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Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine

Office of Evaluation and Internal Oversight

**OFFICE OF EVALUATION AND INTERNAL OVERSIGHT
INDEPENDENT EVALUATION UNIT**

**Independent Evaluation of
Industrial capacity-building, policy advice and diagnostics for the
green recovery of Ukraine
(UNIDO Project ID 230030)**



**UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION**

Vienna, July 2024

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Abstract

The evaluation report assessed the performance of a project that aimed to provide technical support to the Government of Ukraine in conceptualizing and operationalizing a strategic approach towards green industrial reconstruction and development. Funded by Germany, the EUR 3 million project was implemented over a duration of 12 months and had nine technical outputs covering areas like industrial diagnostics, policy advice, MSME promotion, circular economy, and digital transformation.

The purpose of the terminal evaluation was to assess the project's performance and provide recommendations for the Green Industrial Recovery Programme for Ukraine 2024-2028. Key questions focused on relevance, coherence, effectiveness, efficiency, impact, and sustainability. The evaluation used a mixed-methods approach, collecting data from 30 national stakeholders and 20 UNIDO staff through interviews, surveys, and focus groups.

Evaluation found that the project topics were highly relevant, though the approach was driven more by UNIDO's offerings than strategic priorities. While UNIDO's cross-divisional collaboration was commended, actual synergies were limited, and coordination with UN agencies and International Financial Institutions was constrained by the lack of a UNIDO country office. Many output-level results were achieved, but outcome-level impacts were not well captured. The analytical work and capacity building efforts were appreciated by stakeholders. The short timeline put pressure on UNIDO, but implementation was largely efficient, though the reliance on HQ staff was not very cost-effective. The project has the potential for long-lasting impact, laying the foundation for the Green Industrial Recovery Programme, though the programme's strategic focus could be strengthened.

In conclusion, the project accomplished a high number of activities in a short time, leading to enhanced policy capacity, but lacked a clear strategic focus. The proposed recovery programme offers an opportunity to set clear priorities for an integrated green industrial transformation of Ukraine. The evaluation report offered five recommendations.

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Abbreviations and glossary of evaluation related terms

Abbreviations

BMZ	Federal Ministry for Economic Cooperation and Development
EBRD	European Bank for Reconstruction and Development
EIB	European Investment Bank
EU	European Union
EUR	Euro
FAO	Food and Agriculture Organization of the United Nations
FGD	Focus Group Discussion
GEF	Global Environment Facility
GIZ	German Development Cooperation
IBRD	International Bank for Reconstruction and Development
IEU	Independent Evaluation Unit (UNIDO)
IFC	International Finance Corporation
IFI	International Financial Institutions
ILO	International Labour Organization
MSMEs	Micro-, Small and Medium-sized Enterprises
NCB	National Coordination Body
NRP	National Recovery Plan
PMU	Project Management Unit
RDA	Regional Development Agencies
RDC	Regional Development Coordinator
RDNA	Rapid Damage and Needs Assessment (World Bank)
SMEs	Small and Medium-sized Enterprises
SWOT	Strengths, Weaknesses, Opportunities, Threats
TF	Transitional Framework
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UN-Habitat	United Nations Human Settlements Programme
UNIDO	United Nations Industrial Development Organization
UNSDCF	United Nations Sustainable Development Cooperation Framework
USD	United States dollar

Glossary of Evaluation Related Terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the objectives of a development intervention were or are expected to be achieved.
Impact	Positive and negative, primary and secondary, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor. Means by which a change will be measured.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Logframe (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results-based management) principles.
Outcome	The achieved or likely short-term and medium-term effects of an intervention's outputs.
Outputs	The products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Recommendations	Proposals aimed at enhancing the effectiveness, quality, or objectives; and/or at the reallocation of resources.
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donor's policies. Note: Retrospectively, the question of relevance often becomes a question as to whether the objectives of an intervention or its design are still appropriate given changed circumstances.

Results-Based Management (RBM)	A management strategy focusing on performance and achievement of outputs, outcomes and impacts.
Review	An assessment of the performance of an intervention, periodically or on an ad hoc basis. Note: Frequently “evaluation” is used for a more comprehensive and/or more in-depth assessment than “review”. Reviews tend to emphasize operational aspects. Sometimes the terms “review” and “evaluation” are used as synonyms.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention’s objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed. The probability of continued long-term benefits. The resilience to risk of the net benefit flows over time.
Target group	The specific individuals or organizations for whose benefit an intervention is undertaken.
Theory of change	Theory of change or programme theory is similar to a logic model, but includes key assumptions behind the causal relationships and sometimes the major factors (internal and external to the intervention) likely to influence the outcomes.

Executive summary

Introduction

The objective of the project was to provide technical support to the Government of Ukraine in conceptualizing and operationalizing a strategic approach towards green industrial reconstruction and development. The project budget was EUR 3m - funded by Germany and the initial project duration was nine-month (1 April - 31 Dec. 2023), extended until 31 March 2024. The project had nine technical outputs in the following areas: industrial diagnostics (1), industrial policy advice and capacity development (2), promotion of MSMEs (3), empowerment of youth and women (4), promotion of circular economy (5), energy generation (6), revitalization of the agribusiness and food processing industry (7), strengthening of competitiveness, quality and compliance for market access (8), and promotion of digital transformation (9).

Evaluation purpose and questions

The purpose of this terminal evaluation is to assess the project's performance and to make recommendations for implementing the Green Industrial Recovery Programme for Ukraine 2024-2028. The key evaluation questions are:

- **Relevance:** Is the intervention doing the right things?
- **Coherence:** How compatible is the project with other interventions?
- **Effectiveness:** Is the project achieving its objectives?
- **Efficiency:** Has the project delivered results in an economic and timely manner?
- **Impact and sustainability:** What is the likelihood of contribution to long-lasting results?

Methodology

The evaluation followed a mixed-methods approach for data collection and analysis. The evaluation collected primary data from stakeholders - roughly 30 national stakeholders and 20 UNIDO staff – through interviews, surveys and focus group discussions. The evaluation also used secondary data (e.g., documents and websites). Given the difficult security situation in Ukraine, the lead evaluator could not travel to Ukraine. All interviews were conducted online. Support was provided by the national evaluation facilitator based in Kyiv.

Key findings

Relevance: While the project was developed under a lot of time pressure and was very much driven by UNIDO services and ongoing UNIDO activities, national stakeholders view the selection of topics as highly relevant. And while the project has a limited thematic and geographical focus, this was a conscious decision by the Government of Ukraine, reflecting the preparatory nature of this project and the short-term project duration. The relevance of the decentralized approach targeting oblasts and municipalities has yet to be demonstrated in possible follow-up projects. Most stakeholders are of the view that the project's response to the war context is satisfactory.

Coherence: While the cross-divisional collaboration practised for this project is applauded by UNIDO staff, actual synergies realised were somewhat limited. UNIDO

tried to coordinate the project with other ongoing activities of the Government and development partners. While the partnership with donors was working well, the collaboration with UN sister agencies, particularly international financial institutions (IFI), was limited. Having no UNIDO country office and no head of agency severely constraints UNIDO's ability to coordinate with other actors in Ukraine.

Effectiveness: The project conducted a very high number of activities in a short period of time. This led to many results at the output level. Results at the outcome level were not well captured by the project. The analytical work conducted and the capacity building efforts of the project are greatly appreciated by national stakeholders and contributed to enhanced policymaking capacity. While there are some results at the municipality and company level, the realisation is more challenging.

Efficiency: The short project duration put the UNIDO output managers under a lot of pressure. However, project implementation was by and large efficient. A caveat is that the implementation of the ten outputs involved about 20 UNIDO HQ staff members (incl. consultants) which is not very cost-effective. Cost-effectiveness of outputs - ratio of cost to outputs – appears to be overall reasonable. A key success factor for implementation was the Project Management Unit at HQ. A key weakness for implementation was the lack of a full-fledged UNIDO country office. And given the limited number of activities in some oblasts, not all RDCs appear to be cost-effective at this point.

Impact and sustainability: It is plausible that the project will have a long-lasting impact. The analytical work, the capacity building activities and the work at the oblast and municipality level have the potential to contribute to lasting change. Moreover, the Green Industrial Recovery Programme Ukraine 2024-2028 lays the foundation for scaling up activities.

Key conclusions

The project accomplished a remarkably high number of activities in a short time, leading to some significant results in enhanced industrial policy capacity. While all nine topics selected for the project are relevant to Ukraine, they lack a strategic view with clear priorities. The project has watered many plants which are all pertinent, but many of them are small-scale. They will only grow if follow-up projects scale them up. This is the idea of the Green Industrial Recovery Programme Ukraine 2024-28 with 14 project proposals. However, the 14 proposals repeat the approach of the present project. Rather than setting clear priorities, the programme offers a menu of project proposals and only provides a rather loose framework for the projects. It appears to repeat the approach selected for the project mirroring the UNIDO services rather than setting clear strategic priorities and an integrated approach for the green industrial recovery of Ukraine. When everything is relevant and should be done simultaneously – which reflects the current situation in Ukraine - setting priorities seems even more critical.

Main recommendations

1. **Strategic prioritization and integration:** the UNIDO support to Ukraine should be more strategic – by, for instance, focussing on 1 or 2 sectors; the selection of oblasts should align with strategic prioritization.
2. **Enhance project size:** implement few but larger projects; aim at joint projects with development partners.

3. **Define flexibility:** develop a concept defining concretely what flexibility means and how flexibility can be built into implementation.
4. **Strengthening national capacities:** enhance project management capabilities of national authorities at national, regional and local levels; engage in joint fund-raising.
5. **UNIDO implementation capacity:** establish a UNIDO country office in Ukraine; the PMU should continue and go from coordination to integration of UNIDO activities; establish a security concept.

1. Introduction

1.1 Evaluation purpose

1. The main purpose of this terminal evaluation is to assess the project's performance and to learn from the experience of the project. Also, the evaluation makes recommendations for implementing the Green Industrial Recovery Programme for Ukraine 2024-2028, including the project proposals, which build on the present project. The evaluation draws lessons learned and identifies good practices to the extent possible. The evaluation will be used by the project management unit of the regional bureau and the various project managers involved in the project, as well as by the national stakeholders in Ukraine.

1.2 Evaluation objectives and scope

2. The objective of the terminal evaluation is to assess the performance in terms of relevance, coherence, effectiveness, efficiency, progress towards impact and sustainability of the results achieved.

1.3 Subject and scope

3. The subject of this evaluation is the project “Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine” (UNIDO ID: 230030). The evaluation covers the whole duration of the project from 01.04.2023 to 31.03.2024, i.e. 12 months.

1.4 Evaluation criteria and evaluation questions

4. The ToR for this evaluation provide the evaluation criteria and key evaluation questions. Based on the discussions during the inception phase with UNIDO staff members and the initial document review, the key evaluation questions have been supplemented with emerging issues and sub-questions (Table 1).

Table 1: Evaluation criteria, key evaluation questions, issues and sub-questions

The evaluation criteria and key evaluation questions in the TOR for this evaluation	Issues and evaluation sub-questions (developed during inception phase)
Relevance: Is the intervention doing the right things? To what extent do the project/programme's objectives respond to beneficiaries, global, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change?	<ul style="list-style-type: none">- Design: The project was designed under a lot of pressure. It was designed in a few weeks. Also, the project design was partly building on what UNIDO was already doing in Ukraine (“capitalizing of ongoing activities”). Did the project select the right sectors? Are there too many sectors?- War context: How well does the project respond to the war context?
Coherence: How well does the intervention fit? How	<ul style="list-style-type: none">- Internal coherence: How coherent is the project, in particular given the fact that there are nine different

<p>compatible is the project/programme with other interventions in the country, sector or institution?</p>	<p>outputs and a rather large number of national stakeholders involved; and there are parallel UNIDO projects with other donors (e.g. GQSP¹). Are there synergies between the nine technical outputs as well as the other UNIDO activities?</p> <ul style="list-style-type: none"> - External coherence: There are many development partners active in Ukraine. To what extent is the project coordinated with similar activities of development partners? - To what extent is the “Green Industrial Recovery Programme Ukraine 2024-2028” coherent with the upcoming United Nations Sustainable Development Cooperation Framework (UNSDCF) for Ukraine 2025-2029? - To what extent is the National Coordination Body contributing to internal and external coherence?
<p>Effectiveness: Is the project/programme achieving its objectives?</p>	<ul style="list-style-type: none"> - To what extent has the project achieved the expected results, given the short implementation phase of only nine months (extended to 12 months)?
<p>Efficiency: How well are resources being used? Has the project/programme delivered results in an economic and timely manner?</p>	<ul style="list-style-type: none"> - How well is the project managed and coordinated by the PMU, in particular given the fact that each of the outputs has different output managers from different technical units? - How well is the National Coordination Body functioning? - How well are the Regional Development Coordinators (RDCs) at oblast level functioning? - How did the absence of a UNIDO field office affect the implementation of the project? - To what extent has the war context affected the implementation of the project?
<p>Impact: What difference does the intervention make? To what extent has the project/programme generated significant positive or negative, intended or unintended, higher-level effects? Has the project/programme had transformative effects?</p>	<ul style="list-style-type: none"> - The project is typified by UNIDO as “preparatory phase” within UNIDO’s approach to post-conflict/-crisis situations. As such, direct impact can not be expected. Nevertheless, the project may have effects in the long-run. What is the likelihood of contribution to impact in future (after “preparatory phase”)?
<p>Sustainability: Will the benefits last? To what extent will the net benefits of the project/programme continue, or are likely to continue?</p>	<ul style="list-style-type: none"> - What is the likelihood of long term results? - What are some of the factors that contribute to long term results/effects of the project?

¹ Global Quality and Standards Programme (GQSP).

2. Methodology and limitations

2.1 Evaluation approach

5. The evaluation followed a mixed-methods approach for data collection and analysis. The evaluation collected primary data from stakeholders and also used secondary data (e.g., documents and websites).

2.2 Stakeholders

6. As reflected in the project's nine outputs, the project addressed a wide range of thematic areas. It, therefore, involved a relatively large number of national stakeholders for a project of that size. The main counterparts are:²

- The Ministry of Strategic Industries of Ukraine (main government coordinating entity)
- Ministry of Economy of Ukraine (took on the role of main government counterpart recently)
- Ministry of Environmental Protection and Natural Resources of Ukraine
- Ministry of Energy of Ukraine
- Ministry of Agrarian Policy and Food of Ukraine
- Ministry of Communities, Territories and Infrastructure Development of Ukraine

7. Germany, the donor, is another key stakeholder represented by the Federal Ministry for Economic Cooperation and Development (BMZ).

8. The wide range of thematic areas is reflected by the high number of UNIDO units involved in the project:³

- Regional Bureau for Europe and Central Asia, host of the Programme Management Unit (PMU⁴);
- Industrial Policy Research Unit;
- Capacity Development and Policy Advice Unit;
- SME Development and Job Creation Unit;
- Skills Development and Fair Production Unit;
- Circular Economy and Resource Efficiency Unit;
- Energy Systems and Industrial Decarbonization Unit;
- Food Security and Food Systems Unit;
- Competitiveness, Quality and Compliance Unit;
- Division of Digital Transformation and AI Strategies
- A Senior Coordinator for Ukraine was appointed after the project's approval. He took on a funds mobilization and development partner engagement role.

² Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023, p.1.

³ Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023, p. 21

⁴ Throughout the report, the "PMU" refers to the project manager and her immediate team at HQs and in the field and excludes, for the purpose of the evaluation, the designated task force consisting of UNIDO output managers. In essence, the PMU performs the coordination/secretariat function of the project.

9. As part of the inception phase of this evaluation, the PMU and the UNIDO managers of the different outputs (output managers) were asked to provide a list of stakeholders, to typify the stakeholders (key or relevant stakeholder⁵) and to suggest a type of consultation (online interview or online survey). The result:

Type of stakeholder		Suggested type of consultation	
Key stakeholder	Relevant stakeholder	Online interview	Online survey
31	32	24	41

2.3 Data collection methods

10. The primary data collection focused on the various stakeholders in Ukraine and at UNIDO HQ. The evaluation consulted all stakeholders, as proposed by UNIDO (see above). The evaluation invited 21 national stakeholders for an online semi-structured interview, of which 19 were conducted successfully (List of interviewees in Annex 3). Upon request, the interviews were conducted with simultaneous translation.

