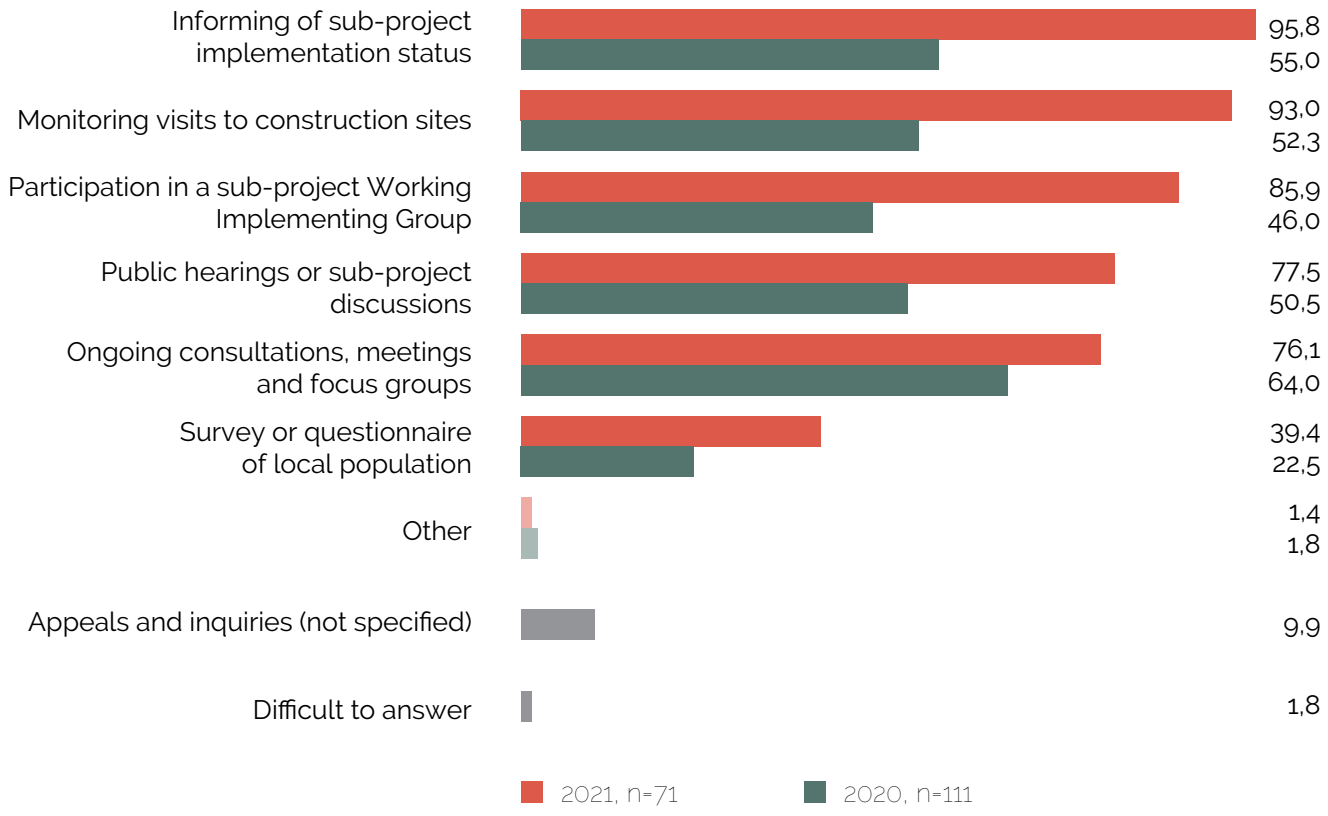
Graph 3.5.3. **Breakdown of answers to the question "Which external partners were engaged in the development and/or implementation of the sub-project?", among the final beneficiaries, %**



98.6% in 2021 and 97.4% of final beneficiaries indicated that they engaged external partners in the development and/or implementation of their sub-projects; most of them mentioned the engagement administration/staff of the facilities where construction works are carried out, and this indicator significantly increased compared to 2020 (91.7% in 2021 vs 70.2% in 2020). Almost a great majority of final beneficiaries indicated that they engaged employees of local authorities and self-government bodies (90.3% in 2021vs 84.2% in 2020). Also were mentioned the following engaged external partners members of the local community, including members of public organizations, activists (72.2% in 2021 vs 41.2% in 2020), members (deputies) of local councils (62.5% in 2021 vs 42.1% in 2020).

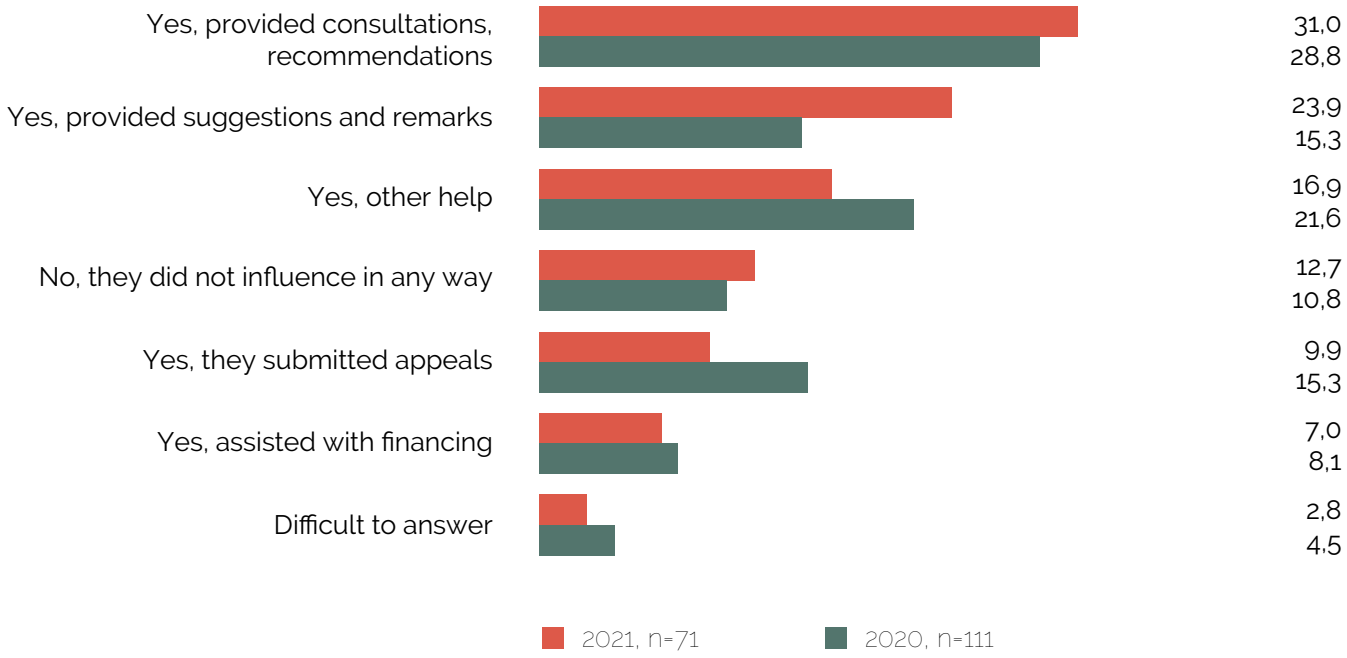
Usage of all forms of engagement significantly increased. Among the most popular forms of engagement are awareness of sub-project implementation status (95.68% in 2021 vs 55.0% in 2020), monitoring visits to construction sites (93.0% in 2021 vs 52.3%), participation in a sub-project implementation Working Group (85.9% in 2021 vs 46.0%).

Graph 3.5.4. **Breakdown of answers to the question "What forms of engagement did you use?", among the final beneficiaries that engaged other stakeholders, %**



88.7% in 2021 and 89.1% in 2020 of *final beneficiaries* who engaged other stakeholders reported, that these parties influenced the development or implementation of sub-projects. Mostly surveyed participants mentioned that the engaged parties provided their consultations, recommendations, and suggestions and remarks to the sub-projects.

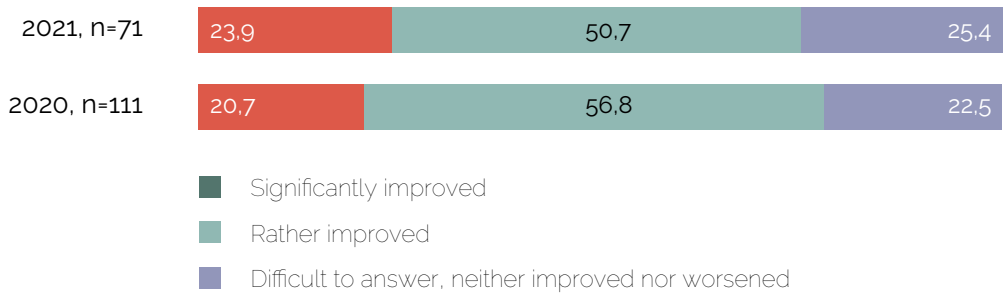
Graph 3.5.5. **Breakdown of answers to the question "Did these parties influence the development or implementation of sub-projects? How could they do it?", among the final beneficiaries that engaged other stakeholders, %**



The assessment of stakeholders' engagement in the implementation of the sub-project is mostly positive among *final beneficiaries* – none of them reported that the participation of third parties in any way worsened the implementation process.

Half of the final beneficiaries (50.7% in 2021 vs 56.8% in 2020) believe that the participation of community stakeholders rather improved the sub-project implementation.

Graph 3.5.6. **Breakdown of answers to the question "In your opinion, how did the participation of these parties affect the implementation of sub-projects in general?", among the final beneficiaries that engaged other stakeholders, %**



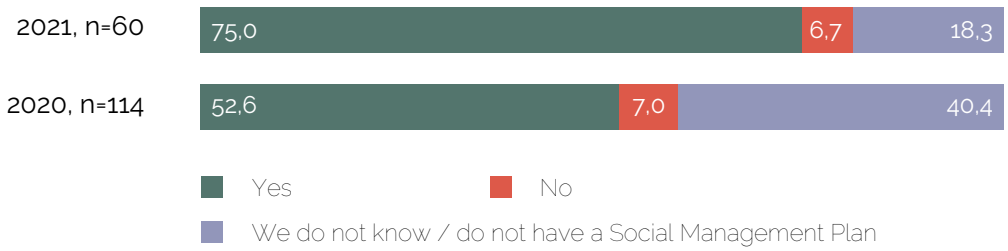
At the same time, most of the *final beneficiaries* who participated in FGDs believe in some limitations involving community representatives. The sub-projects are implemented for them, so they have the rights to be informed and have an impact on the implementation. However, final beneficiaries believe that their participation is practical only on specific stages of projects, and there is a question of how competent they are.

> *"We need to engage them reasonably. Some people know absolutely nothing about construction, but they try to advise on how to build and how to do it. Therefore, if these are competent people in our city, i.e., designers, contractors, experienced workers, public representatives, then, of course, it is necessary [to involve them]."* (Final beneficiaries, Kyiv Oblast)

Social Management Plans compliance

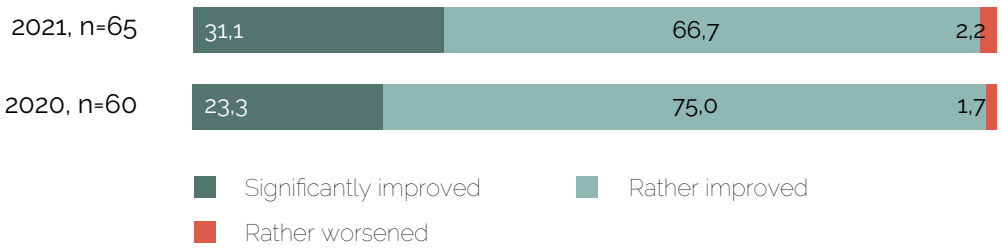
81.7% (59.6% in 2020) of the surveyed *final beneficiaries* reported having a Social Management Plan. Moreover, the greatest majority of those, who have the Plan, reported having complied with it. Most of those final beneficiaries, which are not complying with the SMP or do not use it, mentioned it is not their responsibility or they do not know about it.

Graph 3.5.7. **Breakdown of answers to the question "Do/did you comply with the provisions of the Social Management Plan during the implementation of the sub-project(s)?", among all final beneficiaries, %**



Those final beneficiaries, who have the SMP and comply with it, positively assess the impact of this tool on their sub-projects – 97.8% in 2021 and 98.3% in 2020 of them believe that it has significantly or rather improved the implementation of their sub-projects.

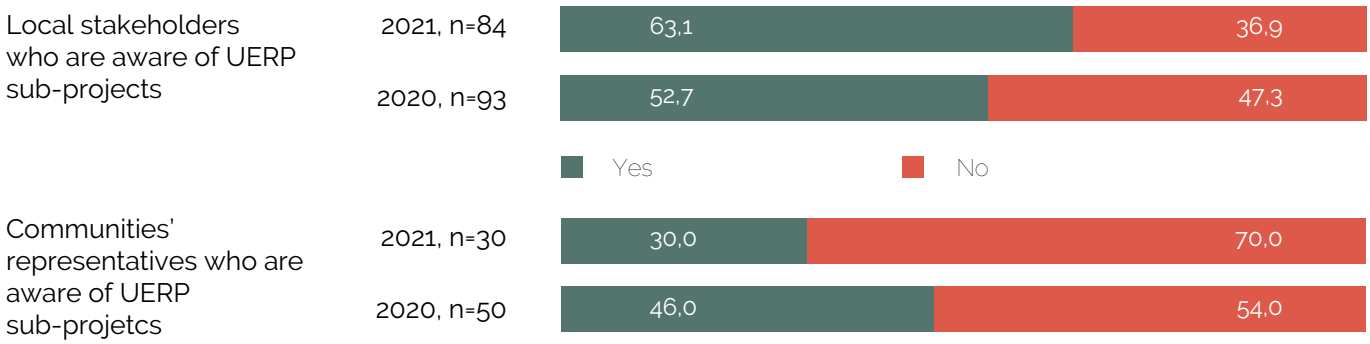
Graph 3.5.8. **Breakdown of answers to the question "In your opinion, how did the implementation of the Social Management Plan affect the implementation of your sub-projects?", among final beneficiaries who comply with the Social Management Plan, %**



Community stakeholders' awareness, participation, and assessment of social management within the UERP sub-projects

The awareness of social management and stakeholders' engagement activities within the UERP significantly increased by *local stakeholders* – 63.1% in 2021 vs 52.7% in 2020. Meanwhile, the awareness by *communities' representatives* decreased – 30.0% in 2021 vs 46.0% in 2020.

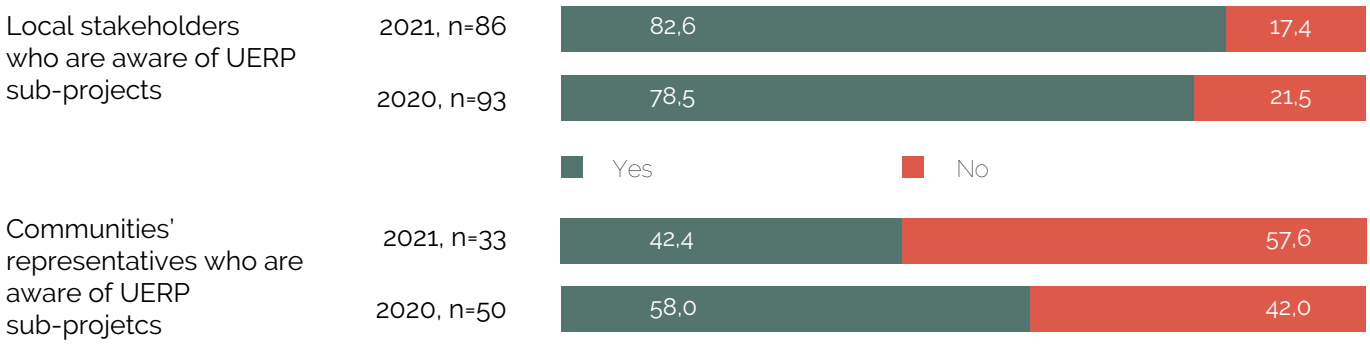
Graph 3.5.9. **Breakdown of answers to the question "Are you aware of the activities on social management and stakeholders' engagement within the UERP?", %**



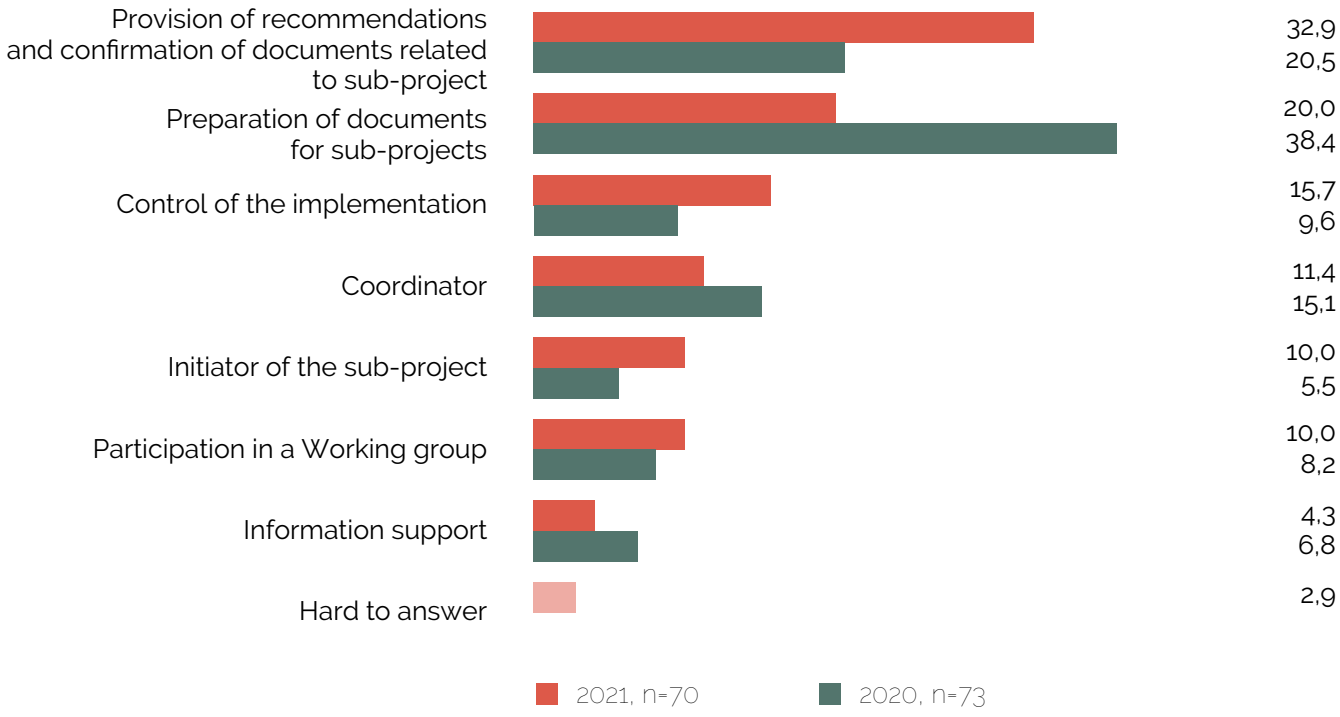
To the understanding of many *local stakeholders*, who are aware of the activities on social management and stakeholders engagement, the two main goals of such activities are: involvement of the community, also through informing (17 out of 52 respondents stated it in 2021 vs 14 out of 49 respondents in 2020), the collection of opinions of the local community in order to comply with their needs when implementing the sub-project (11 out of 52 in 2021 vs 20 out of 49 respondents in 2020).

As for the *communities' representatives*, who are aware of social management and stakeholders' engagement activities, they mostly believe that these activities are aimed for cooperation with stakeholders (6 out of 9 respondents) and conducting information events and disseminating information (4 out of 9 respondents). As for the personal experience of participation in the implementation of sub-projects, 82.6% in 2021 and 78.5% in 2020 of *local stakeholders* and 42.4% in 2021 and 58.0% in 2020 of *communities' representatives* stated they participated in it.

Graph 3.5.10. **Breakdown of answers to the question "Have you participated in the development and/or implementation of the UERP sub-projects in your settlement, community?", %**



Graph 3.5.11. **Breakdown of answers to the question "How/in what role were you involved in this process?", among local stakeholders who participated in the development and/or implementation of the UERP sub-projects, %**



The most common forms of participation in the sub-projects implementation for local stakeholders were the provision of recommendations and confirmation of documents related to sub-projects (32.9% in 2021 vs 20.5% in 2020) and preparation of documents (20.0% in 2021 vs 38.4% in 2020).

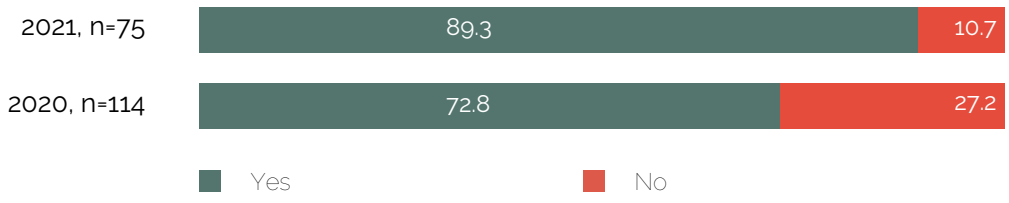
Almost half of the surveyed *communities' representatives* reported that they were the working group member (5 out of 14 in 2021 vs 7 out of 29 in 2020), which provided some recommendations to sub-projects implementors, parents committee member (2 out of 14 in 2021 vs 12 out of 29 in 2020), participant of the discussions (2 out of 14 in 2021 vs 4 out of 29 in 2020).

The great majority (81.4%) of *local stakeholders* fully or rather agree with the statement that they had the opportunity to influence the process of preparation or implementation of the UERP sub-projects. As for the *community representatives'* – the majority indicated the same (9 out of 14 fully or rather agree).

Working Implementing Groups to support the implementation of sub-projects

The share of *final beneficiaries* who reported that Working Implementing Groups were created to support the implementation of their sub-projects increased compared to 2020: 89.3% vs 72.8% respectively.

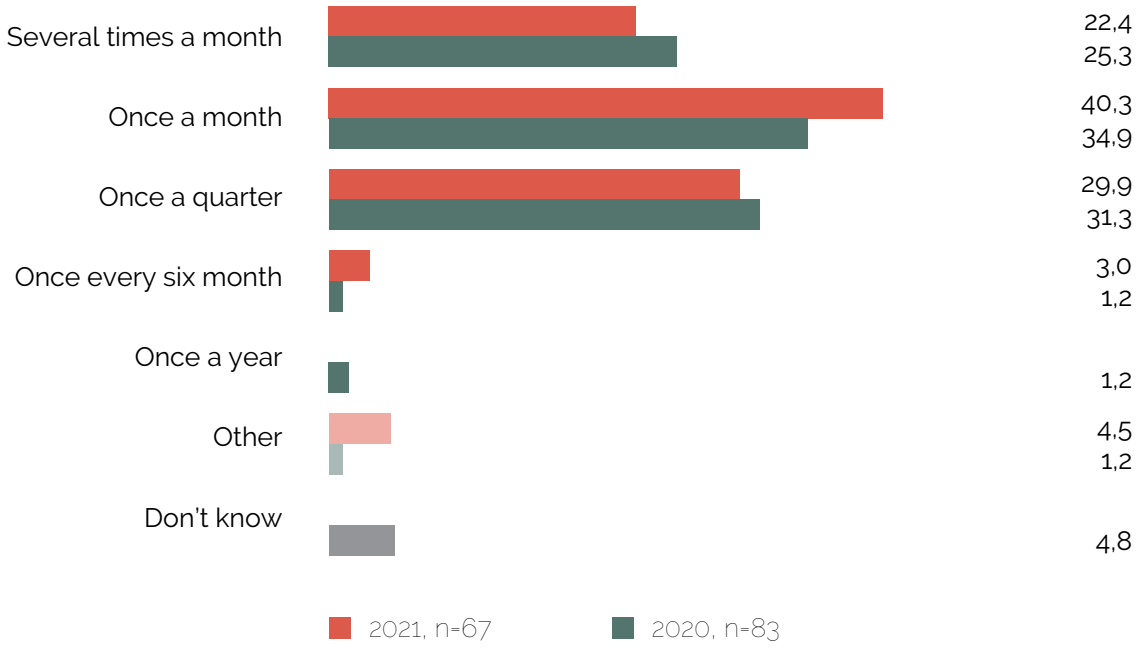
Graph 3.5.12. **Breakdown of answers to the question «Was there a Working Group established to support the implementation of your sub-project(s)?», among final beneficiaries, %**



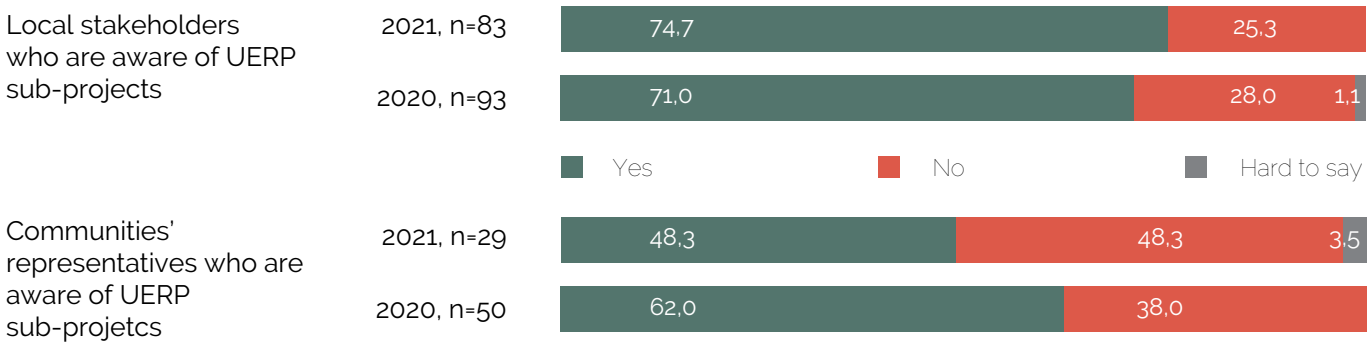
A great majority (92.56% in 2021 and 91.65% in 2020) of *final beneficiaries* – reported that the Working Implementing Groups meet once in a quarter or more often.

As for the community stakeholders' participation – 74.7% in 2021 and 71.0% in 2020 of *local stakeholders* and 48.3% in 2021 and 62.0% in 2020 of *communities' representatives* reported to have participated in the Working Group on the implementation of the UERP sub-projects under local authorities or self-governments.

Graph 3.5.13. **Breakdown of answers to the question "How often does the Working Group meet to support the sub-project(s)?", among final beneficiaries who indicated the establishment of the Working Implementing Group, %**

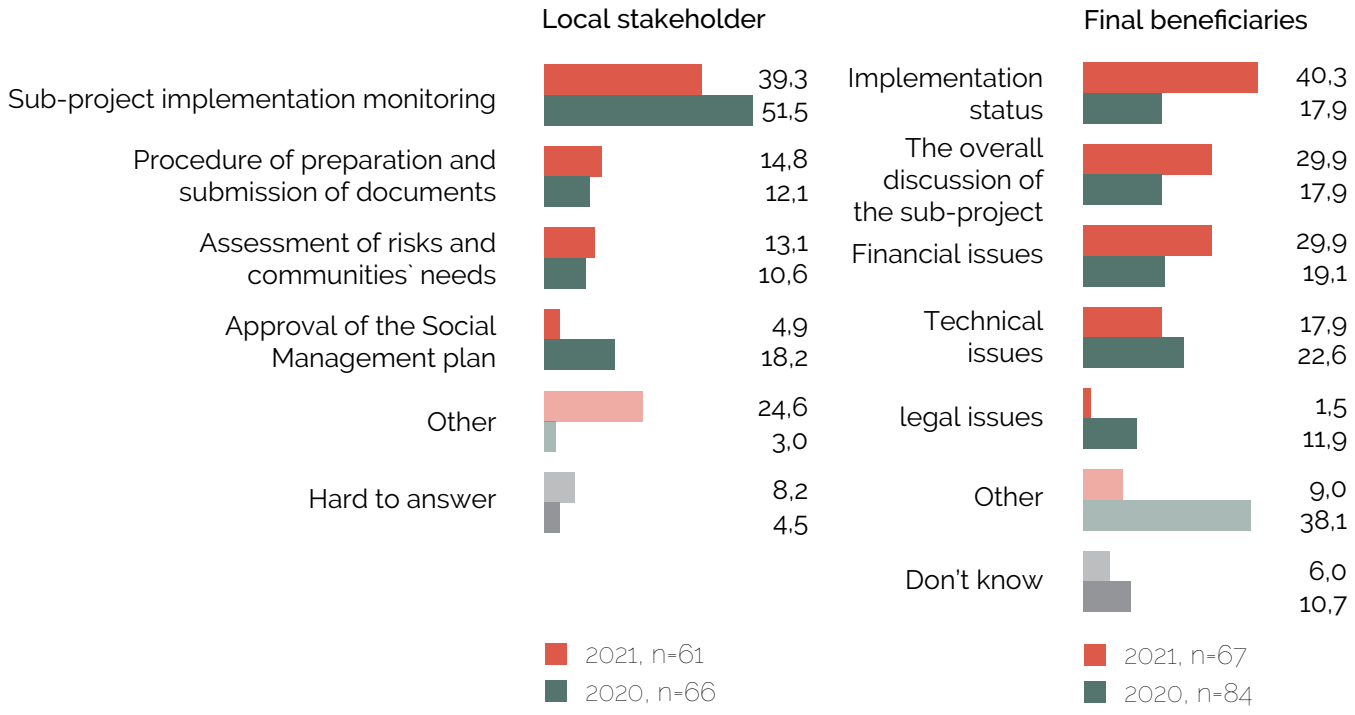


Graph 3.5.14. **Breakdown of answers to the question «Did you personally or representatives of your organization participate in meetings of the Working Group on the implementation of the UERP sub-projects under local authorities or self-governments?», %**



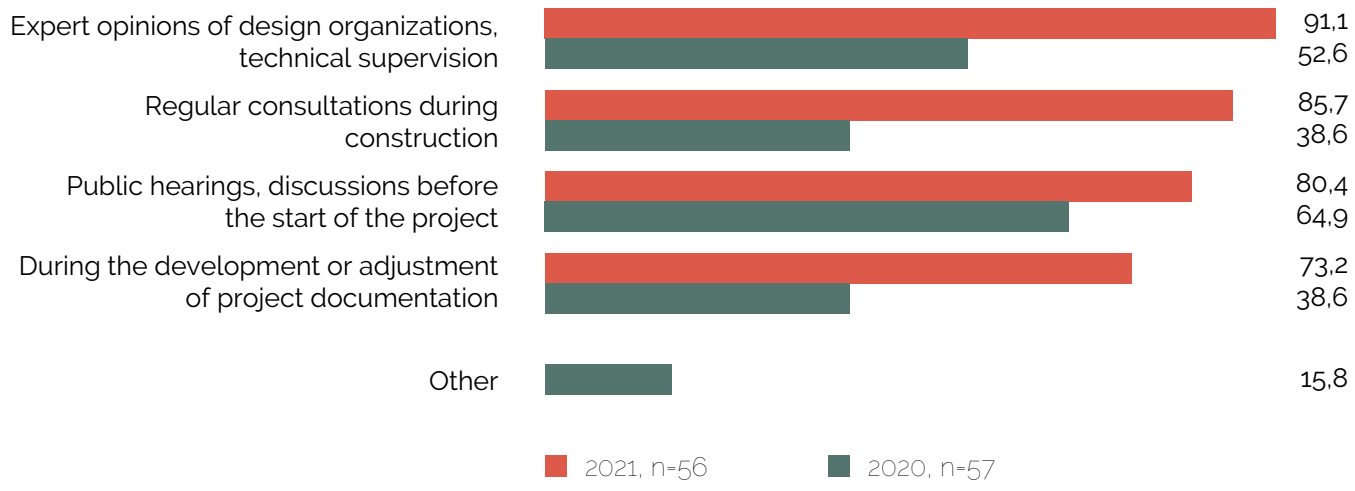
Among the issues which are usually raised at such meetings, according to the final beneficiaries are discussion on implementation status (40.3% and this indicator significantly increased, in 2020 it was 17.9%), the overall discussion of the sub-projects implementation (29.9% in 2021 vs 17.9% in 2020), financial issues (29.9% in 2021 vs 19.1% in 2020). And according to the local stakeholders, the main issue raised at such meetings is status of sub-project implementation monitoring (39.3% in 2021 vs 51.5% in 2020).