11. In addition, 40 people were sent a survey for national stakeholders. The online survey was available in Ukrainian and English. The response rate was 25%, which was a bit below expectation. The survey results are in Annex 4. The list of participants is included in Annex 3.

12. To gather the opinions of the relatively large number of UNIDO staff members involved in the project, a UNIDO staff survey among 23 members was conducted. The response rate was high (83%). The survey results are in Annex 5. The list of persons who participated in the survey is included in Annex 3.

13. The survey for UNIDO staff was supplemented by two focus group discussions with UNIDO staff (Annex 3).

14. Data was collected from available documents and websites (Annex 2).

2.4 Data analysis and triangulation methods

15. The evaluation criteria and questions, as outlined above, provided this evaluation's analytical framework. A “data analysis template” was used to collect evidence systematically along the evaluation criteria.

16. Data was triangulated to populate the “data analysis template” and ensure validity and reliability. Triangulation involves confirming data using multiple data sources and data collection methods. The following data analysis methods were used:

- Qualitative content analysis of notes from interviews and focus group discussions.
- Qualitative and quantitative analysis of the results from the survey of national stakeholders and the UNIDO staff survey.
- Qualitative and quantitative analysis of documents.

⁵ Key stakeholder: A stakeholder who belongs to the most important stakeholders of the project; should be consulted during the evaluation. Relevant stakeholder: A stakeholder who is less important compared with key stakeholders, but it would be good to consult during the evaluation if possible.

17. A SWOT analysis (strengths, weaknesses, opportunities, and threats) was central to analysing the data. This analysis was particularly relevant in view of the upcoming implementation of the Green Industrial Recovery Programme Ukraine 2024-2028.

18. Figure 1 summarises the data collection and analysis process. The evaluation matrix (Annex 7) provides a systematic account of data collection and analysis methods for each evaluation criterion.

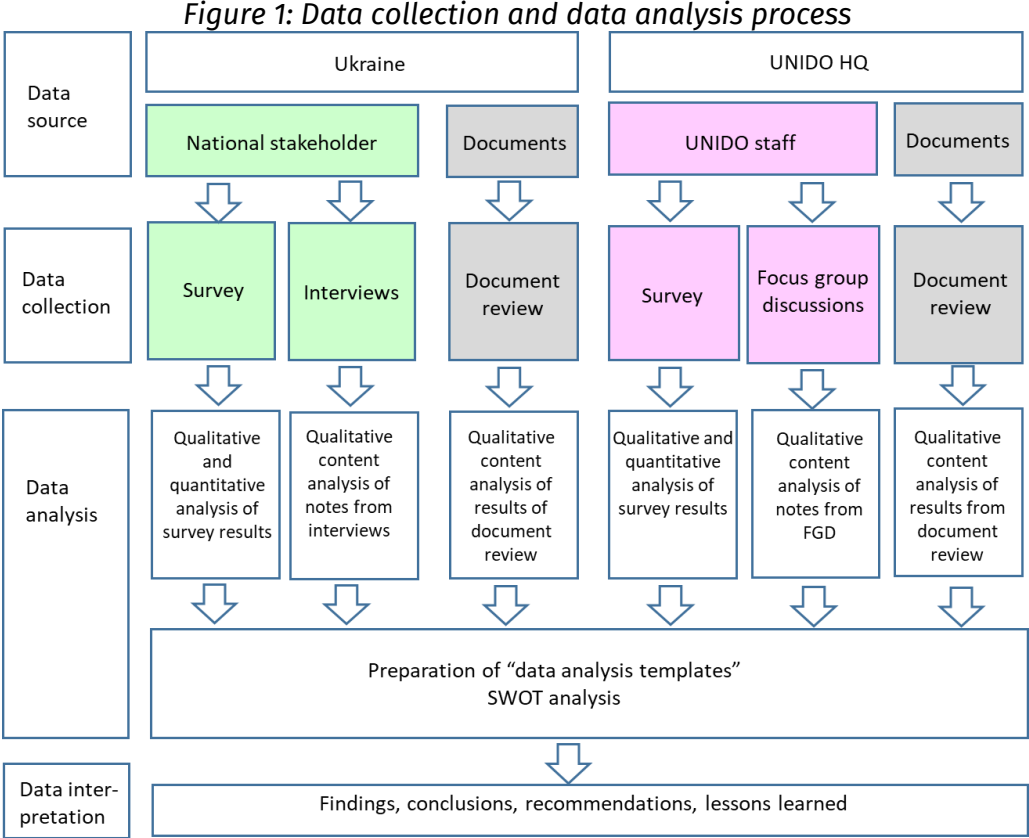


Figure: Evaluation.

2.5 Inception phase

19. During the inception phase, the following work was conducted by the evaluation:
- Kick-off call with the project management team, Regional Bureau for Europe and Central Asia, Division of Regional Bureaus and Field Offices (11 April 2024)
 - Participation as an observer in the regular coordination meeting with UNIDO staff contributing to the project (22 meeting participants, 12 April 2024)
 - Kick-off call with the National Evaluation Facilitator (17 April 2024)
 - Consultation with the funding partner (18 April 2024)
 - Consultation meeting with the UNIDO Senior Coordinator for Ukraine (23 April 2024)
 - Consultation with output managers regarding stakeholders to consult
 - Initial document review
 - Drafting of inception report

20. The inception report is built on the terms of reference for this evaluation of March 2024. It further developed the approach to the evaluation. In particular, the inception report did the following:

- It reviewed and reaffirmed the evaluation's purpose, objective, subject and scope.
- It reviewed and further developed the evaluation questions.
- It further developed the evaluation methodology and designed the matrix (Annex 7).
- It establishes the work plan with tasks, timeline, and time allocation (Table 2).
- It provided a list of national stakeholders to be consulted.
- It provided the questions for the survey of national stakeholders (Annex 4).
- It provided the questions for the survey of UNIDO staff (Annex 5).
- It provides the “data analysis template”.

2.6 Work plan and time allocation

21. The work plan (Table 2) was based on the ToR for this evaluation and outlines the tasks and timeline for it.

Table 2: Work plan and time allocation

Timeline	Tasks	Allocation of workdays	
		Senior evaluator	National evaluation facilitator
Inception Phase		10	6
2-25 April 2024	Exchange with the Evaluation Manager of the UNIDO Independent Evaluation Unit Exchange with the Programme Management Unit (PMU) and Project Coordinator Initial document review	5	4
2-25 April 2024	Drafting of inception report, including drafting of survey for national stakeholders and survey for UNIDO staff	4	2
25-30 April 2024	Inception report clearance process Preparation of survey (translation and technical set-up)	1	-
Data collection phase		10	9
1-24 May 2024	Survey for national stakeholders	0.5	-
1-24 May 2024	Survey for UNIDO staff	0.5	-
8-24 May 2024	Online interviews; organisation of interviews	5	5
8-24 May 2024	Online focus group discussions	1	-

1-24 May 2024	Qualitative and quantitative analysis of documents	3	4
Data analysis and reporting phase		13	5
27 May – 3 June 2024	Analysis of survey results (survey of national stakeholders, survey of UNIDO staff) Analysis of notes from interviews and focus group discussions The population of “data analysis template”	4	3
4-14 June 2024	Preparation of first draft evaluation report Presentation of evaluation results	6	2
15-21 June 2024	Comments from key stakeholders	-	-
28 June 2024	Final evaluation report with incorporated comments by key stakeholders.	3	-
4 July 2024	Published evaluation report, incl. management response	-	-
Total		33	20

Table: Evaluation.

2.7 Support

22. The Programme Management Unit (PMU) of this project supported the evaluation by compiling the stakeholder list, providing documents including financial data, arranging the two focus group discussions and engaging an interpreter (based in Kyiv) for the online interviews.

23. The evaluation was also supported by the UNIDO Independent Evaluation Unit (IEU), in particular with regard to the methodological approach of the evaluation, as a sparring partner during the evaluation, in setting up and managing the two surveys and in reviewing and commenting drafts.

2.8 Limitations

24. Given the difficult security situation in Ukraine, the evaluator could not travel to Ukraine. All interviews were conducted online. Almost all online interviews took place as planned, thanks to the support provided by the national evaluation facilitator and the interpreter based in Kyiv. The evaluator could also not travel to Vienna. The meetings and focus groups discussions with UNIDO staff took place online.

25. The evaluation was conducted under considerable time pressure. It started on 2 April 2024 and had to be completed by the end of June 2024. However, all data collection methods were conducted as planned thanks to the efficient support of all involved, i.e. the PMU, the IEU and the national evaluation facilitator.

26. Given the rather unusually high and diverse number of output-related stakeholders for a single project, it was not possible to systematically assess each of the 10 output areas. The evaluation focused on overall achievements, standout results, and cross-cutting dimensions, including the project's strengths and weaknesses.

3. Project background and context

3.1 Project factsheet

Project number:	230030
Project title:	Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine
Thematic area code:	JR10 and JR20
Start date:	01.04.2023
End date:	31.12.2023
Extension:	31.03.2024
Project site:	Ukraine
Government coordinating entity:	Ministry of Strategic Industries of Ukraine
Cooperating entities:	Cabinet of Ministers of Ukraine, Ministry of Economy of Ukraine, Ministry of Agrarian Policy and Food of Ukraine, Ministry of Digital Transformation of Ukraine, Ministry of Education and Science of Ukraine, Ministry of Energy of Ukraine, Ministry of Environmental Protection and Natural Resources of Ukraine, Ministry of Foreign Affairs of Ukraine, Ministry of Social Policy of Ukraine, Ministry of Veterans Affairs of Ukraine, Ministry of Youth and Sports of Ukraine
Donor:	Germany (Federal Ministry for Economic Cooperation and Development – BMZ)
Executing agency:	UNIDO
Project input:	EUR 2,628,581
Support costs (13%):	EUR 341,716
UN coordination levy (1%):	EUR 29,703
Total donor input:	EUR 3,000,000

Source: Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023.

3.2 Project context

27. In July 2022, UNIDO received a request from the Government of Ukraine to provide support for the reconstruction of the country's industry and infrastructure, which are significantly affected by the ongoing war. In response, UNIDO commenced conceptualizing and discussing with the Government a green recovery programme for ISID in Ukraine to potentially cover the period from 2024 to 2028.⁶

⁶ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023.

3.3 Project objective

28. The programme aimed at setting out a strategic vision for coherent, evidence-based, cross-sectoral and multi-stakeholder action in support of the country's recovery efforts and long-term industrial development. Combining industrial policymaking, technical cooperation, capacity-building, normative support, peer learning and knowledge transfer, the project intended to be synergetic with the national plan/s and vision, as well as with the Transitional Framework (TF) 2022-2024 between the United Nations and the Government of Ukraine (to which UNIDO is an implementing agency) and the upcoming United Nations Sustainable Development Cooperation Framework (UNSDCF) for Ukraine 2025-2029.

29. The overall objective of the project was to provide technical support to the Government of Ukraine in conceptualizing and operationalizing a strategic approach towards green industrial reconstruction and development through the coherent, evidence-based and result-oriented green recovery programme for sustainable industrial development.

30. Through the project, UNIDO worked to support the establishment of an enabling environment for the green recovery of the country's industry, job creation, resilience building, sustained economic growth and the strengthening of the productivity and competitiveness of priority industrial sectors with high growth potential and investment attractiveness.

31. By leveraging international expertise, best practices and innovative solutions, including those of Germany, the project wanted to facilitate institutional partnership building and peer learning. All activities were intended to be implemented in close coordination with other ongoing and planned UNIDO technical cooperation projects in the country to foster a synergetic effect and scale-up.⁷

3.4 Project outcomes

32. It was expected that upon the completion of the project, the following outcomes would be achieved:

1. **Outcome 1:** The productivity and efficient recovery of the industrial sector of Ukraine are supported by a strengthened industrial policymaking capacity and an improvement of the policy process;
2. **Outcome 2:** The Government of Ukraine, its institutional framework and enterprises are equipped with tailored thematic tools and best-available solutions to guide and foster the country's short- to medium-term green recovery and long-term sustainable industrial development;
3. **Outcome 3:** The green recovery programme for sustainable industrial development in Ukraine provides an operational, evidence-based and result-oriented framework for the multi-stakeholder partnership to restore the country's industry under the ownership and leadership of the Government of Ukraine;
4. **Outcome 4:** Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany to foster green recovery and long-term

⁷ Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023.

development are strengthened with a specific focus on each of the identified priority areas of the future green recovery programme.

33. To this end, UNIDO was undertaking a thematic analysis to inform the recovery areas of the future green recovery programme and to provide a comprehensive overview of the baseline situation, the impact of the war, key sectoral challenges, trends and needs that have to be addressed, as well as to identify growth points, feasibility to capitalize on them and opportunities for investment attraction.

34. Based on this analysis, a set of thematic recommendations was provided, and capacity-building activities were undertaken to support national counterparts both on the central and local levels in steering the reconstruction of the country's industry and long-term resilience building.

35. In parallel, UNIDO and the Government of Ukraine were formulating a package of concrete project proposals, focusing on green recovery and post-war industrial development that can be operationalized jointly with development and funding partners.⁸

3.5 Project outputs

36. The project had nine technical outputs and one non-technical output.

Table 3: Project outputs and budget allocation

Technical outputs:	Budget allocation (EUR)
1. Output 1: Industrial diagnostics for informed policymaking	200,000
2. Output 2: Industrial policy advice and capacity development	350,000
3. Output 3: Promotion of growth and resilience of MSMEs and job creation for war-affected people	250,000
4. Output 4: Empowerment of youth and women with innovative industrial and entrepreneurial skills	250,000
5. Output 5: Promotion of circular economy and strengthening of recycling capacities	260,000
6. Output 6: Distributed energy generation and energy efficiency for SMEs	320,000
7. Output 7: Revitalization of the agribusiness and food processing industry	260,000
8. Output 8: Strengthening of competitiveness, quality and compliance for market access	260,000
9. Output 9: Promotion of digital transformation and uptake of artificial intelligence and robotic	160,000
Non-technical output:	
- Coordination, communication and advocacy	280,000
- Monitoring, reporting and evaluation	38,581

⁸ Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023.

Total, excluding supports costs (13%) and UN coordination levy (1%)	2,628,581
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Table: Evaluation, based on project document⁹

37. Figure 2 (see chapter 4.1) shows the outreach by oblasts and outputs on the Ukrainian map. The results framework of the Completion Report provides an overview of results achieved by outputs (Annex 6).

4. Findings

4.1 Relevance

1. **Summary findings:** While the project was developed under a lot of time pressure and was very much driven by UNIDO services and ongoing UNIDO activities, national stakeholders view the selection of topics as highly relevant. While the project has a limited thematic or geographical focus, this was a conscious decision by the Government of Ukraine, reflecting the preparatory nature of this project and the short-term project duration. The relevance of the decentralized approach targeting oblasts and municipalities has yet to be demonstrated in possible follow-up projects. The majority of stakeholders are of the view that the project's response to the war context is satisfactory.

Project design process

38. There is a broad consensus among UNIDO staff¹⁰ that the design phase of the project was not ideal as the project had to be developed in a very short period. The project was developed under a lot of pressure in only six weeks. The funds were distributed among nine different technical teams and one coordination team with budgets ranging from EUR 160,000 (output 9) to EUR 350,000 (output 2) for the initial nine-month project duration period (extended to 12 months). Considering the time pressure, the approach taken by UNIDO was pragmatic and suitable in that it allowed the organization to plan and implement activities in parallel, thereby meeting the donor's requirement to spend the resources within 12 months. While the project was designed under a lot of pressure, national stakeholders¹¹ are of the view that the consultation process was sufficient. UNIDO made an effort to reach out to stakeholders through various means, including, for instance, interviews with final beneficiaries, such as companies in the agri-business (output 7). So overall, the project design process is assessed positively by stakeholders despite the very short planning period.

Project selection of topics (outputs) and beneficiaries

39. Given the short planning period, the selection of the topics (outputs) was very much driven by the UNIDO services and already ongoing UNIDO activities at the time of

⁹ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023.

¹⁰ Focus Group Discussions, staff survey.