Graph 3.5.15. **Breakdown of answers to the question "What issues were discussed during the meetings of the Working Group?", %**



Consultations with the public and community stakeholders

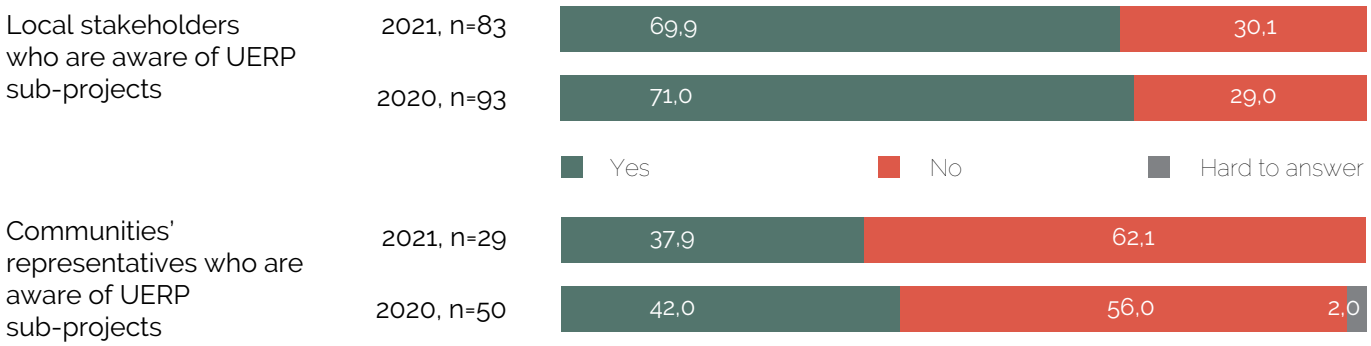
Graph 3.5.16. **Breakdown of answers to the question "What consultations did you have with the public and community stakeholders in particular?", among final beneficiaries who held consultations, %**



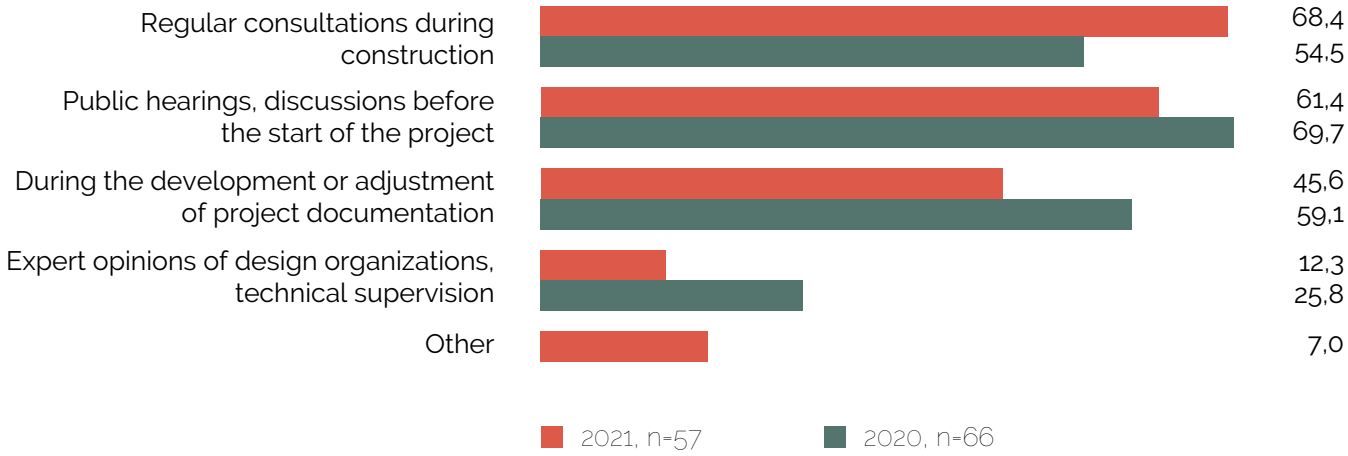
88.9% in 2021 and 79.2% in 2020 of *final beneficiaries* reported that they held consultations with public and community stakeholders. A great majority of these consultations in 2021 – 91.1% were expert opinions of design organizations, technical supervision, and this indicator significantly increased compared to 2020, when it was 52.6%.

69.9% of *local stakeholders* and 37.9% of communities' representatives reported to have participated in such activities.

Graph 3.5.17. **Breakdown of answers to the question "Did you personally or representatives of your organization participate in consultations on the implementation of the UERP sub-projects?", %**



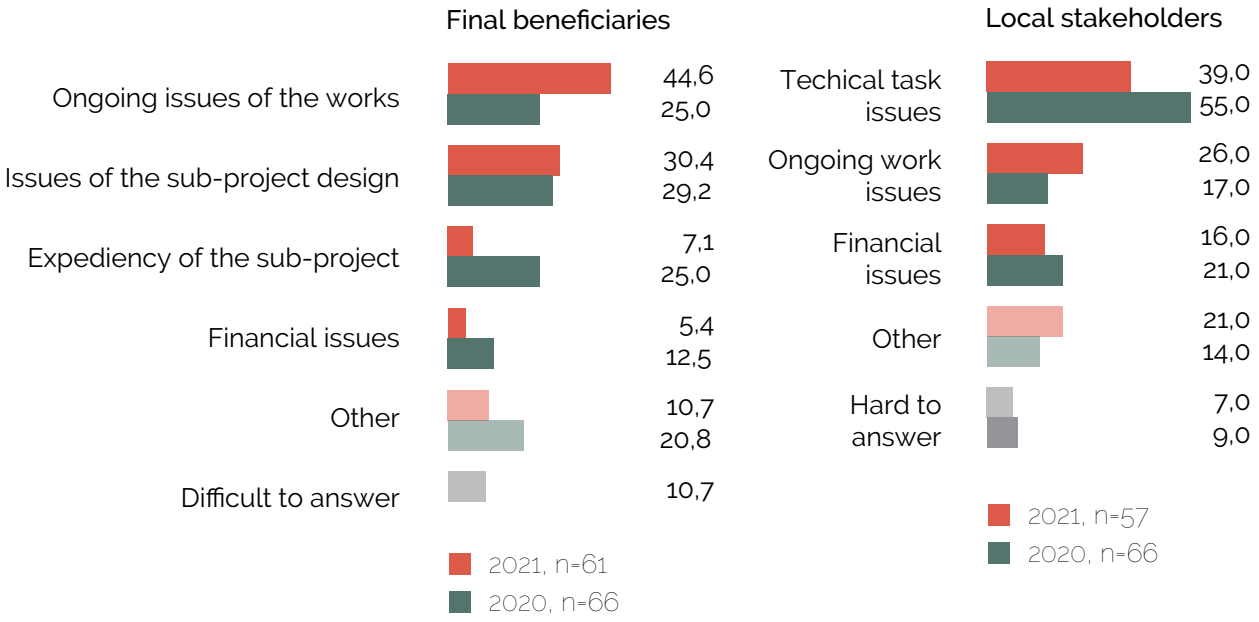
Graph 3.5.18. **Breakdown of answers to the question "What kind of consultations did you take part in?", among local stakeholders who participated in consultations, %**



Most of *local stakeholders*, who participated in consultations, reported to have participated in regular consultations during construction (68.4% in 2021 vs 54.5% in 2020) and public hearings, discussions before the start of the project (61.4% in 2021 vs 69.7% in 2020).

As for the issues which were discussed at such consultations, among those mentioned most often by final beneficiaries – ongoing issues of the work (44.6% in 2021 vs 25.0%) and local stakeholders – technical task issues (39.0% in 2021 vs 55.0% in 2020).

Graph 3.5.19. **Breakdown of answers to the question "What issues were discussed during the consultations?", %**

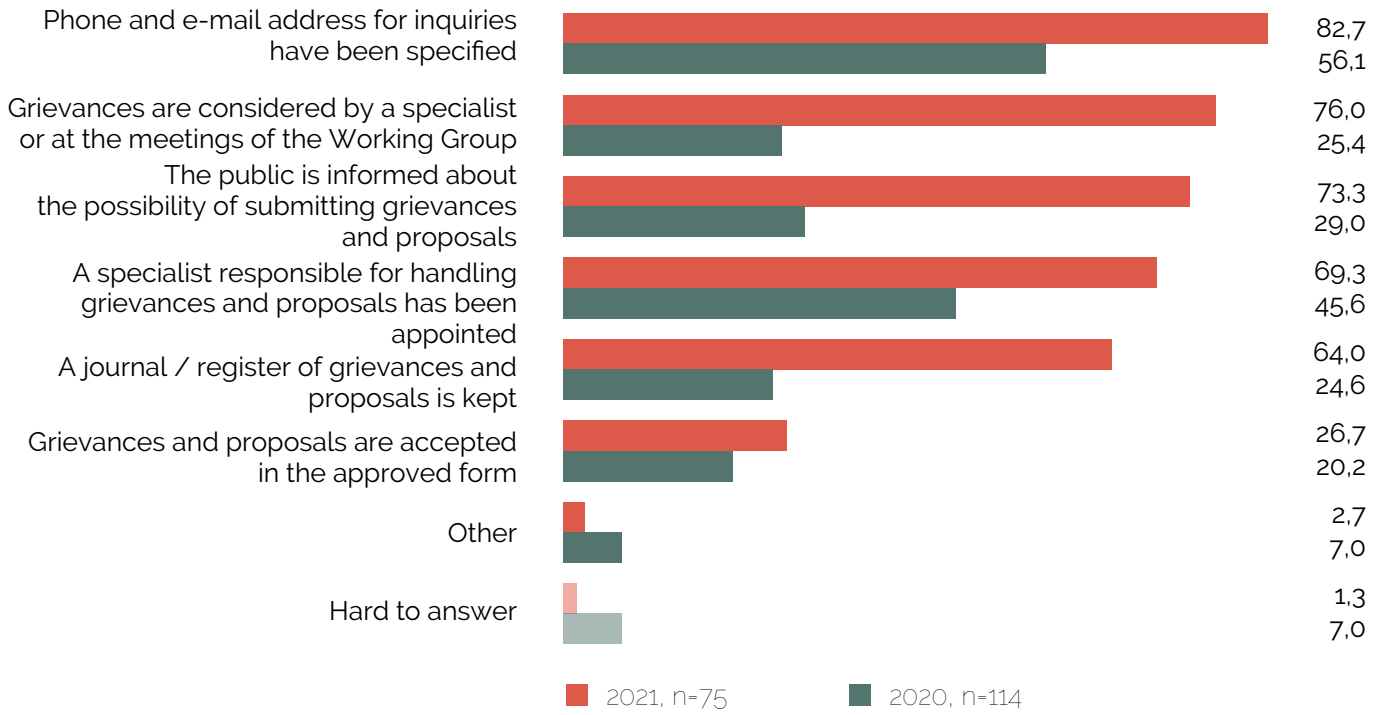


Addressing proposals and grievances

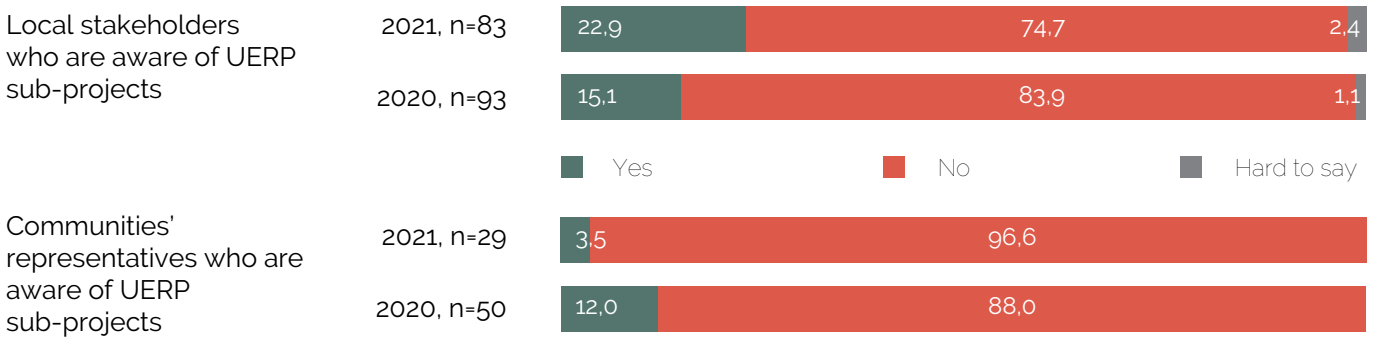
To address proposals and grievances from the public and community stakeholders more than a half of *final beneficiaries* (82.7% in 2021 vs. 56.1% in 2020) have specified the phone and e-mail address for possible inquires. 76.0% grievances are considered by a specialist or at the meetings of the Working Group and this indicator significantly increased compared to 2020 when it was 25.4%, similarly 73.3% mentioned the public is informed about the possibility of submitting grievances and proposals vs. in 2020 mentioned so 29.0%.

13.3% in 2021 and 7.9% in 2020 of all surveyed *final beneficiaries* reported to have received grievances about the implementation of their sub-projects. Among the issues raised in the submitted grievances, according to the final beneficiaries, were terms of sub-project implementation and its financing (5 out of 10 respondents in 2021 and 3 out of 9 respondents in 2020), inconveniences for community caused by the project (4 out of 10 respondents in 2021 and 4 out of 9 respondents in 2020), and technical aspects of the sub-projects (2 out of 10 respondents in 2021 and 2 out of 9 respondents in 2020).

Graph 3.5.20. **Breakdown of answers to the question «How is the work with grievances and proposals from the public and other stakeholders on the implementation of the sub-project(s) organized?», among final beneficiaries, %**



Graph 3.5.21. **Breakdown of answers to the question «Did you personally or representatives of your organization participate in consideration of grievances or settlement of disputes related to the implementation of the UERP projects?», %**



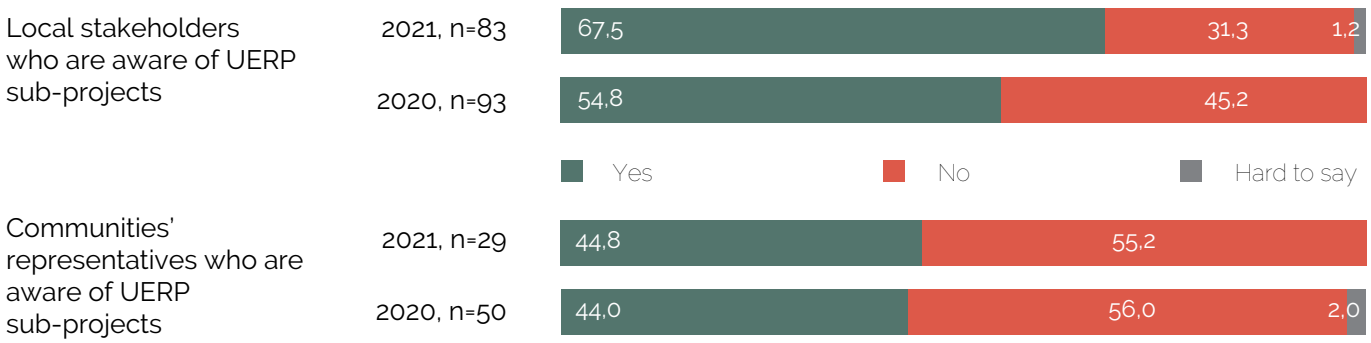
At the same time 22.9% in 2021 and 15.1% in 2020 of *local stakeholders* mentioned that they have participated in consideration of grievances or settlement of disputes related to the implementation of the UERP sub-projects. This share among *communities' representatives* significantly decreased from 3.5% in 2021 to 12.0% in 2020.

Local stakeholders who participated in such activities also mentioned the next issues raised in submitted grievances: non-compliance with project deadlines (8 out of 18 respondents), complaints about the construction process - non-compliance with safety, non-removal of construction waste (5 out of 18), complaints about the eco-safety of sub-projects for children (2 out of 18) and some other problems with contractors (2 out of 18).