¹¹ Interviews and survey of national stakeholders (Annex 3, 4).

the planning process (early 2023). The project document¹² provided an overview of six ongoing and two hard pipeline UNIDO projects in Ukraine, supplemented by four ongoing regional and global projects. These projects cover topics similar to those of the project being evaluated here, such as quality and standards, energy management, clean-tech solutions, circular economy, and others. UNIDO staff members are of the view that the UNIDO-driven selection of topics is the main weakness of the project and that a more strategic view would have benefitted the design of the project. A review of the thematic areas targeted by the project confirms the rather broad thematic coverage addressing diverse topics such as policy advice, skills development, entrepreneurship development, energy generation, food processing, standards and quality or digital transformation. This, combined with the relatively even distribution of the financial resources across the nine technical outputs, does not reveal a particular focus of the project, apart from a broad overall goal of green industrial recovery.

40. In contrast, all national stakeholders strongly stress that all topics included in the project are highly relevant and that they reflect government priorities. In addition, stakeholders highlight that the emphasis on green industrial development is in line with the EU Ukraine Facility and the EU emphasis on circular economy. Moreover, the fact that the project had activities at the macro, meso and micro levels is seen by national stakeholders as a strength rather than a weakness. The work done at the macro level, such as the industrial diagnostics study (output 1), is widely considered very relevant and timely. Capacity building at the meso level (e.g. output 2) is equally considered crucial in the current context. Capacities of ministries, for instance, are stretched to the limit, and support is highly appreciated.

41. The interventions at the micro level are also highly valued. Many national stakeholders are of the view that the micro level is the most important level of intervention. The focus on SMEs (and micro enterprises as well as craftsmen) is very welcome. It is stated that in spite of the war, SMEs continue to produce essential goods. This is very much in line with the “Made in Ukraine” campaign¹³ to promote the purchase of Ukrainian products in order to support people, communities, the government and the army (through taxes). The strengthening of SMEs is viewed as being essential, requiring quality standards to enhance exports to EU markets and *investments* in production facilities. Consequently, helping SMEs access funding sources is seen as very pressing (e.g. EU funds for producers).

42. Related to the focus on SMEs is the focus on *people*, particularly skills development (e.g., outputs 3 and 4). The people's focus is seen as absolutely crucial because many people left their communities either because they were displaced by the war or because they were recruited to the army or because they fled the country. Even the people who stayed in their communities may not have the right skills given the war-related shift of priorities. People with the right skills are in high demand. On a separate note, It has been stressed that it is important for UNIDO to not only provide skills development but to take into account *psychological challenges* faced by the Ukrainian people caused by the war.

43. Many stakeholders particularly stress the relevance of two sectors covered by the project: *energy* and *agro-processing*. The energy sector is highly relevant as the

¹² Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p.14.

¹³ <https://madeinukraine.gov.ua/en>

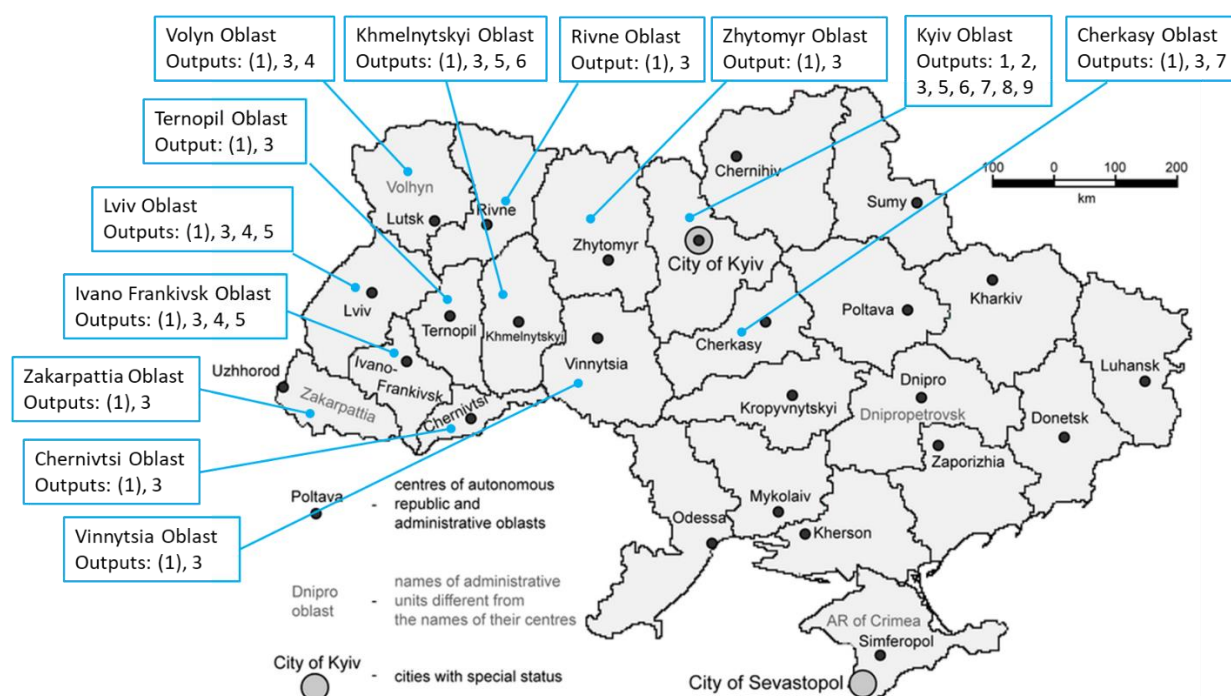
energy infrastructure is faced with massive destruction due to the war. The food industry is not only one of the leading industries in Ukraine¹⁴, but it is also essential for providing food to the people of Ukraine.

Geographical focus

44. The project reached out to 12 *oblasts* (regions) in Ukraine. Most of the oblasts are in Western Ukraine.¹⁵ The selection of the oblasts was discussed with the Government, and the oblasts in Western Ukraine were selected mainly for security reasons. According to some interviewees, Western Ukraine is traditionally not necessarily the stronghold of the industrial production base in Ukraine. However, Western Ukraine’s relevance for industrial production is increasing, given the relocation of some companies from Eastern Ukraine. Moreover, the selection of project locations was also partly driven by past or ongoing UNIDO activities.¹⁶

45. The review of the 12 oblasts by project output reveals that there was no concentration of outputs in selected oblasts apart from the Kyiv Oblast (Figure 2). Instead, the activities were dispersed across the oblasts.

Figure 2: Project outreach by oblasts and outputs (Project ID: 230030)



Map: Evaluation, based on Research Gate and project data; the boundaries, names and designations on this map do not imply UNIDO’s official endorsement or acceptance.

¹⁴ In 2020, the leading industries in Ukraine’s export were basic metals (29.4%) and food and beverages (29.3%). Source: Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 7.

¹⁵ Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023,

¹⁶ For instance, one company benefitting from energy equipment (output 6) is located in the Bila Tserkva Industrial Park which is included in project “Global Eco-Industrial Park Programme (GEIPP)”.

46. Besides working at the level of oblasts, the project put particular emphasis on working through *municipalities* and city administrations in Ukraine.¹⁷ While the municipalities are in need of support (they have very limited resources), this evaluation is not in a position to arrive at a clear finding regarding the relevance of this approach for the UNIDO project. The views among stakeholders are divergent. For some, the collaboration with the municipalities is seen as innovative and new to UNIDO, which traditionally works with national government and institutions. The relevance of the municipality approach is emphasised by the fact that in Ukraine, many things are decentralized by now and that a bottom-up approach works better than a top-down approach. Supporters of the municipality approach also highlight that other development partners, such as GIZ (Germany's Agency for International Cooperation), work that way. Peer learning between municipalities of Ukraine and Germany (outcome 4) is appreciated by some stakeholders. At the same time, it is suggested that a study tour to middle-income countries such as Turkey, North Macedonia, or Morocco, which have to address challenges similar to those in Ukraine, might be more relevant than a study tour to Germany or Switzerland. Some stakeholders are sceptical about the municipality approach and express the view that working through municipalities is neither obvious nor cost-effective when the end beneficiaries are SMEs.

47. It appears that it is too early to assess the relevance of the decentralized approach and that the relevance has yet to be demonstrated. Several Regional Development Coordinators (RDC) for the 12 oblasts have only been recruited recently by the project (output 3). It is suggested that there is a potential for the RDCs to collaborate with the Regional Development Agencies (RDA).

48. The project organized several study tours and workshops abroad (partly for security reasons). By and large, these events are viewed by national stakeholders as highly relevant (see Annex 1).

Project response to war context

49. The majority of stakeholders is of the view that the project's response to the war context is satisfactory. The *whole project* is actually seen as a response to the war context. Stakeholders value the project's *long-term perspective* compared to many other projects, which focus more on short-term needs. The forward-looking approach is assessed positively. While the war is seen as a dramatic challenge, it is also seen as an opportunity to move towards a green economy and EU accession. Consequently, a majority of stakeholders does not question the timing of the project, i.e. it was not too early. Rather, the majority is of the view that the recovery of the Ukrainian economy can't wait. The timing is also seen as appropriate as it facilitated the development of parallel UNIDO projects in Ukraine (e.g. projects funded by Japan and Austria). Only a few informants of this evaluation are of the view that the project did not have the best timing because the situation did not allow for long-term planning.

50. Still, some stakeholders stress the need for *short-term solutions*, as can be illustrated by the dairy company, which is receiving a photovoltaic system through the project (output 6). Milk has a short shelf-life and needs to be processed as it arrives at the factory. Without electricity, this is not possible. A diesel generator (not

¹⁷ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 13.

environmentally friendly) may have to fill gaps created by power failures until the photovoltaic system is up and running (expected very soon).

51. The project was not only relevant at the technical level but also at the *psychological level*. National stakeholders express the view that the project and the international support give hope and help belief in a future. This is particularly important for internally displaced persons that benefited from the project.

52. However, stakeholders stress repeatedly that Ukraine is under grave pressure and that the situation has significantly changed for the worse since the beginning of the project in April 2023. The situation is changing on a daily basis, for instance, regarding energy supply, which can have severe consequences for production processes. This requires a high level of *flexibility*. According to national stakeholders, the UNIDO team at the technical level and at the Regional Bureau for Europe and Central Asia level showed significant flexibility. This may have been facilitated by the fact that the project is mainly of a preparatory nature and that no resource-intensive interventions requiring long-term planning were included in the project. Allowing such flexibility may be a challenge for any follow-up projects with a multi-year planning horizon.

4.2 Coherence

2. Summary findings: While the cross-divisional collaboration practised for this project is applauded by UNIDO staff, actual synergies realised were somewhat limited and not recognizable for national stakeholders. UNIDO tried to coordinate the project with other ongoing activities of the Government and development partners. While the partnership with donors was working well, the collaboration with UN sister agencies, particularly international financial institutions (IFI), was limited. Having no UNIDO country office and no head of agency severely constraints UNIDO's ability to coordinate with other actors in Ukraine.

Internal coherence

53. The project adhered to a rather innovative approach for UNIDO by bringing together many different technical units in one project. In UNIDO, it appears unusual for project managers to work together on the same project. UNIDO staff from the technical units and the Regional Bureau for Europe and Central Asia are unanimously of the view that the cross-divisional collaboration was a very positive experience. It is seen as a holistic organisation-wide programme approach. Some say that this "ONE UNIDO" approach is a good practice which should be replicated.

54. Central to the organisation-wide approach was the *Project Management Unit* (PMU¹⁸) hosted by the Regional Bureau for Europe and Central Asia and led by the Bureau Chief. Project managers praised the coordination efforts by the PMU. The evaluation also had the opportunity to witness the strong coordination capacity of the

¹⁸ Throughout the report, the "PMU" refers to the project manager and her immediate team at HQs and in the field and excludes, for the purpose of the evaluation, the designated task force consisting of UNIDO output managers. In essence, the PMU performs the coordination/secretariat function of the project.

PMU (e.g. organizing two focus group discussions with project managers, collecting data from project managers). In particular, UNIDO staff stressed the usefulness of the *coordination meetings* organized by the PMU, which took place every three weeks. The primary purpose of the coordination meetings was to share information and provide a status update on each output. A few staff members suggest that the coordination meetings should have gone beyond coordination in the sense of information sharing and addressed more challenging dimensions, such as enhancing the project's effectiveness. This evaluation had the opportunity to participate as an observer in such a regular coordination meeting, which was indeed an information-sharing event. However, this seemed appropriate after the project's completion (12 April 2024, 22 participants).

55. This evaluation tries to identify *synergies* between the nine technical outputs. It appears from the feedback from UNIDO staff that at the outset of the project, there was no concept of how to make the different parts work together. The nine outputs were primarily planned in isolation. This was reflected in the rather diverse thematic coverage ranging from micro-level interventions (e.g. support to craftsmen under output 3) to policy advice at the macro level (under output 2) to digital transformation (under output 9). Moreover, reaching out to 12 different oblasts during the project did not particularly facilitate the realization of synergies (see Figure 2).

56. Over time, however, some synergies emerged. Several staff members recognized the relevance of the industrial diagnostics study (output 1) for their own outputs and geographical area of work (e.g. output 4). Moreover, several study tours, workshops and events were the results of several output teams working together. For example, outputs 1, 2 and 5 collaborated for the study tour to Italy on industrial policy and circular economy at the University of Roma Tre and the University of Ferrara. Outputs 2 and 5 conducted training on circular economy for policymakers in Warsaw (September 2023). Outputs 4 and 8 organized two awareness-raising sessions and one expert group meeting to encourage adopting sustainable production and fair practices among key exports in Ukraine (see also Annex 1 for more examples). Another example was the survey among companies co-financed by Outputs 1 and 3.¹⁹ Overall, UNIDO staff is somewhat satisfied with the internal coherence and synergies. At the same time, they stress that there is a potential for more synergies in the next phase, for example, between output 6 (energy) and output 7 (agribusiness).

57. UNIDO staff's overall rather favourable view on the synergies and internal coherence is contrasted by the views expressed by national stakeholders. Most national stakeholders interviewed for this evaluation have very little knowledge about outputs beyond their own and could not point out any synergies. Outputs are very much seen as stand-alone projects. This does not necessarily mean there are no synergies, but possible synergies are not obvious to national stakeholders.

58. The *National Coordination Body* (NCB) established by the Government of Ukraine – which has met twice during the project period²⁰ – is recognized as working well by

¹⁹ Progress Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 01/11/2023, p. 3.

²⁰ Meeting Report - First Meeting of the National Coordination Body for the Green Industrial Recovery of Ukraine, 27 June 2023.

Meeting Report - Second Meeting of the National Coordination Body for the Green Industrial Recovery of Ukraine, 12 December 2023.

national stakeholders and contributing to enhance coherence among the nine outputs. UNIDO is seen as a convener by different ministries, which is appreciated.

External coherence

59. External coherence includes the coordination with similar activities of other actors, in particular with the Government of Ukraine and the development partners such as the bilateral donors, the international financial institutions or the United Nations sister agencies.

60. The coherence of the project with other activities of the *Government* of Ukraine is largely perceived as satisfactory by stakeholders. The original project document stressed that it will be “synergetic with the National Recovery Plan (NRP)”.²¹ The *National Coordination Body* (NCB) is viewed as contributing not only to the internal project coherence but also to the external coherence with other government activities. The coherence with other government activities is supported by the fact that several outputs build on earlier ongoing UNIDO activities with established networks of stakeholders which facilitates coordination. Earlier ongoing activities included topics such circular economy (output 5), energy management (output 6), quality and standards (output 8), and others.²² However, coherence with other Government activities can be improved. For instance, it was suggested that UNIDO could engage in joint fund raising together with the Ministry of Economy.

61. The assessment of the project’s coherence with *development partners* reveals a mixed picture. UNIDO was interacting rather intensely with *donors* or potential donors. The fact that Japan has agreed to fund a UNIDO project in Ukraine worth USD 188m is seen as strong evidence in this regard. Also, several stakeholders stress the good relations with the EU and the alignment with the EU Ukraine Facility, for instance, in the area of agro-processing (output 7).²³ Also, UNIDO priorities²⁴ are prominent in the EU acquis.²⁵ The UNIDO Ukraine industrial diagnostic study was presented in Brussels on 21 February 2024 to the European Commission and the European Parliament (output 1).²⁶ The Global Environment Facility (GEF) is another key partner for UNIDO in Ukraine. Currently, there are four GEF-funded projects in Ukraine²⁷ offering synergies with project output 6 (energy). In addition to Germany, which is funding the project being evaluated here, there are a number of other donor countries partnering with UNIDO (Austria, Bulgaria, Czech Republic, Poland and Switzerland). The UNIDO Senior Coordinator and the Regional Bureau for Europe and Central Asia played an important

²¹ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 9.

²² Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p.14.

²³ EU Ukraine Facility: https://eu-solidarity-ukraine.ec.europa.eu/eu-assistance-ukraine/ukraine-facility_en

²⁴ E.g. Chapter 10: Digital transformation and media; Chapter 11: Agriculture and rural development, Chapter 15: Energy; Chapter 20: Enterprise and industrial policy; Chapter 27: Environment.

²⁵ European Commission: Chapters of the acquis: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/conditions-membership/chapters-acquis_en

²⁶ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 3.

²⁷ UNIDO Open Data Platform: <https://open.unido.org/projects/UA/projects/190025>

role in reaching out to development partners, as shown in a back-to-office mission report (see Box 1).

Box 1.: Outreach to development partners

*“The UNIDO delegation met with eight potential and current **funding partners** (Poland, United States Agency for International Development [USAID], European Union [EU], State Secretariat for Economic Affairs [SECO], Japan, Germany, Austria and Canada) and one potential private sector partner (DHL GoTrade). The UNIDO delegation met with three **UN entities** (the United Nations Resident Coordinator, the International Office for Migration, and the Food and Agriculture Organization)... The **Ukraine Facility** was discussed at length with the Ministry of Economy. The Plan is currently almost complete, with a draft to be sent to the **EU** at the end of October. An overview presentation was shared (annexed) and includes key sectors where UNIDO works (energy, agrifood, and processing industries) as well as mainstreamed areas that align with the mandate of UNIDO in Ukraine (EU accession, digital transformation, and green transition and environmental protection)... The work of UNIDO was well received by most **current funding partners**. The EU, Austria, Switzerland and Japan all expressed interest in the potential to expand ongoing partnerships, noting that the offer of UNIDO was unique among implementing partners.”*

Source: Back-to-office mission report, Warsaw and Kyiv, 27 September – 8 October 2023, UNIDO Senior Coordinator for Ukraine, and Partnership and Communication Expert, 1 Nov. 2023.

62. UNIDO was also making an effort to coordinate with *UN sister agencies* such as FAO, ILO, UNDP or WFP, according to interviewees and FGD participants. These efforts were also intended to avoid overlaps. The original project document related to the Transitional Framework (TF) 2022-2024 between the United Nations and the Government of Ukraine, to which UNIDO was an implementing agency.²⁸ Moreover, UNIDO project managers are satisfied with the coherence between the new UN Framework Agreement 2025-2028²⁹ and the “Green Industrial Recovery Programme Ukraine 2024-2028”. In particular, Outcome 2 is aligned with UNIDO's priority of economic recovery.³⁰

63. The UNIDO project liaison officer based in Kyiv is representing UNIDO in numerous UN meetings. However, there are limitations. The liaison officer cannot participate in the important UN Country Team (UNCT) meetings which are designated for heads of agencies only. UNIDO has *no UNIDO country office* in Ukraine and as a consequence also has no head of agency. UNIDO is therefore considered a “non-resident agency” by the UN System. UNIDO's proposal to participate in UNCT meetings online was not granted. Having no country office and no head of agency severely

²⁸ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 9.

²⁹ United Nations in Ukraine Sustainable Development Cooperation Framework, A partnership for recovery and development, 2025-2029, Summary, Results Framework and Legal Annex, Draft – 1 March 2024

³⁰ Outcome 2. By 2029, people benefit from a strong economic recovery and decent work, with inclusive labour force participation, increased productivity and competitiveness, and reduced regional disparities

constraints UNIDO's ability to coordinate with other actors in Ukraine. Since the beginning of war, the number of UN agencies with a country office has grown from 17 to 24. The latest UN agency to open a country office is UN-Habitat.

64. The absence of a UNIDO country office and the related limitations in terms of coordination is not the only indication that the cooperation between UNIDO and the UN System has room for improvement. It has been mentioned that the UNIDO-Japan project was developed without involving or informing the UNCT. Timely coordination with the UN System would have been welcome because the new project's large financial volume of USD 188m shifts the priority of the entire UN System.³¹

65. UNIDO's coordination with the *international financial institutions* (IFIs) is assessed cautiously by several stakeholders. The interaction with IFIs such as the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC) or the European Bank for Reconstruction and Development (EBRD) appear to be limited. This is unexpected given the large volume of financial resources provided by the IFIs to Ukraine. For example, EBRD's current portfolio of projects in Ukraine has EUR 5 billion of which 30% go to "industry, commerce & agribusiness".³² Still, some collaboration took place. For instance, UNIDO participated in the development of the third World Bank Rapid Damage and Needs Assessment (RDNA) for Ukraine, sharing some key results of UNIDO's diagnostics (output 1).³³ And there are talks with the European Investment Bank (EIB) about a possible joint project in the energy sector in Ukraine (output 6).

66. The absence of a UNIDO country office in Ukraine negatively affects UNIDO's *visibility* in Ukraine. It came out very strongly when interacting with national stakeholders that UNIDO has very limited visibility in Ukraine. It appears that many actors are not aware of what UNIDO is doing resulting in potentially missed coordination opportunities.

67. UNIDO is determined to strengthen cooperation with development partners. The Green Industrial Recovery Programme Ukraine 2024-2028 states: "*The programme gives high priority to establishing close cooperation with development and funding partners, including bilateral and multilateral donors, international financial institutions and other international actors, including sister United Nations agencies.*"³⁴

4.3 Effectiveness

3. Summary findings: The project conducted a very high number of activities in a short period of time. This led to many results at the output level. Results at the outcome level were not well captured by the project. The analytical work conducted and the capacity building efforts of the project are greatly appreciated by national stakeholders and contributed to enhanced policymaking capacity. While there are some results at the municipality and company level, the realisation is more challenging.

³¹ The current budget of the UN System in Ukraine for recovery is about USD 500m (without humanitarian aid).

³² Source: <https://www.ebrd.com/where-we-are/ukraine/data.html>
cumulative EBRD investment

³³ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 3.

³⁴ Draft Green Industrial Recovery Programme Ukraine 2024-2028, UNIDO, 2024, p. 39.

Completion Report³⁵

68. The results framework of the Completion Report shows that the project has basically completed all planned *activities* (Annex 6). The results framework lists 68 activities. This is a high number for such a short project which was only possible because the resources were distributed among ten output teams allowing for *parallel implementation* of activities.

69. At the *output* level, the indicators show the project met or exceeded the target of 26 output indicators out of 28 indicators (Table 4). Only two targets were not fully met. Similar to activities, the output indicators point to a high number of outputs for one project. For instance, the project produced 36 “analytical and statistical publications” (PAO.2), organized 25 global fora, workshops/EGM/side events (CPO.1); and provided 21 capacity building activities (TCO.1).

70. At the *outcome* level, the indicators show that the project met or exceeded all targets of the 14 outcome indicators. So based on the assessment of the achievement of targets set for the indicators, the project was very successful. For instance, one outcome indicator states that more than 1,600 actors have gained awareness/knowledge on UNIDO knowledge areas (outcome indicator KASA.1). This is more than 12 times the envisaged target of 125 actors. Another outcome indicator states that over 130 actors gained skills in UNIDO knowledge areas (outcome indicator KASA.2, target 65).

Table 4: Project indicator achievements

Indicators	Baseline	Final target	Achieved value June 2023 – March 2024
target met or exceeded:			
target not met:			
Outcome indicators (outcomes 1-4)			
POL.3: Number of guidelines adopted by relevant actors	0	3	7
GOV.2: Number of actors participating in enhanced collaboration settings (clusters, networks)	0	15	23
KASA.1: Number of actors gaining awareness/knowledge on UNIDO knowledge areas	0	125	>1,600
KASA.2: Number of actors gaining skills in UNIDO knowledge areas	0	65	>130
BUS.1: Cumulative number of firms with improved management practices	0	15	17
TEC.3: Number of new technologies adopted	0	10	12
REA.1: Number of actors reached			
government bodies	0	30	>50
global actors	0	20	>55
intermediary institutions	0	18	>120
firms	0	35	>450
REA.2: Number of actors engaged			
government bodies	0	20	>25
global actors	0	7	>15
intermediary institutions	0	10	>50
firms	0	35	>110
Output 1: Industrial diagnostics for informed policymaking			

³⁵ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 24/06/2024.

PAO.2: Number of analytical and statistical publications produced	0	1	8
Output 2: Industrial policy advice and capacity development			
PAO.1: Number of industrial strategies and industrial policy documents drafted/prepared	0	1	1
TCO.1: Number of capacity-building activities provided	0	9	6
TCO.3: Number of toolkits and guidelines produced	0	1	1
Output 3: Promotion of the growth and resilience of MSMEs and job creation for war-affected people			
TCO.3: Number of toolkits and guidelines produced	0	1	2
CPO.1: Number of global fora, workshops/EGM/side events organized	0	1	1
Output 4: Empowerment of youth and women with innovative industrial and entrepreneurial skills			
TCO.1: Number of capacity-building activities provided	0	7	8
TCO.3: Number of toolkits and guidelines produced	0	5	5
CPO.1: Number of global fora, workshops/EGM/side events organized	0	1	4
TCO.4: Number of business plans developed	0	10	10
Output 5: Promotion of circular economy and strengthening of recycling capacities			
TCO.1: Number of capacity-building activities provided	0	3	3
TCO.3: Number of toolkits and guidelines produced	0	1	2
PAO.2: Number of analytical and statistical publications produced	0	1	2
CPO.1: Number of global fora, workshops/EGM/side events organized	0	1	3
Output 6: Distributed energy generation and energy efficiency for SMEs			
TCO.1: Number of capacity-building activities provided	0	4	2
TCO.3: Number of toolkits and guidelines produced	0	2	2
Output 7: Revitalization of agribusiness and food processing industry			
TCO.1: Number of capacity-building activities provided	0	2	2
PAO.2: Number of analytical and statistical publications produced	0	3	4
CPO.1: Number of global fora, workshops/EGM/side events organized	0	3	3
Output 8: Strengthening of competitiveness, quality and compliance for market access			
TCO.4: Number of business plans developed	0	1	2
PAO.2: Number of analytical and statistical publications produced	0	3	8
CPO.1: Number of global fora, workshops/EGM/side events organized	0	3	10
CPO.3: Number of international networks and platforms for which UNIDO is providing secretariat functions	0	1	1
Output 9: Promotion of digital transformation and uptake of artificial intelligence and robotics			
TCO.1: Number of capacity-building activities provided	0	3	4
TCO.3: Number of toolkits and guidelines produced	0	1	1
Coordination, communication and advocacy			
TCO.3: Number of toolkits and guidelines produced	0	1	1
PAO.2: Number of analytical and statistical publications produced	0	5	14
CPO.1: Number of global fora, workshops/EGM/side events organized	0	4	4

Table: Evaluation, based on Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024.

71. However, the indicators (Table 4) provide a rather limited *quantitative* picture of the results achieved. For instance, one outcome indicator states that the project has reached over 450 firms (REA.1). According to the PMU, “actors reached” accounts for those, who were “informed/invited”. While this type of indicator informs about the scale of a project, it does not inform about actual results achieved. For this, a *qualitative narrative* describing the results achieved is necessary. However, the narrative of the Completion Report mainly reports an activities and outputs. The report tells the reader what the project has done (e.g. workshops organized) and which products it has produced (e.g. report prepared). The Completion Report says little about the results achieved beyond activities and outputs. There are some examples that go beyond activities and outputs:

- As a results of a study tour to Germany and Switzerland (11-15 March 2024) a preliminary loan agreement was signed between the Lutsk hromada (Volyn Oblast) and the European Investment Bank for the renewal of the waste processing system; similarly negotiations were completed between the Bar hromada (Vinnytsia Oblast) with an investor from the "Agroprosperis" on the construction of the bioenergy complex with a methane production facility (output 3).³⁶
- 25 training participants found jobs following the training in EU-based packaging companies (output 7).³⁷

72. However, a systematic reporting describing the progress towards achieving the *four outcomes* of the project is neither provided in the Completion Report nor in the two preceding progress reports.

Results achieved

73. The roughly 30 national stakeholders and the 20 UNIDO staff consulted for this evaluation (interviews and surveys) particularly highlighted the following results:

- a. The *analytical work* conducted as part of the project is greatly appreciated. The *Ukraine Industrial Country Diagnostics 2023* is widely considered an excellent study (output 1). The study is highly appreciated by the Government. Another study which was appreciated by stakeholders is the gap analysis report on the state of circular economy (output 5).³⁸ Moreover, the roadmap for a green recovery and transformation of the Ukrainian food industries was praised, in particular because the roadmap shows the way out of two challenges, i.e. the reconstruction of the infrastructure and the compliance with EU regulations (output 7).³⁹ More analytical work was done such as the mapping of the use of artificial intelligence (output 9). Overall, the analytical work has certainly contributed to improved policy making capacities (outcome 1).
- b. *Capacity building* is considered to be overall highly useful by national stakeholders. All outputs had some capacity building and in particular outputs

³⁶ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 6.

³⁷ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 10.

³⁸ Baseline Analysis of Circular Economy in Ukraine: Final Report, UNIDO, 2024

³⁹ A Roadmap for a green recovery and transformation of the Ukrainian food industries, Technical Report, UNIDO, March 2024

2, 4 and 8, but also outputs 1, 3, 5 and 9 (Annex 1). In particular the study tours (outputs 1, 2, 3, 4, 7, 9) and workshops (outputs 1, 2, 4, 5, 8, 9) appear to have greatly contributed to enhance capacities of participants. The view was expressed that the policy making capacities of the government was enhanced (outcome 1).

- c. The development of the “*Green Industrial Recovery Programme Ukraine 2024-2028*”, including the list of project proposals is assessed positively by many stakeholders (outcome 3). It is perceived as a major result of this project. If the project proposals receive funding, the effects of the project will multiply.
- d. Establishing valuable *contacts or networks* with foreign actors is assessed favourable. The various study tours, workshop and events (Annex 1) were key for this outcome (not defined in the project document).

74. Some results areas appear to have somewhat mixed results, according to stakeholders and documents:

- e. Results at the *municipality level* appear to be mixed. On the positive side, UNIDO identified industry clusters in 12 western and central oblasts of Ukraine and implemented four pilot projects for increasing entrepreneurial activity among MSMEs, equipping a vocational training facility to train skilled workers, as well as supporting clusters in their municipalities (output 3).⁴⁰ On the other side, the specific cooperation and peer learning at the local level between the municipalities of Ukraine and Germany (outcome 4) does not stand out as having been particularly effective based on the available data. Only one study tour to Germany (and Switzerland) was carried out with Ukrainian mayors.⁴¹ It seems that only output 3 was contributing to Outcome 4. And the Conference on “Municipalities in Collaboration for Economic Development” (March 2024, city of Lviv) was not mentioned by stakeholders as leading to major results.
- f. Results at the *company level* appear to be mixed. While the project has reached over 450 firms (outcome indicator REA.1) and engaged with over 110 firms (outcome indicator REA.2), these indicators say little about actual results achieved. In the end, only 17 firms have improved management practices (outcome indicator BUS.1). While this is more than the target (15), the target was modest in the first place. Similarly, only 12 firms (target 10) have adopted new technologies (outcome indicator TEC.3), and only 12 firms (target 11) have new business plans (output indicator TCO.4). This appears to be rather small-scale results at the company level. Still, two companies directly benefitted. A packaging and a dairy company benefitted from energy efficiency measures and renewable energy components, including the procurement of new equipment (e.g. solar PV plant) which was being delivered and installed during the course of the evaluation (output 6).⁴²
- g. Little data was found (from stakeholders and documents) on equipping government institutions and industries with best-available solutions (outcome 2).

⁴⁰ Three national stakeholders representing three of the four pilot projects participated in interview for this evaluation.

⁴¹ A study tour participant agreed to participate in an online interview for this evaluation.

⁴² Representatives of both companies participated in an online interview for this evaluation.

- h. According to the output indicator TCO.3, the project produced twelve toolkits and guidelines (planned 9). However, during interactions with stakeholders (interviews, focus group discussions, surveys), toolkits or guidelines were not mentioned as the main results achieved.