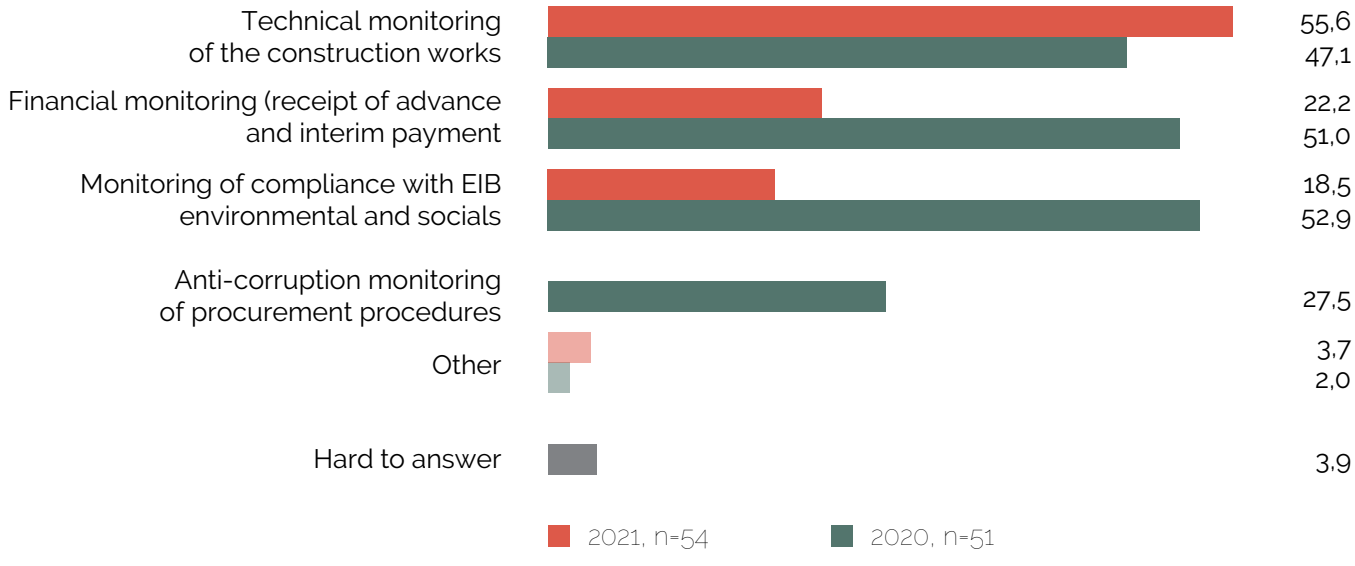
Monitoring of sub-projects implementation

67.5% in 2021 and 54.8% in 2020 of *local stakeholders* and 44.8% in 2021 and 44% in 2020 of *communities' representatives* reported to have participated in this activity.

Graph 3.5.22. **Breakdown of answers to the question «Did you personally or representatives of your organization participate in monitoring of the implementation of the UERP projects?», %**



Graph 3.5.23. **Breakdown of answers to the question "What kind of monitoring did you participate in?", among local stakeholders who participated in the monitoring, %**

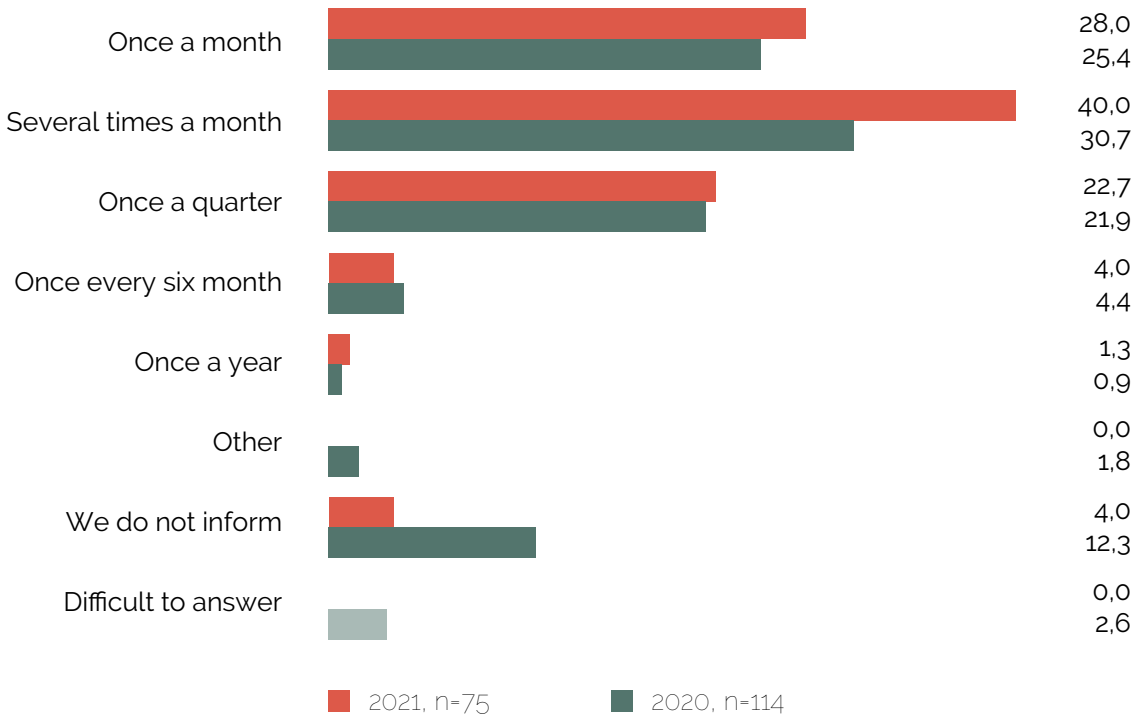


More than a half of *local stakeholders* who reported to have participated in the monitoring of sub-projects implementation, in particular, in the technical monitoring of the construction works (55.6% in 2021 vs 47.1% in 2020).

3.6. Informing the public on the UERP sub-projects implementation

In 2021 96.0% of all surveyed *final beneficiaries* claim they share the information on the sub-projects implementation with the public, and this share significantly increased compared to 2020, when it was 87.7%. The frequency of informing the public about sub-project implementation from several times a month to once in a quarter increased from 78.1% in 2020 to 90.7% in 2021.

Graph 3.6.1. **Breakdown of answers to the question "How often do you inform the public about sub-project implementation?", among the final beneficiaries, %**

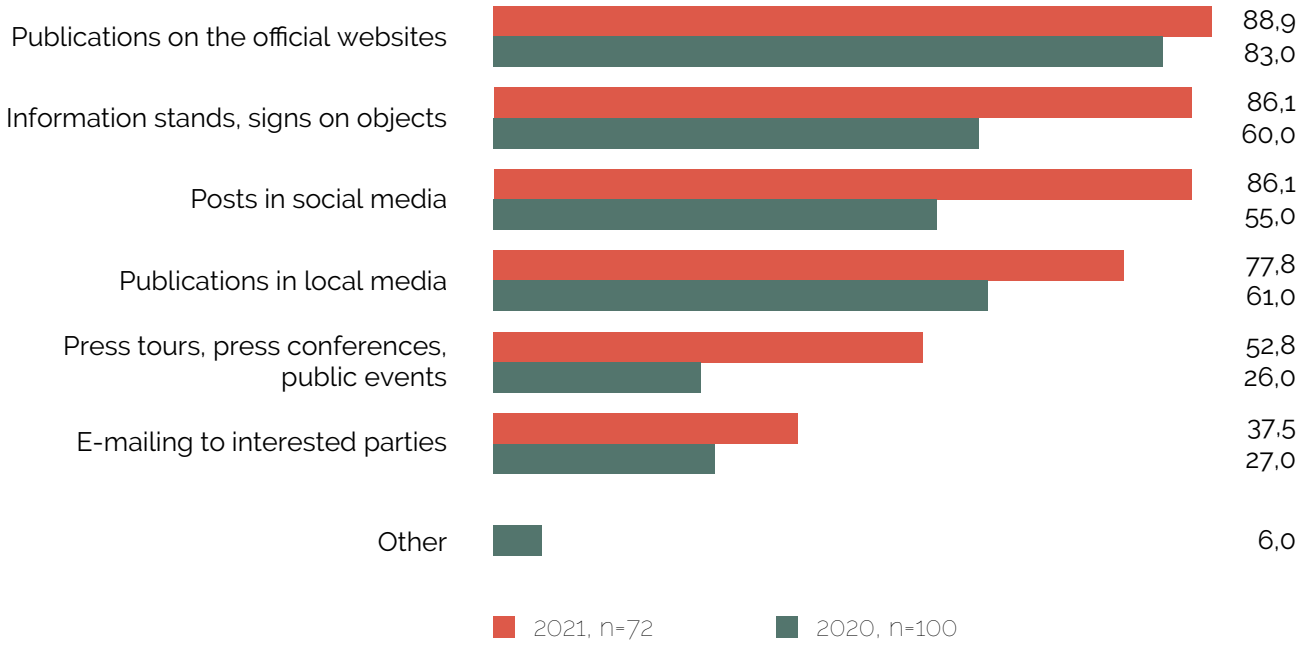


More than half of surveyed *final beneficiaries* (64%) indicated that they have the Communication Plan for their sub-projects, and this share increased compared to 2020 when it was 49.1%.

Regarding the main reasons for not informing the public, those *final beneficiaries* who do not share the information mentioned that this activity is beyond their duties, and it is the responsibility of another department.

According to the *final beneficiaries* surveyed over the phone, the main channels for sharing the information on the UERP sub-projects implementation are official websites (88.9%), posts in social media (86.1% and this indicator significantly increased compared to 60.0% in 2020), information stands, signs on objects (86.1% and this indicator significantly increased compared to 55.0% in 2020) and publications in local media (77.8% and this indicator significantly increased compared to 61.0% in 2020).

Graph 3.6.2. **Breakdown of answers to the question «What channels do you use to inform the public about the implementation of sub-projects?», among the final beneficiaries who inform the public, %**



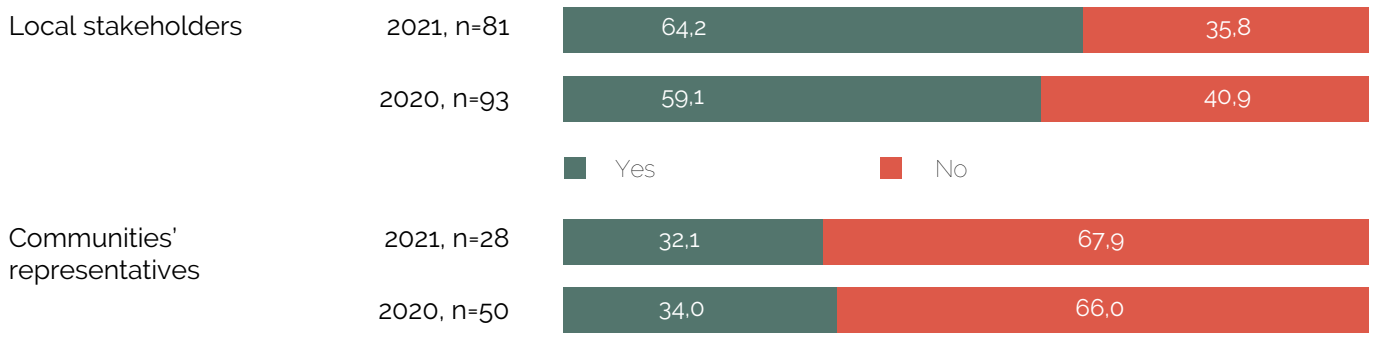
When discussing the issue of sharing the relevant information with the public at FGDs, the *final beneficiaries* from all target oblasts also mentioned they share news to the public via all available channels: official websites, local newspapers, local TV, meetings, social media, Viber groups etc.

Almost all of them mentioned they try to inform the public when there is something interesting to share, i.e., one of the stages of the reconstruction is finished, a sub-project has started or finished.

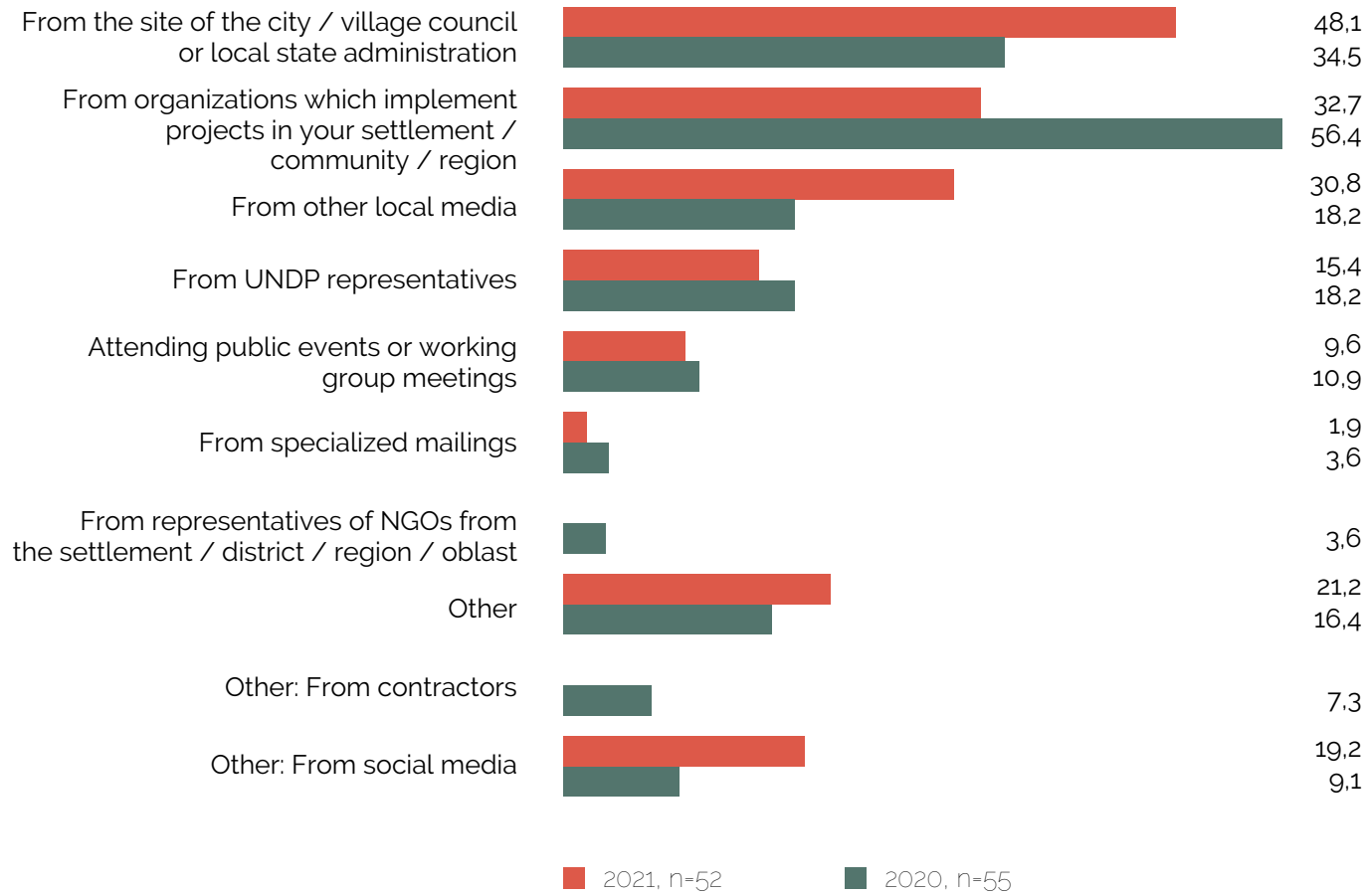
"Informing was generally one of the main points in social management, as I remember. Therefore, we set this as the main task from the very beginning – to gain support from the public." (Final beneficiaries, Donetsk Oblast)

In contrary to the final beneficiaries, only 64.2% in 2021 and 59.1% in 2020 of *local stakeholders* and 32.1% in 2021 and 34.0% in 2020 of *communities' representatives* report that they have been receiving such information. Among *local media*, 5 out of 10 surveyed representatives stated that they receive updates on implementing the UERP sub-projects.