Outcome assessment

75. Based on the analysis of the Completion Report (see above section “Completion Report”) and the results analysis (see above section “Results achieved”), the evaluation assessed the progress towards achieving the four outcomes as stated in the project document (Table 5). While progress in achieving outcomes 1 and 3 is assessed as highly satisfactory, progress in achieving outcome 2 and outcome 4 is assessed as moderately satisfactory by the evaluation.

76. The assessment may not be comprehensive. Given the rather unusual high and diverse number of stakeholders for a single project, it was not possible to systematically assess each of the 10 output areas in-depth. The evaluation put a focus on overall achievements and general thrust.

Table 5: Outcome assessment by evaluation

Outcomes	Assessment	Reference to section “Results achieved”
Outcome 1: The productivity and efficient recovery of the industrial sector of Ukraine are supported by a strengthened industrial policymaking capacity and an improvement of the policy process	Highly satisfactory	Para. a) b) d)
Outcome 2: The Government of Ukraine, its institutional framework and enterprises are equipped with tailored thematic tools and best-available solutions to guide and foster the country’s short- to medium-term green recovery and long-term sustainable industrial development	Moderately satisfactory	Para. f) g) h)
Outcome 3: The green recovery programme for Ukraine provides an operational, evidence-based and result-oriented framework for the multi-stakeholder partnership to restore the country’s industry under the ownership and leadership of the Government of Ukraine	Highly satisfactory	Para. c)
Outcome 4: Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany to foster green recovery and long-term development are strengthened with a specific focus on each of the identified priority areas of the future green recovery programme for Ukraine	Moderately satisfactory	Para. e)

Table: Evaluation.

Key factors affecting effectiveness

77. *Absorption capacity:* A key challenge for the project was the context of the armed conflict. The conflict had several implications. There is a general shortage of human resources in Ukraine due to the war, either because people fled the country or some had to take on new roles, including in the armed forces. The result is a limited absorption capacity at the institutional level, including at the level of national ministries.

78. *Restricted mobility:* Another implication of the war is the limited ability to move freely in the country. This also affected the output managers of this project. None of the output managers could visit the country during the project period. Only the UNIDO

Senior Coordinator for Ukraine and a member of the Regional Bureau for Europe and Central Asia travelled to Ukraine. Most of the interactions between UNIDO staff members and national stakeholders took place online. Similarly, many of the capacity building activities took place online or abroad (Annex 1). However, given the difficult circumstances, the project managed very well. And national experts also met with stakeholders face-to-face.

79. *Lack of focus:* While many results of the project are appreciated by national stakeholders, the question remains if more results (i.e. higher effectiveness) could have been achieved by focussing on fewer results areas in fewer geographical areas, i.e. fewer than nine outputs in fewer than 12 oblasts. This is also suggested by some output managers. While the approach chosen allowed the parallel implementation of nine outputs, it spread the resources rather thinly. Yet, the high number of outputs was justified by the exploratory nature of the project leading to the development of the Green Industrial Recovery Programme Ukraine 2024-2028 including the 14 project proposals. However, this implies that follow-up projects are required for most of the output areas in order to enhance the effectiveness.

80. *Short project duration:* As mentioned earlier, the short project duration was a factor which limited results at the outcome level. Changes at institutional or individual level take time and 12 months is a very short period for that.

4.4 Efficiency

4. Summary findings: The short project duration put the UNIDO output managers under a lot of pressure. However, project implementation was by and large efficient. A caveat is that the implementation of the ten outputs involved about 20 UNIDO HQ staff members (incl. consultants) which is not very cost-effective. Cost-effectiveness of outputs - ratio of cost to outputs – appears to be overall reasonable. A key success factor for implementation was the Project Management Unit at HQ. A key weakness for implementation was the lack of a full-fledged UNIDO country office. And given the limited number of activities in some oblasts, not all RDCs appear to be cost-effective at this point.

Time efficiency

81. The short project duration of originally 9 months (extended to 12 months) is an issue raised by many stakeholders, both national stakeholders and UNIDO staff. The project duration is generally seen as being too short. It put project managers under a lot of pressure. For instance, the procurement of equipment usually takes time and it was not possible to deliver all equipment during the official project duration. Some energy equipment has yet to be delivered (output 6). However, project managers tried their best which can be illustrated by the following UNIDO staff statement “*once the funding was received, not a second was lost*”. The efforts to implement fast is recognized by national stakeholders. National stakeholders are generally satisfied with the timely implementation of the project. It is acknowledged that UNIDO was very

responsive and trying to be quick. This perception expressed by national stakeholders includes both UNIDO staff and UNIDO consultants.⁴³

Cost-effectiveness

82. Financial resources were originally distributed rather evenly across nine technical outputs and one non-technical output (see below Table 6 “Original budget”). However, some reallocation took place at the end of 2023. With the emergence of the municipality approach, the Office of the UNIDO Director General instructed the project to explore opportunities to add funds to output 3 for Regional Development Coordinators which were not envisaged initially in the project document. The amount of EUR 150,000 was transferred upon the approval of the donor from other project outputs towards output 3. In effect, 6% of the budget of each output was transferred. Each output manager was consulted to ensure that this change would not impede their implementation. However, UNIDO staff members stressed that in the middle of the implementation of the project financial resources had to be reallocated unexpectedly between outputs which further enhanced implementation pressure.

83. Overall, national stakeholders and UNIDO staff are satisfied with the cost-effectiveness of the project. A clear majority is of the view, that the project is good value for money. It appears that the distribution of the resources across 10 outputs allowed for a speedy implementation of *parallel activities*. There are only a few critical voices. One national stakeholder questions the supposedly high cost of the international conference on sustainable recovery and the role of municipalities in collaboration for economic development (Lviv, 27 March 27 2024). Another national stakeholder suggests that it would be more efficient to organize additional in-country trainings rather than cost-intensive study tours abroad.

84. A downside of the ten-output-approach is that it required ten output managers. In fact, at UNIDO HQ about 20 staff members (incl. consultants) were involved in implementing the project with a budget of EUR 3m. From this point of view, the project was not very cost-effective.

85. This evaluation compared the *main* results at the output level with related costs (Table 6). The evaluation used a common-sense approach by looking at the ratio of expenditures to outputs and reasonability, also comparing the results between outputs. Overall, the outputs have a reasonable ratio of expenditures to output although two outputs appear to have a rather high ratio, i.e. output 2 and output 3.

Table 6: Cost and results (cost-effectiveness)

Outputs/ <u>main</u> results	Original budget	Actual expenditures 2023-2024
Output 1: Industrial diagnostic		
- Industrial diagnostic study		
- Several knowledge materials (working papers, briefs)	EUR 200,000	EUR 190.335
- 1 face-to-face workshop co-organized		
Output 2: Policy advice and capacity development		
- 3 face-to-face workshops (Serock, Warsaw, Serock)	EUR 350,000	EUR 334,541
- 2 Study tours (Berlin, Rome)		

⁴³ Illustrated by the following statement of a national stakeholder: “We had very good support from the UNIDO consultant, we were in touch 24/7 ... the UNIDO consultant is like a business nanny.”

Output 3: MSMEs and job creation		
- Regional Development Coordinator network established - 4 pilot projects for strengthening competitiveness of MSMEs - 1 Study tour (Stuttgart/Lengwil) - 1 Conference (“Municipalities”, Lviv)	EUR 250,000	EUR 397,038
Output 4: Youth and women skills		
- 3 studies - 4 trainings (online/hybrid) - 1 face-to face training (five day, Vienna)	EUR 250,000	EUR 234,314
Output 5: Circular economy		
- 1 study on circular economy - 4 foresight exercise reports - 2 surveys	EUR 260,000	EUR 244,204
Output 6: Energy generation		
- 2 solar PV projects	EUR 320,000	EUR 285,133
Output 7: Agribusiness and food processing		
- 1 Roadmap for food industry - Industry specific action plans - 1 assessment of food packaging industry - 1 study tour (Czech-Slovak centre)	EUR 260,000	EUR 241,999
Output 8: Competitiveness, quality and compliance		
- 1 National Guiding Framework of Standards & Technical Reg. - 5 online workshops - 1 impact assessment - 1 strategy for the engagement of municipalities - 1 capacity-building package	EUR 260,000	EUR 245,721
Output 9: Digital transformation		
- 4 online workshops - 1 study tour (Brussels) - 1 AI mapping and report	EUR 160,000	EUR 137,367
Output: Coordination, communication and advocacy		
- 1 Programme Management Unit (two staff member) - 1 project liaison officer in Kyiv - 1 establishing a National Coordinating Body (NCB) - Communication/advocacy activities (e.g. website, LinkedIn) - 2 missions to Kyiv - Engagements with donors - 1 programme document (Green Industrial Recovery Progr.)	EUR 280,000	EUR 253,285

Table: Evaluation, based on project Completion Report 2024 and the SAP-generated financial report of 5 June 2024.

Efficiency of UNIDO project management at HQ

86. UNIDO programme management is assessed very positively by UNIDO staff and national stakeholders. The project’s structure to manage the diverse activities under the project is assessed favourably by UNIDO staff. Central was the Project Management

Unit (PMU⁴⁴) located in the Regional Bureau for Europe and Central Asia. Two of its team members were financed from the project. Output managers praise the efficient programme management of the PMU. For instance, UNIDO staff stress the efficiency of the meetings with all project managers organized by the PMU every three weeks. National stakeholders appreciate the direct contacts with output managers based in Vienna. The PMU was also responsible for project monitoring and for preparing the project progress reports (two progress reports, one completion report, SAP financial report).

Efficiency of UNIDO project management at country level

87. National stakeholders are reasonably satisfied with the efficiency of UNIDO's project management at the country level. Project management at country level is viewed as rather efficient. Many of the activities at the country were directly managed by the output managers based in Vienna. In addition, UNIDO has a liaison officer, financed from the project, based in Kyiv who was in charge of coordination, communication and information sharing, but who was less involved in the technical aspects of the project. The support provided by the liaison officer is appreciated by national stakeholders. However, the fact that UNIDO has no full-fledged country office is seen by many national stakeholders and UNIDO staff as a significant weakness for the project management at the country level. UNIDO is one of only few UN agencies with no office in Ukraine. Not having a country office affected the implementation capacity of UNIDO in different ways:

- No capacity for high level policy dialogue
- Limited capacity for relationship management and coordination with development partners
- No presence at the UNCT meetings (only heads of agency)
- Limited public visibility of UNIDO and limited communication about results achieved
- No support in finding national experts
- Negative impact on delivery (for instance lack of understanding of legal tax system)
- Administrative hurdles (e.g. project registration)
- Limited understanding and awareness of security issues and security rules

88. Of above constraints, the lack of capacity to engage in an ongoing high level *policy dialog* appears to be particularly constraining. The mission⁴⁵ of the UNIDO Senior Coordinator for Ukraine and one member of the Regional Bureau for Europe and Central Asia – while appreciated by national stakeholders – is not seen as being sufficient to compensate for the lack of permanent high level representation.

89. Another key constraints mentioned by many stakeholders is the limited *visibility* of UNIDO. It appears to be a serious shortcoming that UNIDO and what it can offer is not well known in Ukraine. This has been recognized by the project and several communication activities were undertaken such as the creation of a dedicated

⁴⁴ Throughout the report, the “PMU” refers to the project manager and her immediate team at HQs and in the field and excludes, for the purpose of the evaluation, the designated task force consisting of UNIDO output managers. In essence, the PMU performs the coordination/secretariat function of the project.

⁴⁵ Back-to-office mission report, Warsaw and Kyiv, 27 September – 8 October 2023, UNIDO, 1 Nov. 2023

website⁴⁶ featuring news, stories, publications or videos. The project also had a presence on social media such as LinkedIn⁴⁷. Still, stakeholders are of the view that UNIDO's visibility is insufficient and that the communication measures can't compensate for the lack of a country office.

90. The challenge to recruit national experts is partly attributed to the lack of possible support by a UNIDO country office. However, it appears that this is a challenge for all agencies. In fact, the shortage of human resources goes across all institutions in Ukraine (local, national and international) and is, as mentioned earlier, a result of war.

91. Security concerns are also partly associated with the lack of a UNIDO office. Not having a team on the ground required the UNIDO Regional Bureau for Europe and Central Asia to develop security procedures from Vienna resulting in only one mission during the project which does not appear to be a very efficient approach.

92. In view of the upcoming Green Industrial Recovery Programme Ukraine 2024-2028 and the related new UNIDO projects, such as the USD 188m project funded by Japan, UNIDO staff express an urgent need to open an office in Ukraine in order to address above mentioned challenges. The Government would welcome a UNIDO country office, but lacks the financial resources to assist and proposes a tripartite agreement with UNIDO, funding partners, and Ukraine.⁴⁸

Efficiency of decentralised approach

93. The project reached out to 12 *oblasts* (regions) in Ukraine (Figure 2). In addition, the project gave a particular emphasis on working through *municipalities* and city administrations in Ukraine.⁴⁹ In principle, the approach to operate at the oblast level and at the level of municipalities and to directly interact with communities is welcomed by many national stakeholders as quite a number of functions have been decentralized in the country. Also, there is a need to strengthen capacities at the regional level. Moreover, a lot of local civil society organizations play an important role in green recovery. Comparisons were made with other development partners, in particular GIZ, which apparently has established a strong presence at the regional level allowing for direct and efficient communication. It is repeatedly emphasized that face-to-face interactions are efficient, including factory visits, and that online meetings cannot fully compensate for that. Some stakeholders are sceptical with regard to the municipality approach and express the view that working through municipalities is not efficient when the ultimate beneficiaries are SMEs.

94. As part of the project (output 3), UNIDO established a network of Regional Development Coordinators (RDCs) in response to *“limited administrative and service delivery capacities, and the lack of governance and policy capabilities of municipalities and oblasts to initiate commercial diplomacy between big business, and municipal and state authorities.”*⁵⁰ RDCs support the UNIDO operations. The network currently

⁴⁶ <https://www.unido.org/green-recovery-vision-ukraine>

⁴⁷ <https://www.linkedin.com/company/unido-ukraine/>

⁴⁸ Back-to-office mission report, Warsaw and Kyiv, 27 September – 8 October 2023, UNIDO, 1 Nov. 2023

⁴⁹ Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 13.

⁵⁰ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 4.

consists of 11 RDCs covering 12 oblasts. RDCs were instrumental in identifying needs of local industries, MSMEs and support institutions (output 3); and they are supposed to reach out to the Regional Development Agencies (RDA). The RDC network will continue to support projects under the Green Industrial Recovery Programme Ukraine 2024-2028. In fact, the RDC's are portrayed as the “*great implementation structure for the recovery programme*”.⁵¹

95. However, many national stakeholders interviewed for this evaluation are not aware of the RDCs (they have mainly focused on activities under output 3) and are therefore not in a position to assess the RDCs. Lack of awareness is partly due to the fact that some RDCs have been recruited only very recently. Those that have interacted with the RDCs have an overall positive view on the efficiency (responsiveness) of the RDCs. UNIDO staff is moderately satisfied with the efficiency of the RDCs as of now. However, given the limited number of activities in some oblasts (Figure 2), not all RDCs appear to be cost-effective at this point. The cost-effectiveness will depend on the future volume of activities.

4.5 Impact and sustainability

5. Summary findings: It is plausible that the project will have a long-lasting impact. The analytical work, the capacity building activities and the work at the oblast and municipality level have the potential to contribute to lasting change. Moreover, the Green Industrial Recovery Programme Ukraine 2024-2028 lays the foundation for scaling up activities. Some key factors for long lasting impact are the end of the war, the availability of funding in order to implement the projects of the Green Industrial Recovery Programme Ukraine 2024-2028 and the absorption capacity of the actors at national level (ministries), regional level (oblasts) and local level (municipalities).

Expected impact

96. In the original project document the expected impact was defined as follows: “*The green and inclusive reconstruction and modernization of the industry of Ukraine are fostered in a comprehensive manner through a package of targeted interventions in industrial capacity-building, policymaking, technology demonstration and diagnostics.*”⁵² The impact statement was supplemented with two impact indicators:

- Cumulative reduction of CO₂-eq emissions; target: 1,000 tons (ENV.1)
- Number of additional jobs created and jobs retained; target: 50, 40% of jobs for women (SOC.1)

97. The project document mentioned that in view of the project's limited duration, impact- and outcome-level indicators and targets will be validated and refined during the project's inception phase. However, in the inception report, the impact statement and the impact indicators were dropped and reporting on progress towards impact and

⁵¹ Key informant.

⁵² Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023, p. 47.

the impact indicators were subsequently not included in the two progress reports and the Completion Report.

98. The project is typified by UNIDO as “preparatory phase” within UNIDO’s approach to post-conflict/-crisis situations (Figure 3). In line with the nature of this phase, the project has a short duration and impact and long lasting effects (sustainability) cannot be expected yet.

Figure 3: UNIDO’s approach to post-conflict/-crisis situation – three phases



Figure: Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023.

99. Still, the project has already achieved a few early results at the impact level:

- Energy efficiency and CO₂ reduction: The two solar PV projects will add 348 kW of decentralized power generating capacity, producing an estimated 355 MWh of electricity per year, while the energy efficiency projects will lead to annual energy savings in excess of 281 MWh. Over a project lifetime of 10 years the implemented renewable energy and energy efficiency projects will avoid emissions of 3,000 – 3,500 tons of CO₂ (output 6);⁵³ It is about three times the original target of 1,000 tons of CO₂.
- Job creation: 25 training participants found jobs following the training in EU-based packaging companies (output 7);⁵⁴

Likelihood of long lasting impact

100. Apart from the early impact, the question at this point is: What is the *likelihood* of contribution to long-lasting impact in future (after the “preparatory phase”)? The small survey among UNIDO project managers reveals a high uncertainty regarding the likelihood of the project’s contribution to impact in future. About half of the responses did not assess the likelihood of impact of the different results areas (Annex 5). This may be related to the fact that project managers may not know enough about the other output areas. Still, output managers expect that the project is likely to contribute to all impact areas, i.e. to job creation; enhanced competitiveness, quality and compliance; revitalization of the agribusiness and food processing industry; digital transformation and uptake of artificial intelligence and robotics; reduction of CO₂ emissions; reduction of waste through recycling; energy efficiency.

101. The small survey among national stakeholder shows that the respondents expect that job creation is the most likely impact area, followed by a reduction of waste through recycling and more energy efficiency (Annex 4).

102. Based on the effectiveness of the project (see Chapter 4.3), it is plausible that the project will contribute to a long-lasting impact. The analytical work (e.g., Diagnostics, circular economy gap analysis, food industry roadmap, mapping of use of artificial intelligence) and the many capacity-building activities contributed to

⁵³ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 9.

⁵⁴ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 10.

improved policy-making capacities (outcome 1). This, in return, will contribute to better-informed decision making, which is likely to have an impact in the long run on job creation, competitiveness, energy production or the environment. Also, with the development of the *Green Industrial Recovery Programme Ukraine 2024-2028*, including the 14 project proposals (outcome 3), the project has laid the foundation for scaling up activities.

103. Moreover, the Government of Japan will fund a technology transfer project to Ukraine with a volume of USD 188 million.⁵⁵ While not included in the 14 project proposals in the new Green Industrial Recovery Programme Ukraine, the project funded by Japan is closely related to the new programme and can be considered as a follow-up and scaling-up project.⁵⁶

104. Also, the work at the oblast and municipality level has the potential to contribute to lasting change, particularly the four pilot projects supporting clusters in municipalities for increasing entrepreneurial activity among MSMEs and skills training (output 3). One informant of this evaluation estimates that the project will contribute to 300 entrepreneurs at the micro business level (craft business), having an annual turnover of EUR 100,000. However, a significant direct impact at the SME level can probably not be expected as the engagement with firms (>110 firms, indicator REA.2) is mainly limited to training activities.

Key factors for impact

105. *Network and partnership*: Stakeholders are clear about the *factors* that will – or would – contribute to having an impact in future. Two factors are already in place: the project established a strong *network of national stakeholders* and a strong *partnership between the Government of Ukraine and UNIDO*. These are factors that can contribute to the successful implementation of scale-up projects. It includes the National Coordination Body (NCB) and the Regional Development Coordinators (RDC), which will provide a structure for future steering and implementation support. However, an uninterrupted follow-up to the project will be important for its sustainability if UNIDO wants to keep the Regional Development Coordinators (RDCs) on board.

106. *Armed conflict*: The main external factor that will impact the future is the *end of the war*. It is very hard for national stakeholders and in particular the Government of Ukraine to engage in long-term planning and implementation as long as the armed conflict is ongoing and the focus and allocation of resources has to be on *urgent recovery needs*. Related to the context of war is the constantly *changing environment*. The rapidly changing context in Ukraine can threaten the priorities of the Green Recovery Industrial Recovery Programme Ukraine 2024-2028. This will require a constant adaptation of prepared proposals with new proposals. *Flexibility* is a factor for future impact.

107. *Funding*: The other key factor mentioned most is the availability of *funding* to implement the 14 projects included in the new programme. The positive aspect of this factor is, that it can be influenced by the Government of Ukraine and UNIDO. In fact,

⁵⁵ Green Industrial Recovery Project for Ukraine through Technology Transfer from and Co-creation of New Businesses with Japan's Private Industries” (Project ID: 230030)

⁵⁶ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 19.

UNIDO is in contact with a number of donors⁵⁷ such as the European Union, Austria, Bulgaria, Canada, Finland, Germany, Italy, Japan, Norway, the Republic of Korea, Slovenia, Spain, Switzerland, Sweden and the United States of America and has already secured some funding from the Czech Republic and Poland.⁵⁸

108. *Private sector investment:* It is not only about funding from development partners but also investment from the private sector, which will be required in future. Here, UNIDO can play a role with its investment promotion services. Moreover, the high demand for external funding (grants and investments) is a challenge from a sustainability point of view. The generation of taxes in Ukraine will be necessary, which is one of the objectives of the “Made in Ukraine” campaign.⁵⁹

109. *Absorption capacity:* Another critical factor for impact is the *absorption capacity* of the actors at the national, regional (oblast) and local levels (municipalities). Given the shortage of human resources and the expected high international financial contributions for recovery, this may create a severe bottle neck. Investing in strengthening capacities in main counterpart ministries and strong coordination with all actors, including development partners, will be required.

4.6 Rating of evaluation criteria

110. Adhering to the UNIDO evaluation practice, the evaluation was asked to rate the evaluation criteria based on the above findings using the template provided by the UNIDO Independent Evaluation Unit (IEU). The assessment summarises previous chapters and reflects the situation as of May 2024.

Table 7: GQSP - Summary assessments of evaluation criteria

#	Evaluation criteria	Rating
A	Progress to Impact	moderately satisfactory
B	Project design	satisfactory
1	• Overall design	satisfactory
2	• Project results framework/log frame	satisfactory
C	Project performance and progress towards results	satisfactory
1	• Relevance	satisfactory
2	• Coherence	moderately satisfactory
3	• Effectiveness	satisfactory
4	• Efficiency	moderately satisfactory
5	• Sustainability of benefits	moderately satisfactory
D	Gender mainstreaming	satisfactory
E	Project implementation management	satisfactory
1	• Results-based management (RBM)	moderately satisfactory
2	• Monitoring and Evaluation, Reporting	moderately satisfactory
F	Performance of partners	satisfactory
1	• UNIDO	highly satisfactory

⁵⁷ Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 10/05/2024, p. 12.

⁵⁸ Draft Green Industrial Recovery Programme Ukraine 2024-2028, UNIDO, 2024.

⁵⁹ <https://madeinukraine.gov.ua/en>

2	• National counterparts	highly satisfactory
3	• Implementing partner (if applicable)	not applicable
4	• Donor	not applicable
G	Environmental and Social Safeguards (ESS), Disability and Human Rights	satisfactory
1	• Environmental Safeguards	highly satisfactory
2	• Social Safeguards, Disability and Human Rights	satisfactory
H	Overall Assessment	satisfactory

Table: Evaluation, based on all data sources used for this evaluation, 2024

5. Conclusions and recommendations

5.1 Conclusion

111. The evaluation has conducted a SWOT analysis based on all data sources used for this evaluation (Table 8). The project has several strengths but also some weaknesses. Looking to the future, the work accomplished by the project offers several opportunities which are threatened by some strong factors, particularly related to the war context in Ukraine.

Table 8: SWOT analysis of project

Strengths	Weaknesses
<ul style="list-style-type: none"> ✓ Precious analytical work (e.g. diagnostics study, gap analyses, roadmaps, etc.) ✓ Strong capacity-building results ✓ Focus on <i>development</i> (most UN agencies have a humanitarian focus) ✓ Interventions at macro, meso and micro levels ✓ Strong project coordination and cross-divisional coordination facilitated by the PMU ✓ Strong network of national stakeholders established ✓ High level of motivation and commitment of all stakeholders 	<ul style="list-style-type: none"> × Too short project duration × Topics strongly driven by UNIDO services and past activities × No integrated project design which clearly shows how various components build on each other to achieve an overall goal (relatively stand-alone output approach) × Limited evidence of progress at the outcome level (reporting mainly on activities and outputs) × No UNIDO office and no high-level representation in Ukraine × Limited visibility of UNIDO in Ukraine

Opportunities	Threats/ Challenges
<ul style="list-style-type: none"> ✓ Green Industrial Recovery Programme Ukraine 2024-2028 incl. 14 project proposals provide an opportunity for large-scale follow-up ✓ The strong partnership between the Government of Ukraine and UNIDO can greatly facilitate future collaboration ✓ The National Coordination Body (NCB) and the Regional Development Coordinators (RDC) provide a structure for future steering and implementation support ✓ Closer collaboration between different output areas offers synergies (e.g. between circular economy, energy and agribusiness) ✓ Large financial resources provided for the recovery of Ukraine by the international community ✓ EU integration process 	<ul style="list-style-type: none"> × The ongoing armed conflict × A rapidly changing context in Ukraine can question the priorities of the Green Recovery Industrial Recovery Programme Ukraine 2024-2028 × Limited national and local absorption capacity due to war-related shortage of human resources × Limited donor support to implement 14 project proposals × The time gap between the completed project and possible new projects may demotivate established partnerships × Weak security infrastructure for project operations and reduced mobility

SWOT: Evaluation, based on all data sources used for this evaluation, 2024.

112. The conclusions reflect the evaluator’s professional interpretation of the findings.

113. The project accomplished a remarkably high number of activities in a short time, leading to some significant results in enhanced industrial policy capacity. These results have the potential to contribute to long-lasting impact.

114. The project is designed like a *small country programme* and well-coordinated by the PMU in the Regional Bureau for Europe and Central Asia. This facilitates information sharing and collaboration among the various output managers. This is a good practice.

115. While the project appears to be like a coherent programme with different components, the project started as a compilation of more or less stand-alone activities rather than an *integrated approach* with a design which clearly shows how the various components build on each other to achieve an overall goal. The overall objective of the project is too vague in this regard.⁶⁰ Over time, some joint activities involved several outputs and created some synergies. However, some rather ad-hoc synergies cannot substitute an integrated project design.

116. While all *nine topics* selected for the project are relevant to Ukraine, they lack a strategic view with clear priorities. The project has watered many plants. They are all pertinent, but many of them are small-scale. They will only grow if follow-up projects

⁶⁰ „The overall objective of the project is to provide technical support to the Government of Ukraine in conceptualizing and operationalizing a strategic approach towards green industrial reconstruction and development.“ (Project Document)

scale them up. This is the idea of the Green Industrial Recovery Programme Ukraine 2024-28 with 14 project proposals. However, the 14 project proposals repeat the approach of the present project. Rather than setting clear priorities, the programme offers a menu of project proposals and only provides a rather loose framework for the projects. It appears to repeat the approach selected for the project mirroring the UNIDO services rather than setting clear strategic priorities and an integrated approach for the green industrial recovery of Ukraine. When everything is relevant and should be done simultaneously – which reflects the current situation in Ukraine - setting priorities seems even more critical.

117. For illustration purposes only, A strategic approach could be to select one or two sectors and focus all activities on strengthening the sector(s). An example could be the agribusiness and food processing industry. All activities, such as policy advice, skills development, entrepreneurship development, energy management, quality standards, investment promotion, digital transformation, etc., could be integrated to support the strengthening of the agribusiness and food processing industry.

118. The *geographical approach* with the relatively high number of 12 oblasts is not convincing yet. In line with strategic prioritization, there should also be a selection of relevant oblasts (e.g., in support of agribusiness). And while a decentralized approach with a focus on oblasts and municipalities is appropriate and can work, it must be backed with the necessary resources. For this project, the resources were too limited to include 12 oblasts. The Regional Development Coordinators (RDCs) can only be justified if there is a critical volume of activities in each oblast. If not, the number of oblasts and RDCs needs to be reduced.

119. The war-related uncertainty requires continuous *flexibility*. This will be a challenge for investment-heavy projects. While the Green Industrial Recovery Programme Ukraine 2024-28 acknowledges the high degree of uncertainty and fluidity of the situation in Ukraine⁶¹, it does not specify how exactly UNIDO will ensure flexibility. UNIDO should develop a concept that concretely defines what flexibility means and how flexibility can be built into implementation.

120. The *absorption capacity* of Ukrainian actors at national, regional and local levels are one of the critical success factors for the project implementation. To scale up UNIDO projects (or any project for that matter), the capacity to manage the projects at the level of national authorities must be enhanced. UNIDO should support the Government of Ukraine and the authorities at the regional and local levels in this regard. In that sense, the decentralized approach is pertinent. However, it is essential to ensure that the Regional Development Coordinators support the authorities rather than add an additional burden in relationship management.

121. To best use the limited absorption capacity of national authorities, it is equally important to aim for a limited number of *large projects* instead of a large number of small projects. Having one big project instead of ten small projects enhances efficiency on all sides. The new project with Japan, with a budget of USD 188m, is a good example. Consequently, UNIDO and the Government should set a minimum financial target for each of the 14 project proposals. This is not only important for making the best use of the absorption capacity of national authorities, but large-scale projects are needed to enhance effectiveness and impact. In perspective, the Ukraine Facility of the European

⁶¹ Green Industrial Recovery Programme Ukraine 2024-28, UNIDO, 2024, p. 8.

Union (a four-year programme) offers EUR 50 billion in grants and loans between 2024 and 2027.⁶²

122. Similarly, *joint activities* with other development partners can lead to larger projects and less pressure on management capacities. While UNIDO is trying to reach out to different actors and development partners, these efforts must be accelerated, particularly vis-à-vis the UN sister agencies and the international financial institutions (IFI). For this, a UNIDO country office is required. The presence of a senior UNIDO staff member will also strengthen the industrial policy dialogue with the Government and contribute to enhancing UNIDO's visibility.

5.2 Recommendations and management response

123. While the project being evaluated here has ended, the recommendations below are intended to advise the implementation of the Green Industrial Recovery Programme Ukraine 2024-2028, including the 14 project proposals.

1. Strategic prioritization

- a. The UNIDO support to Ukraine should be more strategic – by, for instance, focussing on 1 or 2 sectors. In the current situation of Ukraine with huge needs in many areas, setting priorities is crucial. The various UNIDO activities should then be integrated in order to support the selected sector(s)⁶³. Equally, donor resources should be concentrated in supporting the strategic approach.
- b. Subsequently, the selection of oblasts should align with strategic prioritization.⁶⁴ UNIDO should adjust the number of targeted oblasts according to resource availability. It should ensure that there is a critical volume of activities at the oblast level in order to justify Regional Development Coordinators.

Responsibility: UNIDO Regional Bureau for Europe and Central Asia, UNIDO thematic departments, Government of Ukraine

2. Enhance project size

- a. UNIDO should aim at a limited number of large projects instead of a large number of small projects. This would scale up results, enhance efficiency, and make the best use of national authorities' absorption capacity. UNIDO, together with the Government, should set a *minimum financial target* for projects.⁶⁵
- b. Moreover, UNIDO should aim at joint projects with other development partners, in particular with the UN sister agencies and the international financial institutions (IFI). If joint projects are not feasible (e.g., for administrative

⁶² Ukraine Industrial Country Diagnostics 2023, UNIDO, 2024, p. 61.

⁶³ For example the agribusiness and food processing industry.

⁶⁴ Ibid.

⁶⁵ The Green Industrial Recovery Programme Ukraine 2024-28 has a resource mobilization target of USD 250 million and 14 project proposals. That would imply an *average* project budget of USD 18 million. If the programme aims for large projects instead of many projects, the project size could grow accordingly. E.g., with 7 projects only, the average project budget would be USD 36 million, which would still be comparatively small considering the USD 188 million project funded by Japan.

reasons), projects should be designed *as if* they were joint projects, with a clear division of labour leading to a common goal. Joint projects also lead to larger results, and they relieve the absorption capacity of national authorities.