Graph 3.6.3. **Breakdown of answers to the question "Do you receive current information on the implementation of the UERP projects, including monitoring data, expected social impact on the local population?", %**



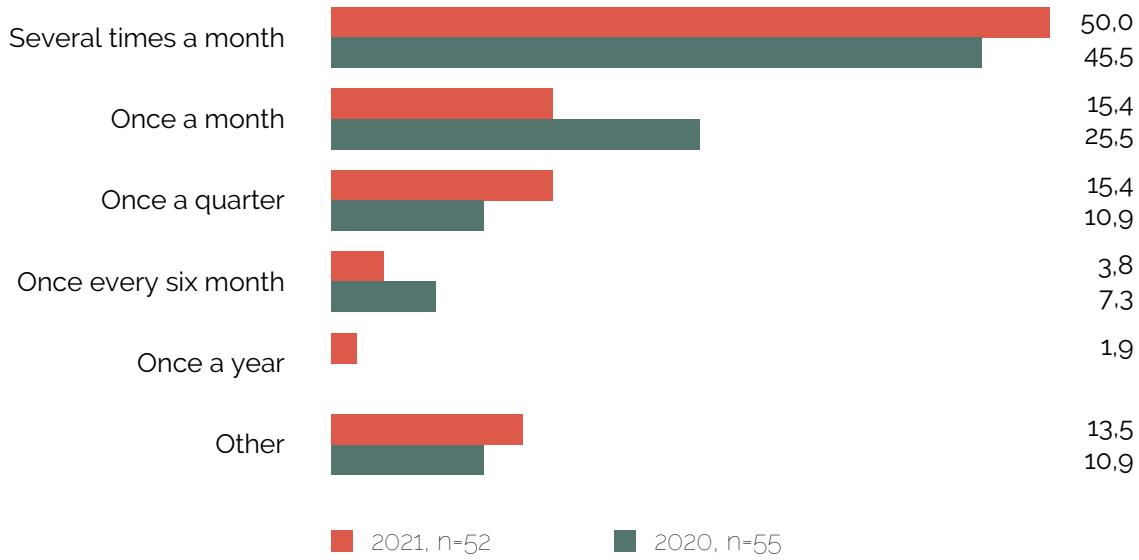
Graph 3.6.4 **Breakdown of answers to the question "Where do you get this information from?", among local stakeholders, %**



While in 2020, most *local stakeholders* (56.4%) received the information on the implementation of sub-projects from sub-projects implementors; in 2021 the popularity of informational resources on the implementation of the UERP projects, including monitoring data, expected social impact on the local population changed, almost half of the surveyed *local stakeholders* (48.1%) received the information from the site of the city/village council or local state administration.

Speaking about the periodicity of receiving such information, half of the *local stakeholders* (50.0% in 2021 and 45.5% in 2020) receive this information several times a month.

Graph 3.6.5. **Breakdown of answers to the question «How often do you get this information?», among local stakeholders, %**

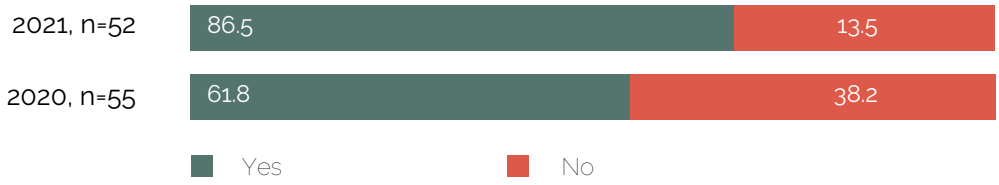


The great majority of both *local stakeholders* and *communities' representatives who already receive updates on the sub-projects implementation* would like to receive more information on this matter: among local stakeholders – 86.5% and this share significantly increased compared to 61.8% in 2020; among communities' representatives – 7 out of 9.

14 out of 45 local stakeholders would like to receive additional information on the possibilities of the future projects, 13 out of 45 – on the implementation of sub-projects - list of the most common problems and solutions; 5 out of 7 communities' representatives would like to receive information on the implementation of projects (including in other cities).

As for the form for such information – 22 out of 45 local stakeholders and 6 out of 7 communities' representatives would find it convenient to receive this information through e-mail.

Graph 3.6.6. **Breakdown of answers to the question "In general, are you interested in getting more information about the UERP and projects in your region or settlement?", %**



As for the *community stakeholders, who do not receive current information* on the sub-projects implementation, 16 out of 29 local stakeholders and 16 out of 20 communities' representatives would like to receive such information.

Among the information both local stakeholders and communities' representatives would like to receive the most – information on the implementation of sub-projects – 10 out of 16 local stakeholders and 13 out of 16 communities' representatives stated that.

For 13 out of 16 local stakeholders and 14 out of 16 of communities' representatives who would like to receive the information on the sub-projects implementation, the most convenient source to receive it from would have been an e-mail newsletter.

According to the phone survey results, 5 out of 10 surveyed *local media representatives* reported receiving the current information on the implementation of the UERP sub-projects from organizations implementing a project in their region, official websites, or from representatives of NGOs. All of them receive this information once a month or more often. Moreover, all of them are interested in receiving more information on the sub-projects through electronic means of communication: e-mail newsletters, official sites, press releases. Among the additional information, the local media representatives would like to receive was mentioned the same information as was indicated by other target audiences.

As it was mentioned, 5 of 10 surveyed local media representatives do not receive regular information on the UERP sub-projects implementation. Although, all of them would like to receive it. Most of the respondents would like to receive this information by electronic means as well.

During Phase 2 of the survey, some of the *local media* representatives who participated in the FGDs mentioned that the UERP sub-projects are not of top interest to their audience. But participants from Phase 3 agreed that the information was interesting for their audiences. News and information about any kinds of projects and updates on the UERP sub-projects implementation seem to be more important to the older audience or residents of small settlements, especially in rural areas (in those towns and villages where access to the Internet is very limited). Also, the level of interest depends on the type of the renovated facility (e.g., the elderly is more interested in information about hospitals, the middle-aged – about schools).

According to the focus groups with *local media*, their audiences are most interested in (1) how they benefit from the implementation of sub-projects, (2) how much money was spent and on what, especially if money was from the local budget, (3) deadlines and delays in sub-projects.

> *"About intermediate moments, about some problems in construction... Now a school is being renovated, and there are a lot of problems, because of this [the project] stops, the children do not study at school. That is, these intermediate moments need to be shown very quickly and clearly."* (Local media, Zaporizhzhia Oblast)

Some local media complain it is challenging to follow the news about the UERP, and it has become more difficult after decentralization. Sources of information from one old rayon (district) local government shifted to several territorial hromadas (communities). Since local media are understaffed due to limited budgets, it is difficult for them to process information from many sources, and they have to prioritize the information.

> *"It is physically impossible to follow the activities within the UERP"* (Local media, Dnipropetrovsk Oblast)

3.7. Anticorruption activities and practices within the UERP

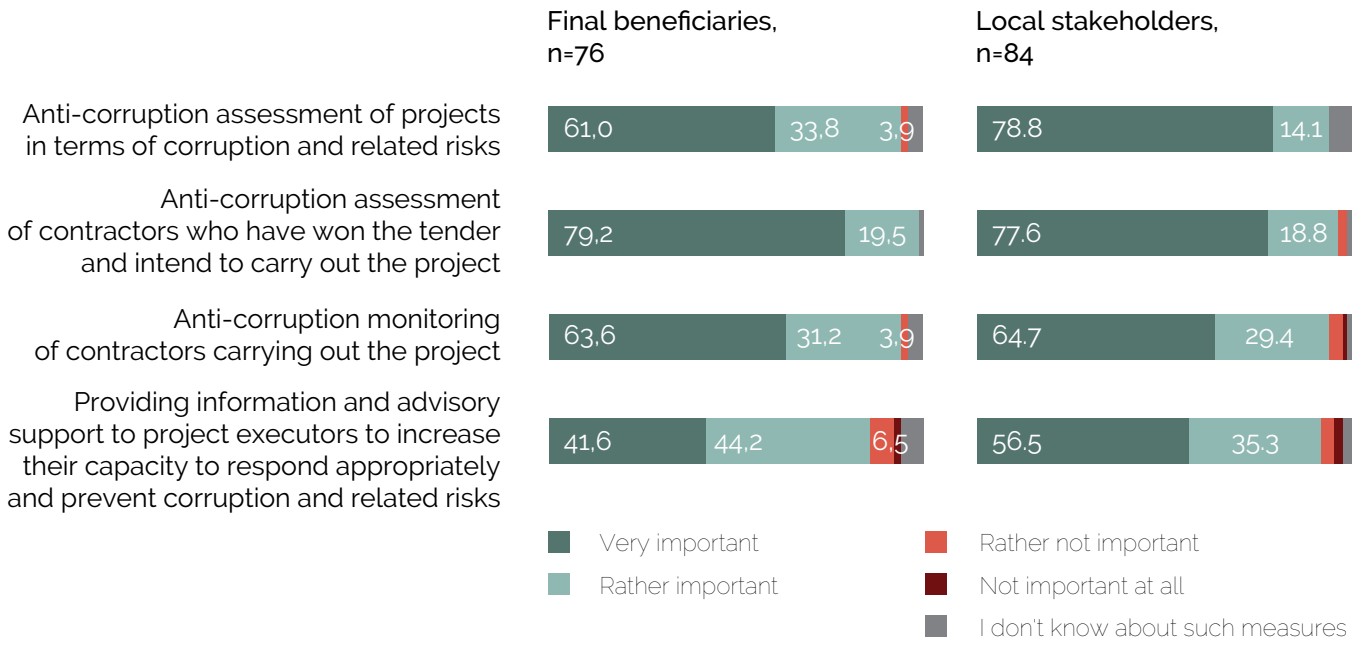
Anticorruption assessment of contractors who have won the tender and intend to carry out the project (at the stage of notification of the intention to conclude a contract or/and when the contract is concluded) is considered as the most important measure by both *final beneficiaries* (98.7% answered that it is very or rather important) and *local stakeholders* (96.4%). Yet, it seems that such a measure is the most difficult to implement properly.

Two measures take the second rank:

- anticorruption assessment of projects in terms of corruption and related risks (excessive workload or cost of materials, inadequate design decisions) — 94.8% of *final beneficiaries* and 92.9% of *local stakeholders*.
- anticorruption monitoring of contractors implementing the sub-project (detection and information on identified corruption and related risks that have or may have a negative impact on the implementation of sub-projects) — 94.8% of *final beneficiaries* and 94.1% of *local stakeholders*.

Among the suggested four measures, the least important one, according to the survey of *final beneficiaries* and *local stakeholders*, is providing information and advisory support to project implementers to increase their ability to respond appropriately and prevent corruption and related risks (anticorruption training, anticorruption briefings during site visits, individual consultations): 85.8% and 91.8%, respectively.

Graph 3.7.1. **Breakdown of answers to the question "Which of the anticorruption measures, in your opinion, are the most important for the successful implementation of subprojects?", %**



Both *final beneficiaries* (84.3%) and *local stakeholders* (83.3%) agree that the above-mentioned anticorruption measures improved the implementation of their subprojects.

Graph 3.7.2. **Breakdown of answers to the question "In your opinion, how did these anticorruption measures affect the implementation of your subprojects", %**

Anticorruption activities and practices within the UERP were discussed at FGDs with audiences, who supposedly have different perspectives on corruption risks: the UERP final beneficiaries and contractors – who could directly face corruption risks or prohibited practices; local stakeholders – who could be potentially linked to such risks or practices; communities' representatives, local media, and IDPs – who could be involved in the anticorruption monitoring.

Considering different statuses and perspectives, the guides for different FGDs were structured respectively, with distinct attention to the following:

- awareness of corruption risks and prohibited practices as well as tools of prevention and tackling the corruption;
- awareness of the Covenant of Integrity signed by the contractors, and perception of this document both by its signatories and external parties;
- readiness to report instances and/or suspicions of corruption.

The summary of FGDs regarding these aspects is presented below.

Awareness of corruption risks and prohibited practices

In general, the topic of corruption risks was rather unpopular during focus group discussions among the representatives of all target audiences – although contractors' integrity was an issue mentioned by communities' representatives and final beneficiaries. Thus, the main risks which can lead to the contractors' lack of integrity, in this case, are connected to the long duration of the project and the lack of clear deadlines for funding (or allocation of funds). So, in such a situation, the contractors might not want to continue the construction works on the sub-project and might be dishonest in their work.

> *"Therefore, one can speak of dishonesty if there is only one dishonest party. And if we all screw up, excuse me, through no fault of our own. Thus we need to somehow get out of this situation together.."* (Final beneficiaries, Donetsk Oblast)

According to the *final beneficiaries*, the contractors are double-checked both by them and the EIB and UNDP TA, and also by law enforcement agencies, so the fraudulent contractors are not allowed to work on the sub-projects implementation, and thus there is no room for corruption schemes. Among all final beneficiaries focus groups, there was only one mention of a dishonest contractor related to dumping.

Although the *final beneficiaries* mention that the best way to prevent risks connected to contractors' integrity is thorough monitoring of tender applications, including the due diligence of the companies who apply for tenders – it should be addressed before the contract is signed. At the stage of sub-project implementation - there should be constant communication with contractors, monitoring of construction works, and, if needed, the legal remedies should be applied.

Local stakeholders claim that they have not faced corruption in the UERP sub-projects. But some of them suggest that much staff has not enough competence to indicate corruption. Also, there is an opinion that it could be somewhere; they just don't clearly know about such practices.

> *"Where there is much money, and there are big construction projects, there is also some degree of risk, a possible corruption component."* (Local stakeholders, Luhansk Oblast)

The contractors demonstrated a slight interest in discussing the topic of corruption-related risks. Yet, all of them insist that many parties heavily monitor them, and there is no room for corruption.

> *"We have received no money [for the sub-project] – so there is no corruption"* (Final beneficiaries, Donetsk Oblast)

In contrast to the Phase 2 focus group with *communities' representatives*, there were few mentions of the lack of contractors' integrity except for one person. They believe only complex anticorruption measures can have any significant impact to avoid such practices during tenders, implementations, and binding contractors with additional agreements such as Covenant of Integrity.

> *"There must be a comprehensive approach for simultaneous use. And that's when everything will work, and we will get used to the European approach, when everything is controlled, everything is ordered either by a penny or something else."*

Media representatives know from their experience that the contractor's compliance with the requirements usually requires careful monitoring and oversight. However, they complain that there is not enough transparency, and it is difficult for them to investigate corruption.

"As for the rumors that we have corruption in construction, this can be proved by conducting an investigation. But, for example, we have three contractors for one school. People believe that this is also a corruption scheme, as there are corresponding kickbacks from the amounts paid for the work, so it is handy to have many contractors. The official point of view is completely different: the contractors did not perform their work properly, so they were eliminated, and other companies were contracted. It's all very difficult to verify" (Local media, Donetsk Oblast)

Awareness of the Covenant of Integrity

As for the Covenant of Integrity which is one of the tools of prevention of corruption and other related risks – it is not well-known for all target audiences for the next two reasons: (1) those who work directly with this document (final beneficiaries and contractors) find it hard to remember about it due to the huge amount of other documents they sign and comply with during the sub-project implementation; and (2) other local stakeholders, who do not utilize this document directly, are not interested in every document signed by the implementing parties. Thus, only a few communities' representatives and other stakeholders were aware of this document; the contractors and final beneficiaries remembered it, although they found it hard to tell in detail what this document was about. Speaking about the effectiveness of this document, with a single opinion, they noted that this is rather a formality than an effective way to prevent corruption risks.

"The Covenant maybe plays a role of the horror story for them at first. But if a person wants to be dishonest, he will try to be so. No matter how you defend yourself, you will not insure yourself. This is the human factor" (Final beneficiaries, Luhansk Oblast)

Some respondents noted that the contractors sign a number of different regulations and rules, and if some of them do not respect other documents, then they will probably do not respect the Covenant too.

None of the *local media* representatives who participated in the FGD was aware of the Covenant of Integrity. Although they mentioned that the penalties might be more effective than signing any documents – due to the weakness of Ukrainian judicial system the corruption and other related risks can exist, and the possible breach of a Covenant will probably not be followed by the penalty for the contractors.

Readiness to report instances and/or suspicions of corruption

The *final beneficiaries*, in general, are to report the facts or suspicions of the corruption. However, they would report rather to their direct supervisors or UNDP than to higher management or law enforcement agencies. FGD's participants from Kyiv, Poltava, Odesa, Kherson oblasts were ready to inform law enforcement agencies but only in case of a serious violation that cannot be handled by themselves.

> *"I think a fact [of corruption] would be reported to higher authorities. That is how the whole system is built — in a chain. No one jumps over the head."* (Final beneficiaries, Luhansk Oblast)

Local stakeholders suggest that anticorruption training sessions would be useful for the beneficiaries since they don't know how to deal with corruption. According to them, a UNDP anticorruption consultant should be available to them during all stages of sub-projects.

Due to a lack of time and qualified specialists, the *local media* representatives are not ready to run anticorruption investigations on their own. Instead, media representatives are more likely to cover already confirmed cases and investigations conducted by law enforcement agencies.

A majority of focus groups' participants informed that they are ready to learn more about anticorruption media activities and would participate in training on corruption.

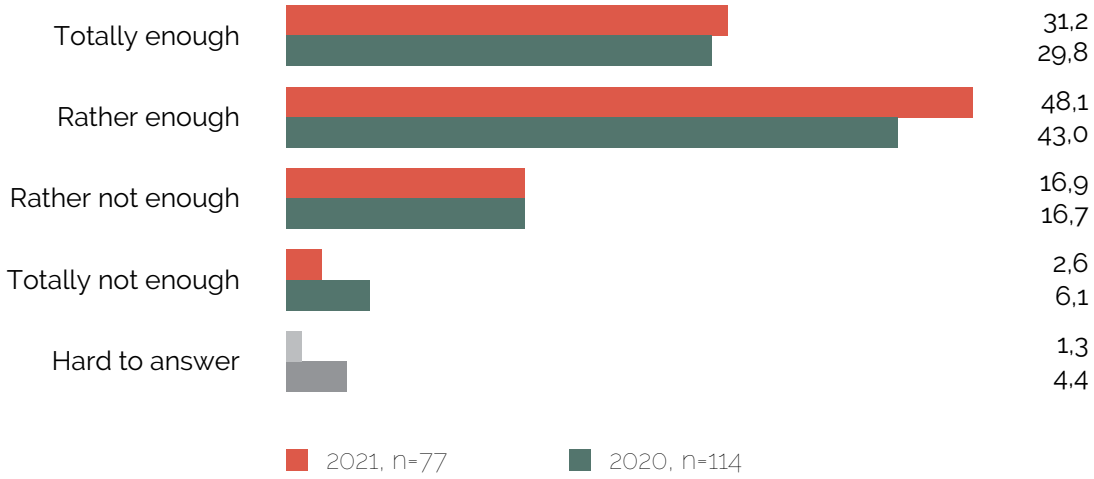
> *"I believe that we should have some knowledge of building codes, repair standards, the use of materials. That is, it must be a clearly focused journalist who will work on these projects."* (Local media, Donetsk Oblast)

3.8. Sufficiency of capacity and resources for sub-project implementation

79.2% of *final beneficiaries* reported they have fully or rather sufficient resources for sub-projects implementation. For those final beneficiaries, who believe in having rather or completely insufficient resources to properly implement the UERP sub-projects, the resources they lack are qualified specialists and funding.

Graph 3.8.1.

Breakdown of answers to the question "In your opinion, do you have sufficient resources (human, material, financial) to develop and implement sub-projects within the UERP?", among final beneficiaries, %



The final beneficiaries believe that the most important resources needed for sub-project design, development, and further implementation are: (1) financial resources and timely payments, (2) in-house specialists and experts, whose relevant training (skills and knowledge) will allow for more efficient and effective work with the Programme documents, (3) UNDP specialists to answer ongoing questions and help with handling difficult situations, (4) stable legislation base, (5) support of local authorities.

3.9. Overall perception of the UERP and sub-projects implementation

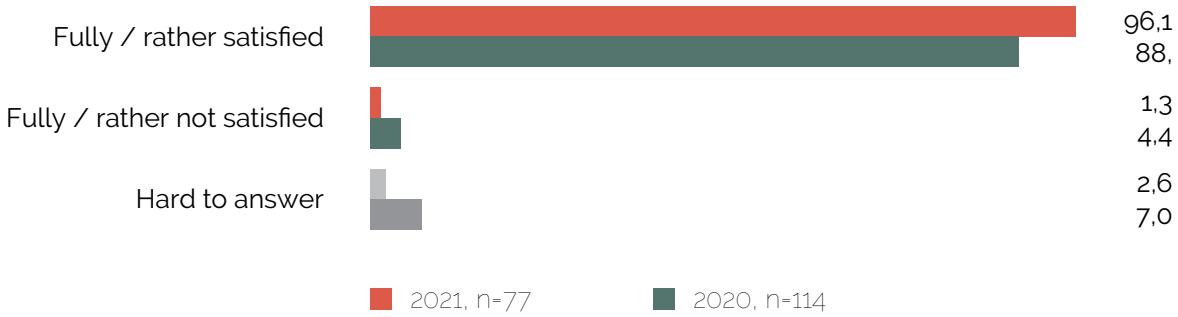
Same as was observed in Phase 1 and Phase 2 of the survey, all the surveyed parties are very satisfied with the opportunity to implement sub-projects under the UERP even despite the problems they face during the implementation. Moreover, the share of satisfaction slightly increased. 96.1% of the *final beneficiaries* are fully or rather satisfied with the implementation of the UERP.

However, 82.7% of *final beneficiaries* have indicated at least one improvement to the UERP implementation practices, which have to be introduced by the responsible parties, and only 17.3% of final beneficiaries believe that the Programme implementation process does not need to be improved. The shares are similar to Phase 2.

Among other options, the respondents named as the most urgent: the payments should be provided on time, the processing of payment receipts should be faster (28%) and the share of beneficiaries who mentioned this significantly increased, and speeding up the procedure of sub-projects' approval (21.3%).

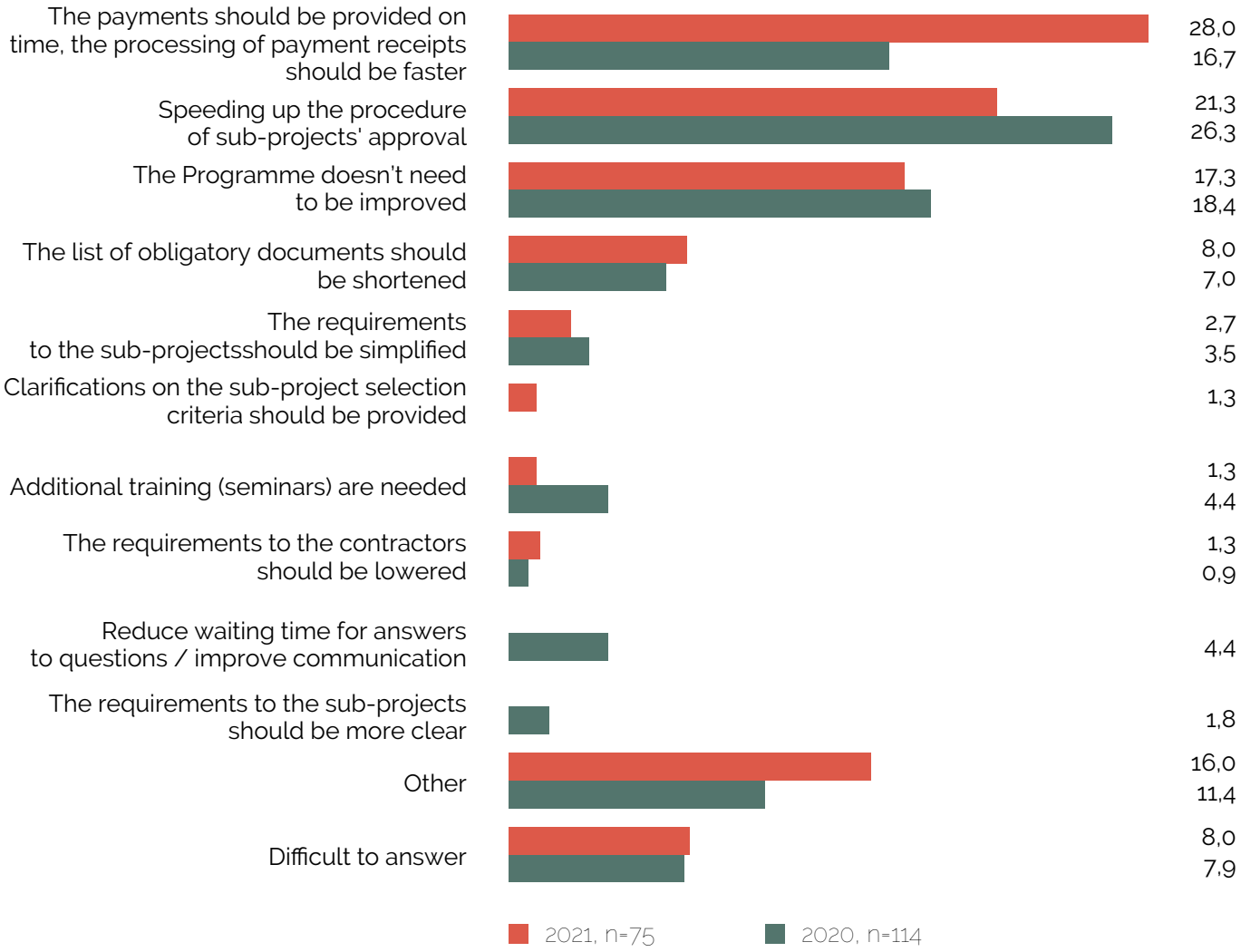
Graph 3.9.1

Breakdown of answers to the questions "In general, how satisfied are you with the system of monitoring and reporting regarding the implementation of the sub-project(s) within the UERP?", among final beneficiaries, %



Graph 3.9.2.

Breakdown of answers to the questions "What do you think needs to be improved in the procedures and mechanisms of the UERP implementation in general?", among final beneficiaries, n=75, %



In 2020, the contractors who participated in the FGDs also noted that, apart from the above-mentioned problems of payments delays and fixed prices, they are satisfied with the framework and procedures of the UERP in general.

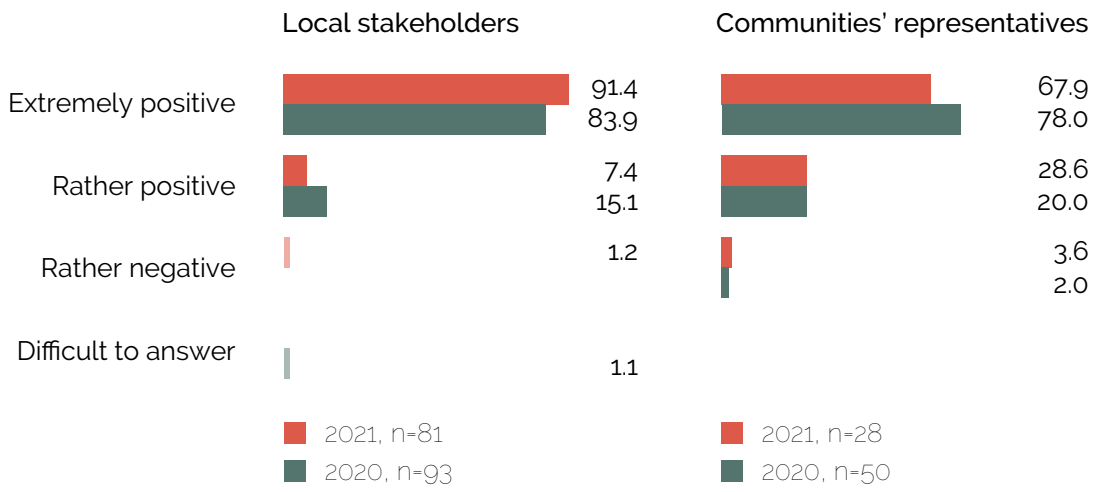
In 2021, their attitude changed to a negative one. While they believe that the UERP is beneficial for the communities, it is a loss for them, at least now.

> *"In terms of working on this project, it is negative, at least for me. The money is invested. There is no understanding of returning them, not even speaking about the profit."* (Contractors, Donetsk Oblast)

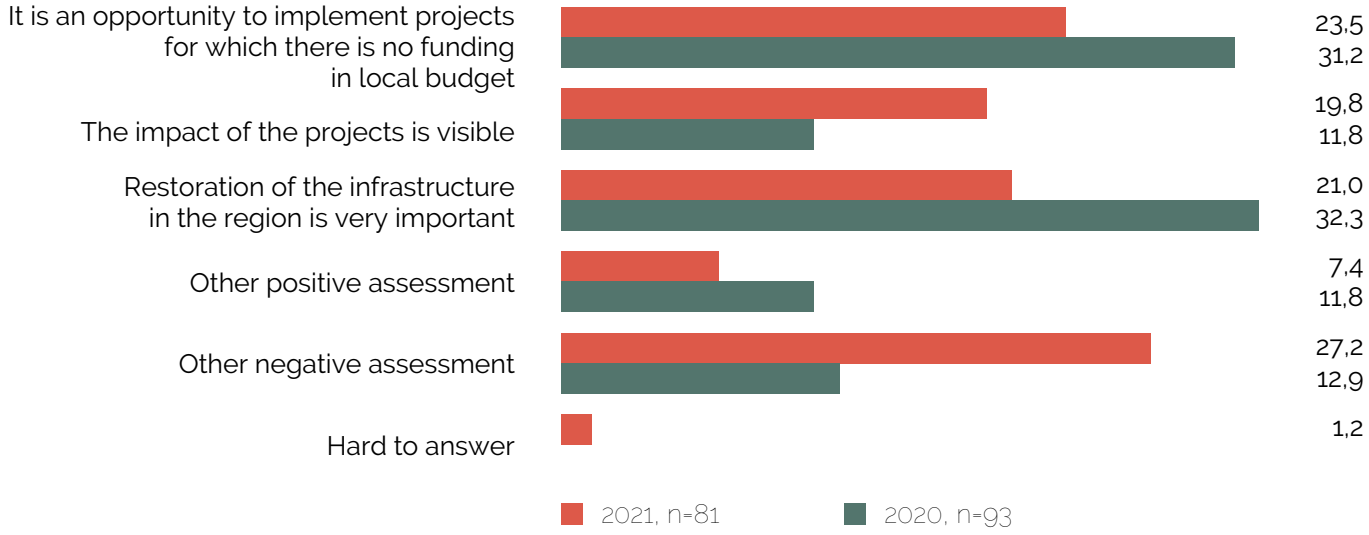
Among the community stakeholders, the level of general positive perception of the UERP and the sub-projects which are being implemented within is very high – 98.8% of *local stakeholders* and 96.5% of *communities' representatives* who are aware of the UERP mentioned that they are fully or rather positive about the Programme and the sub-projects.

These shares are rather stable comparing Phase 2 and Phase 3. The local media representatives also perceive the UERP as very positive – all local *media representatives* (10 out of 10) are fully or rather positively assessing the Programme and the ongoing sub-projects.