Responsibility: UNIDO Regional Bureau for Europe and Central Asia, UNIDO thematic departments, Government of Ukraine

3. Define flexibility

- a. UNIDO should develop a concept defining concretely what *flexibility* means and how flexibility can be built into implementation. This will be a challenge, in particular for investment-heavy projects, but the war-related uncertainty requires flexibility.

Responsibility: UNIDO Regional Bureau for Europe and Central Asia, UNIDO thematic departments

4. Strengthen national capacities

- a. UNIDO should support the Government of Ukraine and the authorities at the regional and local levels to enhance their project management capacity. The absorption capacity of Ukrainian actors at the national, regional, and local levels is a critical success factor for project implementation. Consider secondments at the national level, if necessary. UNIDO should ensure that the Regional Development Coordinators enhance the project management capacity of regional authorities rather than adding an additional burden in terms of relationship management.
- b. UNIDO should engage in joint fund-raising with the Ministry of Economy. As envisaged in the Green Industrial Recovery Programme Ukraine 2024-28, this should include resources from development partners and private sector investment.
- c. UNIDO should engage in joint fund-raising with UN sister agencies in the context of the new UN Framework Agreement 2025-2028. This will not only enhance coherence among UN agencies but also strengthen national fundraising capacities.

Responsibility: UNIDO Regional Bureau for Europe and Central Asia, Government of Ukraine

5. Enhance UNIDO implementation capacity

- a. UNIDO should establish a country office in Ukraine to facilitate high-level policy dialogue with the Government, strengthen project implementation, enhance coherence with development partners, and accelerate UNIDO's visibility in Ukraine.
- b. The UNIDO Regional Bureau for Europe and Central Asia should continue its coordination role. The established mechanism (PMU) is a good practice. However, the PMU should go beyond the coordination role to an integration role of UNIDO activities in Ukraine (see recommendation 1).
- c. UNIDO must establish a security concept with concrete measures for its local and international staff, experts, and consultants. For implementation, it is important for project managers, experts, and consultants to be able to travel to

and within Ukraine to the extent possible to meet stakeholders and beneficiaries not only online but also face-to-face and at the company level.

Responsibility: UNIDO, UNIDO Regional Bureau for Europe and Central Asia

Management response

#	Recommendation	Management Actions	Responsible Person	Target Date
1.	Strategic prioritization	Strategic prioritization of UNIDO TC and other services to Ukraine will be discussed with the PMU members both collectively and individually. Separate consultations will be held with the UNIDO Senior Coordinator for Ukraine as well as with the UNIDO Focal Point at the Government of Ukraine to define key priorities for a short and medium-term period in the context of the UNIDO-Ukraine programme.	Solomiya Omelyan, GLO/RFO/EUR Mariia Pavlova, GLO/RFO/EUR Stephan Sicars, GLO/OMD Olena Kovalova, GLO/RFO/EUR Mariia Reva, GLO/RFO/EUR	2 September 2024
2.	Enhance project size	The matter of enhancing project size will be discussed with the PMU members both collectively and individually. Separate consultations will be held with the UNIDO Senior Coordinator for Ukraine as well as with the UNIDO Focal Point at the Government of Ukraine to define key priorities for a short and medium-term period in the context of the UNIDO-Ukraine programme.	Solomiya Omelyan, GLO/RFO/EUR Mariia Pavlova, GLO/RFO/EUR Stephan Sicars, GLO/OMD Olena Kovalova, GLO/RFO/EUR Mariia Reva, GLO/RFO/EUR	2 September 2024
3.	Define flexibility	Definition of flexibility issue in the context of the UNIDO-Ukraine green industrial recovery programme will be duly addressed by the PMU	Solomiya Omelyan, GLO/RFO/EUR Mariia Pavlova, GLO/RFO/EUR Stephan Sicars, GLO/OMD Olena Kovalova, GLO/RFO/EUR Mariia Reva, GLO/RFO/EUR	2 September 2024
4.	Strengthen national capacities	In-house discussions on how to ensure that the Regional Development Coordinators enhance the project management capacity of regional authorities rather than add an additional burden in terms of relationship management have been initiated and are expected to result in concrete management strategy and actions. Cooperation with other UN agencies will be further explored	Stephan Sicars, GLO/OMD Yuko Yasunaga, COR Steffen Kaeser, TCS/SME Solomiya Omelyan, GLO/RFO/EUR Mariia Pavlova, GLO/RFO/EUR Olena Kovalova, GLO/RFO/EUR Mariia Reva, GLO/RFO/EUR	2 September 2024

5.	Enhance UNIDO implementation capacity	In-house consultations engaging GLO/OMD and COR/OMD on the establishment of the UNIDO field office in Kyiv are ongoing to identify a suitable model in view of the existing budget/available funding and current situation in the country	GLO/OMD and COR/OMD Solomiya Omelyan, GLO/RFO/EUR	30 September 2024
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6. Lessons learned

124. **Joint implementation:** This project has demonstrated that UNIDO can successfully implement many activities under a lot of pressure in a short period. This was possible because the financial resources were distributed among ten different output managers (nine technical and one non-technical output), and the activities were implemented in parallel. Having several output managers (UNIDO project managers) jointly implement a project has worked and can be further deepened.

125. **PMU:** The project was held together by a project management unit (PMU) in the Regional Bureau for Europe and Central Asia. The PMU ensured that the nine technical output managers were well-informed about all project activities. Furthermore, the PMU was responsible for central project functions such as communication, advocacy, donor engagement, monitoring, and reporting. The PMU established the National Coordinating Body (NCB) and supported the output managers through a project liaison officer in Kyiv. This setup has worked well.

126. **Integration:** There is room for improvement in terms of synergies. While the project realized a few rather ad-hoc synergies between outputs, the activities are only, to a limited extent, integrated and rallied behind a single priority. This can be improved at the design stage.

127. **Conflict situation:** UNIDO's work in conflict countries and support of the government in early planning for post-conflict recovery is new and has worked. UNIDO usually enters at a later stage, but the early timing is useful for the government and gives UNIDO visibility as a supportive development partner.

128. **Flexibility and security:** If UNIDO works in conflict countries, flexibility and security issues must be addressed strategically. UNIDO has no security concept, hindering project activities as staff could not travel. Yet, UNIDO showed flexibility, which allowed for effective implementation.

129. **Country office:** Country presence is a key element of working in conflict countries. It also contributes to alignment with the UN System.

Annexes

Annex 1: List of study tours, workshops and events

Study tour				
Location	Subject of study tour	Output	Number of participants	Date
Roma and Ferrara, Italy	Circular economy	Output 1, 2 and 5	15	December 2023
Berlin, Germany	Establish networks with German industry and innovation policy organizations.	Output 2	15	20-24 November 2023
Rome, Italy	Industrial policy and circular economy at the University of Roma Tre and the University of Ferrara.	Output 1 and 2	15	10-16 December 2023
Stuttgart, Sindelfingen and Lengwil/Lake Constance	E-mobility, telemedicine, biogas and municipal networks.	Output 3	9	11-15 March 2024
Vienna, Austria	Business coaching methods for entrepreneurs, including HP LIFE	Output 4	15	5-9 March 2024
Czech-Slovak packaging centre Syba	Experts were exposed to packaging best practices as well as hosted in the EU-based institutes	Output 7	60	?
Brussels, Belgium	Learn about the EU Artificial Intelligence Act and build a network of partners	Output 9	7	From 30 January to 3 February 2024

Workshops				
Location	Subject of workshop	Output	Number of participants	Date
Serock, Poland	Disseminate the results of the industrial diagnostic study, and discuss future cooperation in the area of industrial policy and strategy	Output 1 and 2	13	10-14 March 2024
Serock, Poland	Main concepts related to industrial policymaking, as well as various tools for future technical training. introduced to the principles of policy design and policy	Output 2	13	26-29 June 2023

	instruments, as well as monitoring and evaluation.			
Warsaw, Poland	A foresight training on circular economy	Output 5 and 2	12	24 September 2023
Warsaw, Poland	Industrial strategy setting	Output 2	15	25-28 September 2023
Rivne, Lutsk and Novoyavorivsk, Ukraine	A series of entrepreneurship development training in Ukraine (School of Entrepreneurship)	Output 3	164	February – March 2024
Kamianets - Podilskyi, Khmelnytskyi Oblast, Ukraine	Roundtable "International experience for the craft cluster: Great prospects for small business"	Output 3	50	15 March 2024
Ivano-Frankivsk Oblast, Ukraine	Training on proper collection, storage, and delivery of raw materials for small-scale production	Output 3	30	13 March 2024
Online/Kyiv	Internal foresight workshop	Output 5	25	11 October 2023
Online for the regions of Lviv, Ivano-Frankivsk and Volyn	Awareness-raising webinar support institutions and educational institutions	Output 4	26	18 January 2024
Lviv City (in person) and regions of Lviv, Ivano-Frankivsk and Volyn (online)	Pilot training on green education and entrepreneurial learning hybrid format (Entrepreneurship Support Centre of the Lviv City Council and the TechStartUp School of Lviv Polytechnic University)	Output 4	Around 40	22 and 23 February 2024
Lviv City and regions of Lviv, Ivano-Frankivsk and Volyn (online)	Series of online capacity-building activities on entrepreneurship and business planning (Lviv Polytechnic University as well as the TVET institutions and universities)	Output 4	365	26 March and on 2-3 April 2024
Online for the regions of Lviv, Ivano-Frankivsk and Volyn	Series of three online training sessions support institutions on green and entrepreneurial learning, green innovation	Output 4	67	7 to 25 March 2024
Online for the regions of Lviv, Ivano-Frankivsk and Volyn	Individual coaching sessions with five TVET managers and educators	Output 4	15	29 and 30 April

Kyiv, Ukraine hybrid format	Two awareness-raising session to encourage the adoption of sustainable production and fair practices among key exports	Output 4 and 8	150	11 and 18 April 2024
Online/Kyiv	Online circular economy-training course	Output 5	120	6 June 2024
Kyiv, Ukraine Hybrid format	Workshop 1 Green Reconstruction of Ukraine: The Role of Sustainability Standards and Technical Regulations	Output 8	130	13 June 2023
Kyiv, Ukraine Online	Workshop 2 – Green Reconstruction of Ukraine: The Role of Public Procurement	Output 8	120	25 July 2023
Kyiv, Ukraine Online	Workshop 3 – Green Reconstruction of Ukraine: Standards for Designing Sustainable Infrastructure	Output 8	92	8 September 2023
Kyiv, Ukraine Online	Workshop 4 – Green Reconstruction of Ukraine: Conformity Assessment and Market Surveillance	Output 8	125	28 September 2023
Kyiv, Ukraine Online	Workshop 5 – Green Reconstruction of Ukraine through Standards and Technical Regulations: Role of Municipalities	Output 8	over 160	24 January 2024
Great Britain Online	A validation workshop	Output 8	30	22 February 2024
Kyiv, Ukraine Online	Discuss the results of the survey and engage with municipalities	Output 8	over 170	23 February 2024
Kyiv, Ukraine in hybrid format	Expert Group Meeting (EGM) to encourage the adoption of sustainable production and fair practices in Ukraine.	Output 8 and 4	76	25 April 2024
Online	Workshop on robotics and artificial intelligence	Output 9	11	14 November 2023
Online	Workshop on the EU digital competency framework was conducted to provide a general overview of how the framework can be incorporated into the digital skills	Output 9	18	9 February 2024
Online	Workshop on the EU digital competency framework	Output 9	25	14 March 2024
Online	Workshop on mapping of use of artificial intelligence in priority sectors and the competitiveness of Ukraine	Output 9	24	17 th of April 2024

Events				
Location	Subject of event	Output	Number of participants	Date
Brussels, Belgium	UNIDO and the Government of Ukraine launch industrial diagnostic study to guide Ukraine's recovery	Output 1 cross-outputs		21 February 2024
Munich, Germany	Acatech meeting on international cooperation in Munich	Output 2	10	27 February 2024
Leipzig, Germany	Ukrainian Municipal Partnership Conference	Output 3	2 (from Output 3 attended the event)	12-15 November 2023
Vilnius, Lithuania	EU Conference «Ukraine Green Recovery»	Output 3	2 (from Output 3 attended the event)	27 -30 November 2023.
Lviv, Ukraine	International conference «Sustainable Recovery: Municipalities in Collaboration for Economic Development»	Output 3	over 160	27 March 2024
Online/Kyiv	Panel on scenarios for circular economy	Output 5	over 30	7 December 2023
Online/Kyiv	Second panel of stakeholders' transformative pathways for KPVCs.	Output 5	over 30	26 January 2024
Brussels, Belgium	World Circular Economy Forum (WCEF) Represent results of output 5 accelerator session co-organized with the EU's DG NEAR.	Output 5	80	17 April 2024
Online	Communication campaign delivered comprising a series of publications (two editorials and social media) on process and results of circular economy exploratory foresight in Ukraine.	Output 5	1,000+	November 2023-June 2024
Online	Briefing on the results of exploratory foresight, embedding those into the national and sectoral circular economy strategies of Ukraine.	Output 5	12	April 2024
Kyiv, Ukraine	Ukraine Food Industry and Packaging International Exhibition; Club Packagers take part to support visibility of entity, to hold a roundtable	Output 7	?	? April 2024

	discussion on packaging related challenges in country using previously developed final report as basis for discussion			
Kyiv, Ukraine Online	Expert Group Meeting (EGM) to encourage the adoption of sustainable production and fair practices in Ukraine.	Output 4 and 8	76	25 April 2024

Annex 2: List of documents reviewed

General

Terms of Reference - Independent terminal evaluation of the project: Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, UNIDO ID: 230030, 03/2024.

Project Document - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, April 2023.

Inception Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 12 Sept. 2023.

Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 24/06/2024.

Progress Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 01/11/2023.

Progress Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, 18/3/2024.

Draft Green Industrial Recovery Programme Ukraine 2024-2028, UNIDO, 2024.

United Nations in Ukraine Sustainable Development Cooperation Framework, A partnership for recovery and development, 2025-2029, Summary, Results Framework and Legal Annex, Draft – 1 March 2024

Transitional Framework September 2022-December 2024, United Nations in Ukraine, 2022.

Back-to-office mission report, Brussels, 20-21 February 2024, UNIDO, 23 February 2024.

Back-to-office mission report, Warsaw and Kyiv, 27 September – 8 October 2023, UNIDO, 1 Nov. 2023

Meeting Report - Meeting of the Programme Management Unit (PMU), UNIDO, 15 June 2023.

Meeting Report - First Meeting of the National Coordination Body for the Green Industrial Recovery of Ukraine, 27 June 2023.

Meeting Report - Second Meeting of the National Coordination Body for the Green Industrial Recovery of Ukraine, 12 December 2023.

Letter from the Ministry of Economy of Ukraine on strategic cooperation within the framework of the UNIDO Green Industrial Recovery Programme for Ukraine, 14.12.2023.

Ukraine Recovery Plan: <https://recovery.gov.ua/en>

EU Ukraine Facility: https://eu-solidarity-ukraine.ec.europa.eu/eu-assistance-ukraine/ukraine-facility_en

“Made in Ukraine”: <https://madeinukraine.gov.ua/en>

Green Recovery Vision for Ukraine: <https://www.unido.org/green-recovery-vision-ukraine>

UNIDO Open Data Platform - Ukraine: <https://open.unido.org/projects/UA/projects/>

UNIDO Open Data Platform - PROJECT ID: 230030: <https://open.unido.org/projects/UA/projects/230030>

UNIDO Ukraine on LinkedIn: <https://www.linkedin.com/company/unido-ukraine/>

European Commission: Chapters of the acquis: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/conditions-membership/chapters-acquis_en

Output 1:

Ukraine Industrial Country Diagnostics 2023 (main report 365 pages), UNIDO, 2024

Ukraine Industrial Country Diagnostics 2023 - Executive Summary, UNIDO, 2024

Diversifying and rebuilding the Ukrainian economy - Application of the DIVE tool, UNIDO, 2024

Environmental and socioeconomic consequences of the war and the green industrial recovery programme in Ukraine - Evidence from NICE, UNIDO, 2024

Analysis of industrial production and exports of goods from Ukraine and its regions, 2013-2022, Working Paper 2, UNIDO, 2024

The impact of the war on industrial sectors in Ukraine, Working Paper 3, UNIDO, 2024

Navigating challenges: Policy solutions for Ukrainian firms on the road to recovery, POLICY BRIEF SERIES: INSIGHTS ON INDUSTRIAL DEVELOPMENT, UNIDO, ISSUE NO. 10 - APRIL 2024

Ukraine in times of war: still time for greening industrial production, Industrial Analytics Platform, UNIDO, 2024. <https://iap.unido.org/articles/ukraine-times-war-still-time-greening-industrial-production>

Output 2:

Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine”, Output 2: “Industrial policy advice and capacity development”, Final Report, UNIDO, 2024

Output 3:

International Conference - Sustainable Recovery: Municipalities in Collaboration for Economic Development, Report, March 27, 2024, UNIDO, 2024

Report Final Women Association Training, Three Entrepreneurship Schools in Rivne, Lutsk and Novoyavorivsk, February - March 2024, The Women’s Business Chamber of Commerce, 2024.