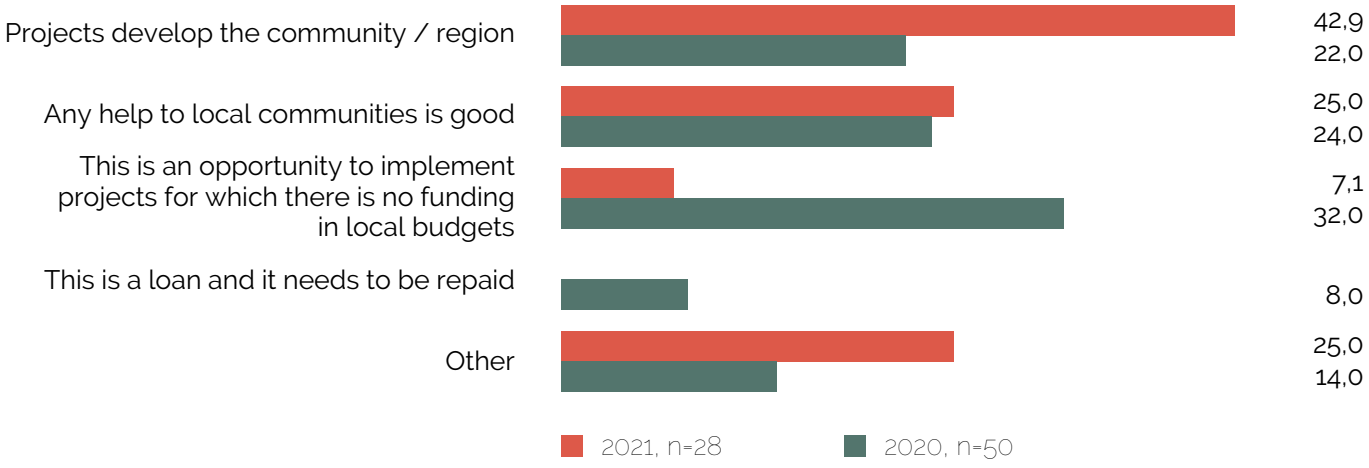
Graph 3.9.3. **Breakdown of answers to the question «In general, what is your attitude towards the Ukraine Early Recovery Programme and the projects that are being implemented?», %**



Graph 3.9.4. **Breakdown of answers to the question "Why do you think so?", among local stakeholders who are aware of the UERP sub-projects in their community, n=81, %**



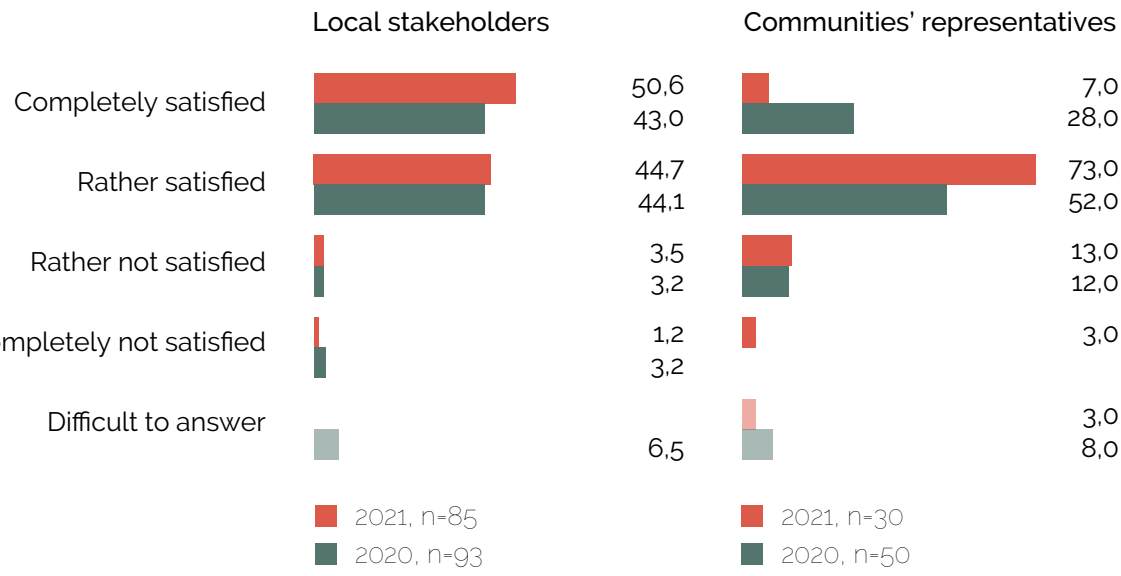
Graph 3.9.5. **Breakdown of answers to the question "Why do you think so?", among communities' representatives who are aware of the UERP sub-projects in their community, %**



As for the level of satisfaction of communities' stakeholders who are aware of the processes of the UERP sub-projects implementation in target settlements – 95.3% of *local stakeholders* (and this share increased compared to Phase 2, when it was 87.1%) and 80% (similarly to Phase 2) of *communities' representatives* are fully or rather satisfied with the implementation process. Among the aspects, the community stakeholders were satisfied within the sub-projects implementation – the high quality of the projects, the correlation of the sub-projects with the needs of the communities. Among the aspects they are not satisfied with – the very slow duration of the sub-projects' implementation was mentioned most often.

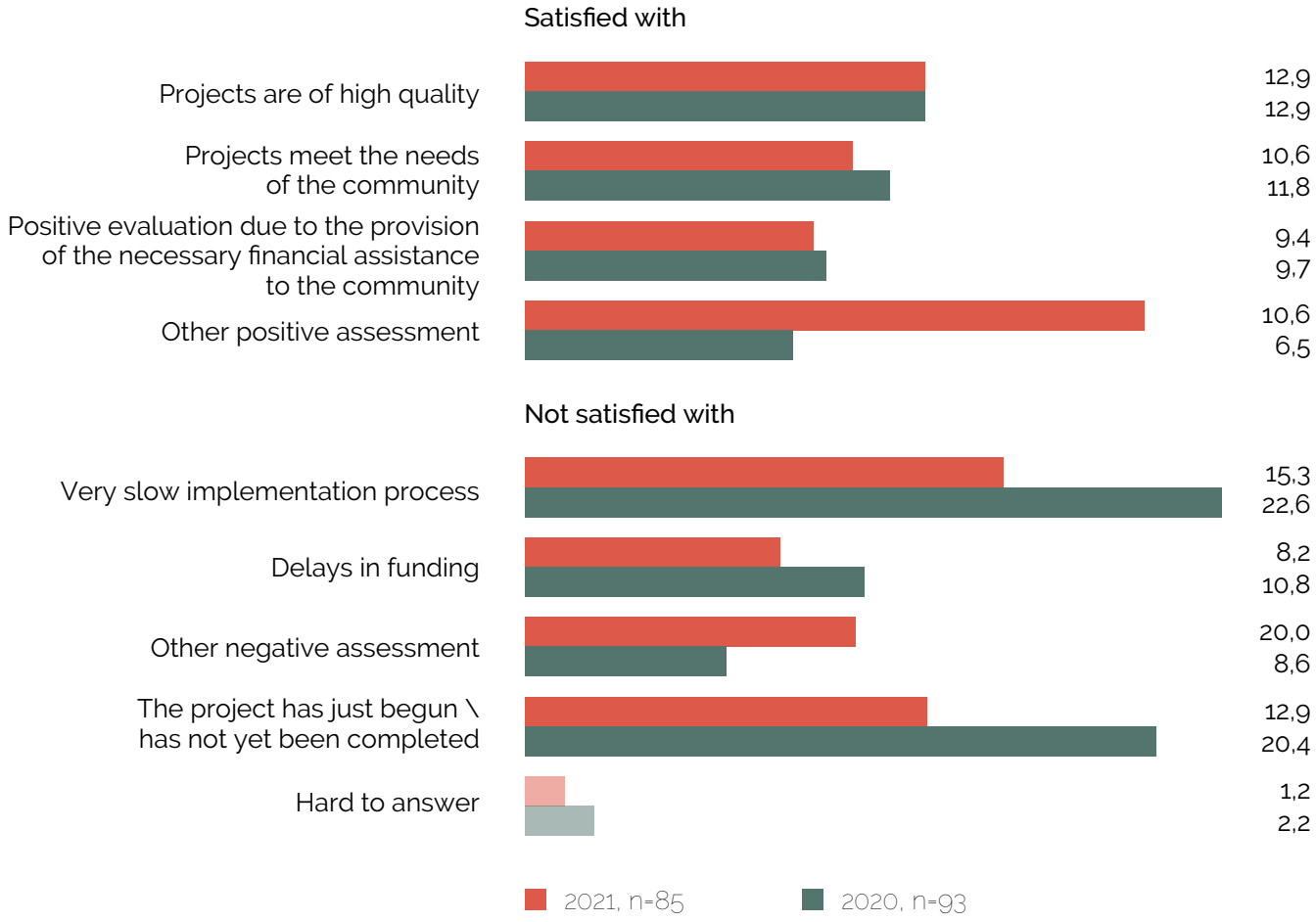
Graph 3.9.6.

Breakdown of answers to the question "In n general, how satisfied are you with the implementation of the UERP projects in your settlement, community?", %



Graph 3.9.7.

Breakdown of answers to the question "What exactly are you satisfied or not satisfied with?", among local stakeholders who are aware of the UERP sub-projects in their community, %



Graph 3.9.8.

Breakdown of answers to the question "What exactly are you satisfied or not satisfied with?", among communities' representatives who are aware of the UERP sub-projects in their community, %

MAIN FINDINGS AND CONCLUSIONS

The main findings and conclusions of the Third Phase of Survey on Socio-Economic Impact of the European Investment Bank Ukraine Early Recovery Programme are grouped in three sections, seeking on how to improve: (i) the implementation framework of UERP, (ii) the awareness, perceptions, and impact of the UERP in the target regions, and (iii) the anticorruption framework of the UERP.

The implementation framework of UERP

During all three Phases, delays of any kind have been indicated as the main problems by all target audiences (final beneficiaries, local stakeholders, communities' representatives, and contractors). Namely: delays in financing, long terms of sub-project approval (both the application submitted and the sub-project further updates, while the sub-project is being implemented), other bureaucratic issues. These delays lead to consequent delays in construction works and additional expenses. The contractors are mostly dissatisfied with the payment delays, which seemed to increase during Phase 3 and make them question further participation in UERP sub-projects. While in 2020, the contractors who participated in the FGDs noted that, apart from the above-mentioned problems of payments delays and fixed prices, they are satisfied with the framework and procedures of the UERP in general, in 2021, their attitude changed to a negative one. Now they believe that the UERP is beneficial for the communities, but it is a loss for them, at least now. Additionally, the contractors indicated the problem of fixed-price contracts, which gives them minimal flexibility to change the construction materials, equipment, or types of works. That might be necessary when the market for materials/equipment/salaries changed since the sub-project was designed or new regulations took place. While the declared knowledge of the EIB Environmental and Social standards is relatively high among final beneficiaries and community stakeholders, it seems to be limited among contractors' representatives. Some believe that it is enough to comply only with the Ukrainian legislation.

The awareness, perceptions, and impact of the UERP in the target regions

Around three-fourths of the surveyed local population and IDPs stated they are aware of at least one infrastructure restoration in their settlement over the last 2 years. Almost a half of the population are aware of the reconstruction of schools and other educational institutions; healthcare facilities.

Only a small share of 6.6% stated they are aware of the European Investment Bank and Ukraine Early Recovery Programme. The percentage has increased from 4.4% in 2020, and the increase of awareness is observed in all regions. However, only 2.9% of those aware of the UERP (or 0.1% of general populations) know the exact sub-projects which are implemented in their settlements within the Programme. That is extremely low considering that the sample targets settlements with active UERP projects.

The majority attribute reconstruction projects (that they are aware of) to local authorities. Only a few percent think international and foreign organizations contribute to the reconstruction, but the share has increased in 2021.

These communications issues should be further discussed by the UERP implementing partners with appropriate measures developed and implemented to increase the level of awareness of local communities on the results of implementation of UERP sub-projects.

The residents of UERP target communities, including IDPs residing there, believe that infrastructure reconstruction could lead to improving the life situation in the community. In 2021, overall satisfaction increased in all surveyed regions both among the general population and IDPs, except Donetsk and Luhansk oblasts. Also, there is an observed improving share of integrated IDPs comparing 2020. This certifies the overall positive effects of UERP and results of sub-projects implementation.

The anticorruption framework of the UERP

There was collected no information about the corruption issues within UERP, either because there were no instances to report, or it was a hard and unpopular issue to discuss. Yet, both final beneficiaries and local stakeholders in phone interviews and during FGDs reported the efficiency of implemented anticorruption measures within UERP and its sub-projects.

The Covenant of Integrity was supposed to be an important UERP anticorruption tool. Contracts are not awarded until a respective Covenant of Integrity is signed and submitted properly. According to the survey results, it is perceived by local stakeholders, final beneficiaries, and contractors as no more than one document, among many other papers that have to be signed. The findings of Phase 3 of the survey revealed both the final beneficiaries and the contractors do not pay enough attention to the Covenant of Integrity, some of them consider the document as one more formality, and do not follow the intent/importance of it. Also, their knowledge and understanding of the Covenant of Integrity provisions are rather limited. Awareness of the Covenant of Integrity among the other target audiences of the survey, who could support anticorruption monitoring, is low. To address those issues, training, informing, and monitoring activities, need to be rolled out in a respective scale. The activities should be targeted, consider different target audiences, and to be tailored appropriately to meet particular situation and needs of each group.

ANNEX A.

THIRD PHASE RESEARCH METHODOLOGY

1. General population survey in the UERP target settlements

1200 residents (aged 18+) from target settlements in 8 oblasts were interviewed in August – October 2021. The sample consisted of three subsamples - residents of target settlements in Donetsk and Luhansk oblasts (Subsample 1), Kharkiv, Zaporizhzhia and Dnipropetrovsk oblasts (Subsample 2), and Poltava, Odesa, and Kyiv oblasts (Subsample 3); the size of each subsample was 400 respondents. Statistical weighting procedure for proportional representation of target settlements from 8 oblasts was applied to the general sample.

The maximum theoretical sampling error does not exceed ± 2.8% for the general sample, ± 4.9% for the subsamples, with a probability of 0.95.

Following consultations with UNDP TA Team, the sample design for Phase 3 (as well as Phase 2) has been adjusted to the current state of the UERP implementation. In Phase 1 [2019] the sample design has been designed seeking the equal representation of all regions covered by the Programme. While the Programme implementation is currently in the advanced stage with bigger number of sub-projects under construction, the decision was to pay more attention in Phase 3 and Phase 2 of the general population survey to communities where the sub-projects are already in progress or even finished. This approach aimed to learn better how people in these settlements perceive the impact of the Programme. To achieve the above mentioned, new settlements were added to the sample in Donetsk, Luhansk, Zaporizhzhia and Kharkiv oblasts. The survey skipped Kherson Oblast in Phase 3 [2021] and Phase 2 [2020].

The detailed comparison of Phase 1 [2019], Phase 2 [2020], and Phase 3 [2021] samples is provided below:

Table A1.1. **Comparison of Phase 1, Phase 2, and Phase 3 samples**

Subsample	Oblasts	Settlement	Sample – Phase 1 [2019]	Sample – Phase 2 [2020]	Sample – Phase 3 [2021]
1.	Donetsk	Kramatorsk	35	40	40
		Sloviansk	20	35	35
		Druzhkivka	10	0	0
		Pokrovsk	12	25	25
		Myrnohrad	10	15	15
		Mariupol	50	100	100
		Manhush	8	15	15
		Bakhmut	15	25	25
		Nikolske	0	10	10
		Volnovakha	0	10	10
		Kostiantynivka	0	25	25
		Vuhledar	0	10	10
	Luhansk	Sievierodonetsk	18	35	35
		Starobilsk	6	10	10
		Rubizhne	10	20	20
		Kreminna	6	10	10
		Bilovodsk	0	5	5
		Milove	0	10	10
	Subsample total		**200**	**400**	**400**
2.	Kharkiv	Kharkiv	75	100	100
		Donets	0	15	15
		Dvorichna	0	15	15
		Staryi Merchyk	0	15	15
		Koviahy	0	15	15
	Zaporizhzhia	Zaporizhzhia	50	70	70
		Melitopol	20	50	50
		Prymorsk	10	20	20
		Berdiansk	15	30	30
		Hulyaipole	0	20	20
	Dnipropetrovsk	Kamianske	30	50	50
	Subsample total		**200**	**400**	**400**

Subsample	Oblasts	Settlement	Sample – Phase 1 [2019]	Sample – Phase 2 [2020]	Sample – Phase 3 [2021]
3.	Poltava	Myrhorod	15	50	50
		Kremenchuk	20	70	70
		Reshetylivka	15	30	30
		Shyshaky			
		Dykanka			
	Odesa	Odesa	65	120	120
	Kherson	Kherson	30	0	0
	Kyiv	Brovary	17	50	50
		Boryspil	12	40	40
		Bucha	10	30	30
		Khotianivka	8	10	10
		Sofiivska Borschahivka	8	0	0
	Subsample total		**200**	**400**	**400**
Total			**600**	**1200**	**1200**

The comparison of the results of Phase 1 and Phase 2 results is correct only for the population from target settlements included to the samples of both Phases of the survey with additional weighting by sex, age, level of education, and number of inhabitants in the settlement. At the same time, the sample design allows for the comparison of the results of Phase 3 and Phase 2. The detailed sample design of Phase 3 survey is provided below:

Table A1.2. **Sample design**

Subsample	Oblasts	Settlement	Population 18+	% to the total population of settlements in subsample	Number of interviews in sample	% in sample
1.	Donetsk	Kramatorsk	147375	13%	40	10%
		Sloviansk	105588	9%	35	9%
		Pokrovsk	59649	5%	25	6%
		Myrnohrad	45872	4%	15	4%
		Mariupol	420979	36%	100	25%
		Manhush	7654	1%	15	4%
		Bakhmut	70917	6%	25	6%

Subsample	Oblasts	Settlement	Population 18+	% to the total population of settlements in subsample	Number of interviews in sample	% in sample
		Nikolske	7694	1%	10	3%
		Volnovakha	20977	2%	10	3%
		Kostiantynivka	68052	6%	25	6%
		Vuhledar	14230	1%	10	3%
	Total per settlements in Oblast		**968987**	**83%**	**310**	**78%**
	Luhansk	Sievierodonetsk	99639	9%	35	9%
		Starobilsk	16130	1%	10	3%
		Rubizhne	55075	5%	20	5%
		Kreminna	18264	2%	10	3%
		Bilovodsk	7598	1%	5	1%
		Milove	5611	0.5%	10	3%
	Total per settlements in Oblast		**202317**	**17%**	**90**	**23%**
	Total per settlements in subsample		**1171304**	**100%**	**400**	**100%**
2.	Kharkiv	Kharkiv	1360212	53%	100	25%[5]
		Donets	8037	0.3%	15	4%
		Dvorichna	3286	0.1%	15	4%
		Staryi Merchyk	1672	0.1%	15	4%
		Koviahy	2811	0.1%	15	4%
	Total per settlements in Oblast		**1376018**	**54%**	**160**	**40%**
	Zaporizhzhia	Zaporizhzhia	697670	27%	70	18%
		Melitopol	140916	6%	50	13%
		Prymorsk	10720	0.4%	20	5%
		Berdiansk	106046	4%	30	8%
		Hulyaipole	12368	0.5%	20	5%
	Total per settlements in Oblast		**967720**	**38%**	**190**	**48%**
	Dnipropetrovsk	Kamianske	212375	8%	50	13%
	Total per settlements in subsample		**2556113**	**100%**	**400**	**100%**

5 The weight of the following settlements was decreased in the sample to ensure appropriate representation of smaller settlements in the sample and approved by the UNDP TA Team.

Subsample	Oblasts	Settlement	Population 18+	% to the total population of settlements in subsample	Number of interviews in sample	% in sample
3.	Poltava	Myrhorod	36643	3%	50	13%
		Kremenchuk	204524	15%	70	18%
		Reshetylivka	4093	1%	30	8%
		Shyshaky	9297			
		Dykanka	7727			
	Total per settlements in Oblast		**262284**	**19%**	**150**	**37.5%**
	Odesa	Odesa	946106	68%	120	30%
	Kyiv	Brovary	91366	7%	50	13%
		Boryspil	54660	4%	40	10%
		Bucha	29952	2%	30	8%
		Khotianivka	982	0%	10	3%
	Total per settlements in Oblast		**176960**	**13%**	**130**	**32.5%**
	Total per settlements in subsample		**1385350**	**100%**	**400**	**100%**
Total			**5301675**		**1200**	

For all the Phases, the Data Acquisition Method was a personal interview using the computer-assisted personal interviewing (CAPI) method. The interview duration was approximately 30 minutes.

The routes for the search and selection of respondents were constructed outside polling stations located in settlements according to the Central Election Commission data as of January 2018 (each route lay within one constituency - each constituency in Ukraine is designated by the Central Election Commission and is a set of exact addresses and buildings). In the settlement randomly (from the list of possible routes with a description of the boundaries of the route - street names and house numbers, using a random number generator) was selected the required number of routes. The number of routes in each settlement was calculated as the planned number of interviews in the city, divided by 5 (maximum number of interviews per route).

Data control: 15% of the sample was verified by quality assurance procedures. With the help of phone control (the respondents' phones were recorded in the questionnaire during the interview), the managers of the control department checked: the fact that the interview was conducted and its duration, the correctness of filling in the questionnaire (the answers to the control questions were compared). Also, 100% of the sample was verified with the help of special Info Sapiens software, which selects suspicious questionnaires. In addition, duplication of respondents' phone numbers was monitored (collation of phone numbers with past projects). Unconfirmed questionnaires were removed from the database.

Socio-demographic profile of respondents

Among the interviewed respondents, 43.9% were men and 56.1% were women. Age of respondents: 18-29 years – 15.6%; 30-39 years – 20.6%; 40-49 years – 17.3%; 50-59 years – 17.0%; 60 years and older – 29.4%.

Table A1.3. Gender breakdown of the respondents

Gender	Total in the sample, n=1200
Men	43.9%
Women	56.1%

Table A1.4. Age breakdown of the respondents

Age group	Total in the sample, n=1200
18-29 years	15.6%
30-39 years	20.6%
40-49 years	17.3%
50-59 years	17.0%
60 years and older	29.4%

68 out of the 1200 respondents (i.e. 5.7%) indicated that due to armed conflict they were forced to move for resettlement from not controlled by the Ukrainian Government territories.

Almost half of the respondents (48.2%) have secondary or special education; more than a quarter of respondents (29.0%) said they had a university degree or an academic degree.

Table A1.5. Education breakdown of the respondents

Education	Total in the sample, n=1200
Elementary / Incomplete Secondary	1.2%
General Secondary	15.0%
Secondary Special	32.4%
College, technical school	15.8%
Basic or university not completed	6.6%
University degree / academic degree	29.0%

At the time of the survey, more than a half of the respondents (57.0%) were employed or self-employed.

Table A1.6. **Employment status of the respondents (more than 1 answer was possible)**

Employment status	Total in the sample, n=1200
Full time / part time employee	50.7%
Self-employed, private entrepreneur	6.3%
Retired	27.9%
Keeping the household / caring for the family	8.0%
Unemployed, looking for a job	5.3%
Unemployed, not looking for a job	0.8%
Student	4.0%
Refusal / Difficult to answer	0.7%

Among those respondents who are employed or self-employed, more than a quarter (29.3%) are employed in trade, each fifth – in production (industry).

Table A1.7. **Employment spheres of the respondents**

Employment spheres	Among employed, n=673
Trade	29.3%
Production (industry)	20.2%
Construction	13.3%
Transport	8.4%
Public administration and defense	6.7%
Health care	5.7%
Education	4.9%
Agriculture, forestry or fisheries	3.2%
Other	3.4%
Other: Service industries	2.7%
Difficult to say / Refusal to answer	2.3%

2. 2. . Survey of IDPs who reside in the UERP target settlements

350 IDPs (aged 18+) from target settlements in 8 oblasts were interviewed on August–October, 2021. The sample was built on the data of Ministry of Social Policy of Ukraine (MoSP) on the number of registered IDPs who reside in 8 target oblasts.

The maximum theoretical sampling error does not exceed ± 5.2%, with a probability of 0.95.

The detailed sample is provided below:

Table A2.1. **Sample design**

Oblast	IDPs, MoSP data, May 2019	% to the total number of IDPs in 8 oblasts	Number of interviews in sample	% in sample
Donetsk	487674	43.1%	151	43.1%
Luhansk	269483	23.8%	50	23.7%
Kharkiv	126096	11.5%	50	11.4%
Dnipropetrovsk	67717	6.0%	15	6.0%
Kyiv	53989	5.7%	17	5.7%
Zaporizhzhia	53234	4.7%	35	4.9%
Odesa	34871	3.3%	25	3.1%
Poltava	22568	1.9%	7	2.0%
Total IDPs in 8 oblasts	**1 115 632**	100%	350	100%

For both Phase 3 and Phase 2 the Data Acquisition Method was a personal interview using the CAPI method, the interview duration was approximately 30 minutes (the same as for the general sample).

While the sample was based on the data on the number of IDPs in oblasts, the interviews were conducted only with the IDPs who live in the UERP target settlements within an oblast. The approach of "randomized snowball selection" was applied for the selection of household IDPs. The respondents among IDPs in households were selected according to following algorithm:

- Sample was stratified by target oblasts and settlements – as the sample for the general population;

- In each target oblasts and settlement, the survey was initially conducted with IDPs residing in households who were randomly found in earlier nationally representative surveys; these initial respondents were used as "seed" respondents and asked to provide the contacts of up to 10 potential respondents among other IDPs residing in households in the same or in the other settlement;
- In the household of each selected IDP (both randomly selected or selected using "snowball" method) the dweller aged 18 and above was selected for interview using last birthday method.

3. Focus group discussions with the UERP final beneficiaries, contractors and community stakeholders, including IDPs

In September 2021, a series of online focus group discussions were held with final beneficiaries and the UERP local stakeholders.

Representatives of the following target audiences participated in the focus groups:

- IDPs who reside in target settlements;
- the UERP final beneficiaries;
- Representatives of the administrations of institutions and facilities where the UERP reconstruction works are carried out;
- Representatives of local government, self-government and community executive bodies engaged in the process of submitting and/or implementing the UERP sub-projects in their settlements or communities;
- Representatives of contractors (construction companies), which perform construction works on the UERP sub-projects;
- Representatives of local communities and NGOs;
- Representatives of local media.

The topics discussed during the FGDs were implementation of sub-projects within the UERP, difficulties and problems which arise in this process, anticorruption practices and integrity issues during submission and selection of sub-projects to the UERP, capacity and resources for the implementation of the UERP sub-projects, and future plans, recommendations and suggestions.

In total, 12 focus group discussions were held. The full list of discussions is provided below.

Table A3.1. Information about focus group discussions

#	Target Audience	Which oblasts participants were invited from	Number of participants
FGD1	IDPs	Donetsk, Luhansk	10
FGD2		Kharkiv, Poltava, Zaporizhzhia, Odesa, Kyiv	9
FGD3	Contractors	Donetsk, Luhansk	7
FGD4		Kharkiv, Poltava, Zaporizhzhia, Odesa, Dnipropetrovsk	8
FGD5		Donetsk, Luhansk	11
FGD6	Local stakeholders	Dnipropetrovsk, Kharkiv, Zaporizhzhia	11
FGD7	Final beneficiaries	Donetsk, Luhansk	9
FGD8		Dnipropetrovsk, Kharkiv, Zaporizhzhia	11
FGD9		Kyiv, Poltava, Odesa, Kherson	11
FGD10		Donetsk, Luhansk, Kharkiv, Poltava, Zaporizhzhia, Odesa, Dnipropetrovsk	10
FGD11	Communities' and NGOs' representatives	Donetsk, Luhansk, Kharkiv, Poltava, Zaporizhzhia, Odesa, Dnipropetrovsk	9
FGD12	Local media	Донецька, Луганська, Харківська, Полтавська, Запорізька, Одеська, Дніпропетровська	8
Total			**114**

The screening criterion was invitation of people who had personal experience within the UERP. Participants, except IDPs, were invited by UNDP TA contact database. The IDPs were recruited in the target settlements with a screening survey which included the questions on their age, year and place of resettlement, financial status and occupation to allow the distribution of the participants by these characteristics within a discussion.

The average duration of the FGD was 1.5 hours.

4. Phone interviews with the UERP final beneficiaries, local stakeholders, communities' representatives, and local media

Within the Third Phase, a series of phone semi-structured interviews were conducted in September-November 2021 with the UERP final beneficiaries, local stakeholders, representatives of local communities, including non-governmental organizations (NGOs), and local media. In total, 266 interviews were conducted with representatives of all target audiences.

The interviews with final beneficiaries, stakeholders, and partially with communities' and NGOs' representatives and media were conducted using databases provided by UNDP TA. All contacts from the databases were sampled.

Interviews were conducted with a semi-structured questionnaire, which included several questions on the following blocks:

- Experience with the UERP sub-projects;
- Experience in engaging other parties in sub-project development and/or implementation;
- Awareness of and compliance with the EIB Environmental and Social Standards;
- General assessment of the UERP sub-project implementation;
- *For final beneficiaries* – Problems with implementation of sub-projects;
- *For all TAs, except final beneficiaries* – Awareness of the EIB and the UERP activities;
- *For all TAs, except final beneficiaries* – Information disclosure on the UERP sub-projects.

Within the research there were conducted:

Within this component, a total of 266 semi-structured phone interviews were conducted, including:

- 88 interviews with representatives of the UERP final beneficiaries, who are directly responsible for the implementation of the sub-projects;
- 99 interviews with local stakeholders, including 44 interviews with heads of local authorities and self-government bodies, members of local councils, communities' executive staff; and 55 – with the management and staff of the facilities where reconstruction work is being carried out or planned;
- 53 interviews with local communities' representatives, including members of non-governmental organizations which are working in the target settlements/rayons;
- 26 interviews with local media representatives.

The Second Phase was conducted with the same target audiences and methodology in September-October 2020.

Table A4.1. Respondent's reach status

Interview status	Final beneficiaries		Local stakeholders		Community representatives		Media	
	2020	2021	2020	2021	2020	2021	2020	2021
Successfully conducted interviews	114	88	104	99	81	53	21	26
Refusal to participate / respondent stated that they were not competent to speak on this topic	7	3	145	62	22	4	5	26
Invalid number	0	5	10	9	2	10	0	14
Could not reach respondent (call not answered, number was busy, out of reach)	49	74	27	75	15	82	14	22
Total	**170**	**170**	**286**	**245**	**120**	**149**	**40**	**88**

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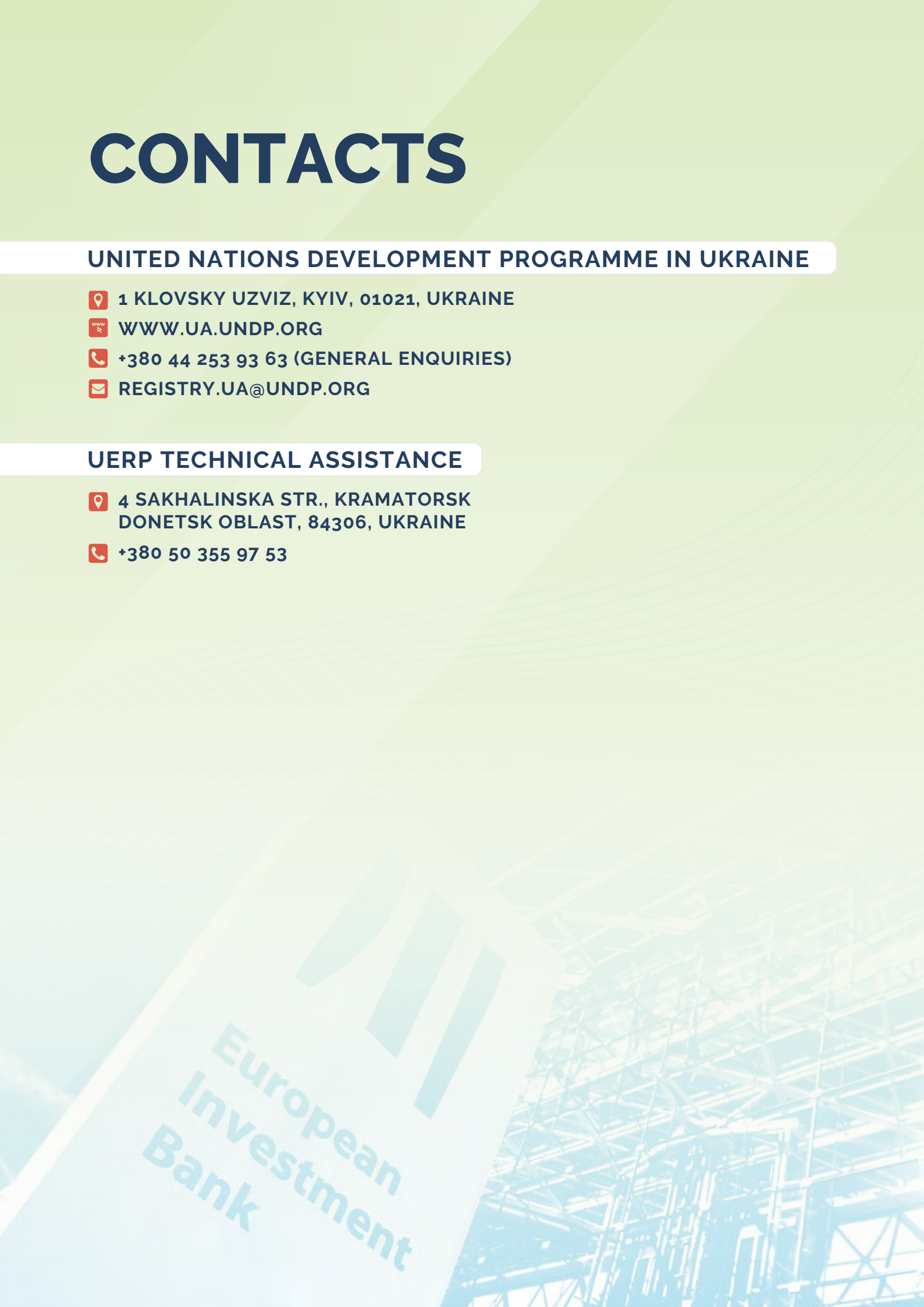
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