Inception Report – Training and Production Hub, GO VITAUKR, 27/02/2024

The final technical report “Strengthening international business cooperation through the development of craft manufacturers’ cluster”, Dnieater 1362, 29/03/2024

Final Technical Report for the Provision of Services “Improving Artisan Production of Sweets through Integrated Cluster Development Approach in Ivano-Frankivsk Oblast of Ukraine”, Public Union “Taste Route of Prykarpattia”, 2024

UNIDO Mission Report - Trip 008– from March 12th to March 15th 2024 to Stuttgart (Germany), Sindelfingen, (Germany) and Lengwil (Switzerland), Michael Hamalij, 2024

Study tour BIOGAS, Telemedicine, E-Mobility and Cities 4 Cities - Program and General information - Stuttgart-Sindelfingen/Germany and Lengwil/Switzerland, 11-15 March 2024

<https://www.dniester1362.com/>

<https://www.renergon-biogas.com/>

Output 4:

Market demand analysis in priority regions of Western Ukraine, National Center for Development of Innovation and Entrepreneurial Learning, Skopje, North Macedonia, 2023

Diagnostic of the entrepreneurship support and TVET ecosystem in priority regions of Western Ukraine, National Center for Development of Innovation and Entrepreneurial Learning, Skopje, North Macedonia, 2023

Regional assessment of the selected priority regions and prioritisation of sectors with highest potential for the green recovery and for new technologies uptake, National Center for Development of Innovation and Entrepreneurial Learning, Skopje, North Macedonia, 2023

Green & Entrepreneurial Capacity Building in Western Regions of Ukraine – Pilot Training Course Report, National Center for Development of Innovation and Entrepreneurial Learning, Skopje, North Macedonia, 2024

Development and Delivery of a Pilot Training on Entrepreneurial Learning for Ukrainian Educators, HP LIFE UNIDO, Hybrid Mode (online, Vienna & Tunis), March 2024

Introduction Green and Entrepreneurial Learning for TVET and University Trainers and Teachers in Western Ukraine, National Center for Development of Innovation and Entrepreneurial Learning and UNIDO, Webinar, 2024

Output 5:

Baseline Analysis of Circular Economy in Ukraine: Final Report, UNIDO, 2024

Exploratory Strategic Foresight for Circular Economy in Ukraine: Final Report, UNIDO, 2024
Exploratory Foresight on the Transition to a Circular Economy, Power Point Presentation, UNIDO, 2024

Output 6:

Note for Ministry of Energy of Ukraine, UNIDO, 7 March 2024.

Completion Report – Output 6 revision, 10/05/2024.

Bila Tserkva Industrial Park: <https://ip-bt.com/en/>

Output 7:

A Roadmap for a green recovery and transformation of the Ukrainian food industries, Technical Report, UNIDO, March 2024

Action plans for a green recovery and transformation of the Ukrainian food industries, Technical Report, UNIDO, March 2024

According to the Contract No. 3000116892 between the United Nations Industrial Development Organization (UNIDO) and the NGO “Club Packagers”, (the report is about the needs of the national packaging center of Ukraine and the modernization of the food packaging industry), November 2023.

Output 8:

Workshop report 1 - Green Reconstruction of Ukraine - The Role of Sustainability Standards and Technical Regulations, UNIDO, 13 June 2023.

Workshop report 2 - Green Reconstruction of Ukraine - The Role of Public Procurement, UNIDO, 25 July 2023.

Workshop report 3 - Green Reconstruction of Ukraine - Standards for Designing Sustainable Infrastructure, UNIDO, 08 September 2023

Workshop report 4 - Green Reconstruction of Ukraine - Conformity Assessment and Market Surveillance, UNIDO, 28 September 2023

Workshop report 5 - Green Reconstruction of Ukraine - The Role of Municipalities, UNIDO, 24 January 2024

Output 9:

Mapping the Use of Artificial Intelligence in Priority Sectors and the Competitiveness of Ukraine, CEPS and UNIDO, May 5, 2024

Robotics and AI in the Ukrainian Context, Online Workshop, UNIDO, November 2023

EU Digital Competency Framework, Online Workshop, UNIDO, February 2024

Case Study Best Practices of applying EU DigComp Framework in national context, Online Workshop, UNIDO, March 2024

Mapping the use of AI in priority sectors & the competitiveness of Ukraine, Online Workshop, UNIDO, April 2024

Annex 3: List of stakeholders consulted

List of national stakeholders interviewed (online 19/21)

Ms Olga Slavina, Advisor, Senior project manager, Reform Support Team, Ministry of Economy of Ukraine, Kyiv (output 1 and output coordination, communication and advocacy)

Ms Polina Ivashchenko, Head of the International Technical Assistance Coordination Department, Ministry of Environmental Protection and Natural Resources of Ukraine, Kyiv (output 1 and output on coordination, communication and advocacy)

Ms Iryna Yarosh, Head of the UN Sectoral Affairs Division, Department of International Organisations, Ministry of Foreign Affairs of Ukraine, Kyiv (output 1,2 and output coordination, communication and advocacy)

Ms Natalia Karpenchuk-Konopatska, Vice-President of the Lviv Chamber of Commerce and Industry, Lviv (output 3)

Ms Yana Zhigan, Head of Department of Economics and Strategic Planning of Irpin City Council, Pilot project "Training and Production Hub", Irpin (output 3)

Mr Oleg Demchuk, Founder of NGO/PU "IATC "DNISTER 1362" (cluster organization), Khmelnytskyi Oblast (output 3)

Mr Volodymyr Shmatko, Chortkiv City Mayor, Chortkiv (output 3)

Ms Nadiia Bihun, Deputy Minister, Ministry of Economy of Ukraine, Kyiv (output 5)

Mr Andrii Vorfolomeiev, Director, Resource Efficient and Cleaner Production Centre, Kyiv (output 5)

Mr Andrii Gnap, CEO, Waste Ukraine Analytics, Kyiv (output 5)

Ms Anna Zamazieieva, Head, State Agency for Energy Efficiency & Energy Savings of Ukraine (SAEE), Kyiv (output 6)

Ms Liudmyla Tereshchenko, Acting director, TRIVIUM packaging Ukraine LLC, Bila Tserkva, Kyiv region (output 6)

Mr Valerii Pashkovskiy, Deputy General Director for Engineering and Technical Affairs, SE Starokostiantyniv Dairy Plant, Khmelnytskyi Oblast (output 6)

Mr Oleksii Pinchuk, Director for International Cooperation Department, Ministry of Agrarian Policy and Food of Ukraine, Kyiv (output 7)

Mr Dmytro Romanov, Food Industry Expert, Reform Support Team, Ministry of Economy of Ukraine, Kyiv (output 7)

Mr Rodion Rybchynskiy, Head, Association of Food Industry Producers of Ukraine "Ukrharchoprom"; Head, Union "Millers of Ukraine", Kyiv (output 7)

Ms Anna Martynenko, Head of international cooperation division, National Standards Body (SE UkrNDNC), Kyiv (output 8)

Ms Tetiana Redkina - Deputy Head of the Department - Head of the Department of Digital Services Implementation and Transformation of the Department of Digital Development, Kyiv (output 9)

Mr. Aliaksei Vavokhin, Development coordination officer, Economist, Office of the UN Resident Coordinator, Kyiv

List of persons who participated in national stakeholder survey (10/40; 25%):

Ms. Olga Kalender, Acting Head, Division of Investment Policy and Exhibition Activities, Kyiv (output coordination, communication and advocacy)

Ms Veronika Khalaydzhii, Head, Ukrainian Club of Packers, Kyiv (output 1)

Mr. Volodymyr Buzhan, Expert, Consultant, "Center for Economic Recovery Kyiv, UNIDO" (output 1)

Ms Annis Zakharova, Sustainable Development Expert, Association of Sustainable Development Experts, Circular Economy Cluster of the Ukrainian Cluster Alliance, Kyiv (output 1,2,3,5)

Mrs Iryna Fischuk, Chairperson, Association “Taste Route of Prykarpattia” (output 3)

Ms Lidiia Shymon, Project manager, Neo-Eco Ukraine, Kyiv (output 3,5)

Ms Anna Chuba, Deputy Head, Center of Entrepreneur Development, Lviv City Council (Lviv) (output 4)

Ms. Oksana Savchuk, Head of Department, Department of Education, Healthcare, Culture and Social-Economic Development, Kalush State Administration (Kalush, Ivano-Frankivsk region) (output 4)

Mr Nazar Podolchak, CEO Head of Department of Administrative and Financial Management, Scientific Park of Lviv Polytechnic National University, Director of Tech StartUp School (output 4)

Ms Viktoriya Kovalenko, Sustainable Development Manager, DiXi Group, Kyiv (output 5,6)

List of UNIDO staff interacted (online)

Mr Stephan Sicars, Senior Coordinator for Ukraine, Directorate of Global Partnerships and, External Relations, UNIDO, Vienna

Ms Solomiya Omelyan, Chief, Regional Bureau for Europe and Central Asia, UNIDO, Vienna

Ms Mariia Pavlova, Programme Officer, Regional Bureau for Europe and Central Asia, UNIDO, Vienna

Ms Mariia Reva, National Liaison Expert, Regional Bureau for Europe and Central Asia, UNIDO, Kyiv

FGD (I), with UNIDO project manager and regional bureau, 22 May 2024 | 10:00-11:30 a.m. CEST

Ms Solomiya Omelyan, Chief, Regional Bureau for Europe and Central Asia (GLO/RFO/EUR), (coordination, communication and resource mobilization)

Mr Giorgi Todua, Project Coordinator, Associate Industrial Development Expert, SME Development and Job Creation Unit (TCS/SME/SDJ) (output 3)

Ms Tatiana Chernyavskaya, Industrial Development Expert, Circular Economy and Resource Efficiency Unit (TCS/CEP/CER) (output 5)

Mr Aleksa Mirkovic, Project Associate, Food Security and Food Systems Unit (IET/AGR/FSS), (output 7)

Mr Tomoyoshi Koume, Industrial Development Officer, Division of Digital Transformation and AI Strategies (TCS/DAS), (output 9)

Mr Eric Bishel, Partnership and Communication Expert, Regional Bureau for Europe and Central Asia (GLO/RFO/EUR), (coordination, communication and resource mobilization)

FGD (II) with UNIDO project managers and regional bureau, 23 May 2024 | 10:00-11:30 a.m. CEST

Mr Nicola Cantore, Research and Industrial Policy Officer, Industrial Policy Research Unit (TCS/CPS/IPR), (output 1)

Mr Fernando Santiago Rodriguez, Industrial Policy Officer, Capacity Development and Policy Advice Unit (TCS/CPS/CDA) (output 2)

Ms Noriko Takahashi, Industrial Development Officer, SME Development and Job Creation Unit (TCS/SME/SDJ), (output 3)

Ms Karin Monaco, Project Administrator, Skills Development and Fair Production Unit (IET/PST/SFP), (output 4)

Ms Petra Wenitzky, Industrial Development Expert, Skills Development and Fair Production Unit (IET/PST/SFP) (output 4)

Mr Marco Matteini, Industrial Development Officer, Energy Systems and Industrial Decarbonization Unit (TCS/DSE/ESD), (output 6)

Ms Dorina Nati, Industrial Development Expert, Division of SME Competitiveness, Quality and Job Creation (TCS/SME), d.nati@unido.org (output 8)

Ms Mariia Pavlova, Programme Officer, Regional Bureau for Europe and Central Asia (GLO/RFO/EUR), m.pavlova@unido.org (coordination, communication and resource mobilization)

List of UNIDO staff who participated in survey (19/23; 83%)

Mr Stephan Sicars, Senior Coordinator for Ukraine, GLO/ODG

Ms Solomiya Omelyan, Chief, Regional Bureau for Europe and Central Asia and Project Manager UNIDO, GLO/RFO/EUR, Coordination, communication and advocacy

Ms Mariia Pavlova, Programme Officer, UNIDO Regional Bureau for Europe and Central Asia, Coordination (communication and resource mobilization)

Mr Eric Bishel, Partnerships and Communication Expert, UNIDO GLO/RFO/EUR, (coordination, communication and advocacy)

Ms Mariia Reva, National Liaison Expert, UNIDO, Regional Bureau for Europe and Central Asia the project in general

Mr Nicola Cantore, Research and industrial policy officer, TCS/CPS, (output 1)

Mr Fernando Santiago Rodriguez, Industrial Policy Officer, UNIDO TCS/CPS/CDA (output 2)

Mr Franz Brugger, Project Coordinator, TCS/CPS/CDA (output 2)

Ms Noriko, Takahashi, Industrial Development Officer, TCS/SME/SDJ, (output 3)

Mr Giorgi Todua, Associate Industrial Development Expert, TCS/SME/SDJ, (output 3)

Mr Kenth Mattias Larsen, Industrial Development Expert, IET/PST/SFP (output 4)

Ms Petra Wenitzky, Industrial Development Expert, UNIDO, IET/PST/SFP, (output 4)

Ms Karin Monaco, Project Administrator, UNIDO IET/PST/SFP (output 4)

Ms Tatiana Chernyavskaya, Project Manager/Industrial Development Expert, UNIDO/CER (output 5)

Mr Marco Matteini, Industrial Development Officer, TCS/DSE/ESD (output 6)

Mr Aleksa Mirkovic, Project Associate, IET/AGR/FSS (output 7)

Mr Kjell Sundin, Industrial Development Officer, IET/AGR/FSS (output 7)

Ms Dorina Nati, Industrial Development Officer, TSC/SME/CQC (output 8)

Mr Tomoyoshi Koume, Industrial Development Officer, UNIDO/Digital Transformation and AI Strategies Division (output 9)

Funding partner

Mr Roland Guttack, Deputy Head of Department, Referat 402 (Trade), Federal Ministry for Economic Cooperation and Development of Germany (BMZ), Berlin

Annex 4: Survey of national stakeholders - results

- 10 participants
- Quantitative responses only (without written responses)
- The questions were also translated to Ukrainian

1. Question – project outputs

Which of the following project components have you been involved in? Tick all that apply.	Tick
Industrial diagnostics for informed policymaking (output 1)	3
Industrial policy advice and capacity development (output 2)	1
Promotion of growth and resilience of MSMEs and job creation for war-affected people (output 3)	3
Empowerment of youth and women with innovative industrial and entrepreneurial skills (output 4)	3
Promotion of circular economy and strengthening of recycling capacities (output 5)	3
Distributed energy generation and energy efficiency for SMEs (output 6)	1
Revitalization of the agribusiness and food processing industry (output 7)	-
Strengthening of competitiveness, quality and compliance for market access (output 8)	-
Promotion of digital transformation and uptake of artificial intelligence and robotic (output 9)	-
Coordination, communication and advocacy	2
Other component (please add): ...	-
I am not in a position to answer the question.	-

2. Question – involvement

What was your involvement with the project? Tick all that apply.	Tick
I supported the project design at the beginning.	4
I was consulted by UNIDO (meeting, interview, survey).	4
I contributed to a publication or study (e.g. with information, data, advice).	4
I participated in an event (e.g. conference, workshop).	5
I was participating in a training (e.g. seminar, course).	5
I participated in a study tour to a foreign country.	3
I interact with UNIDO staff in Vienna.	4
I'm a member of National Coordination Body (NCB) for this project.	1
I'm part of the municipal network	1
Other involvement (please add): ...	-
I was not involved in any of above.	-

3. Question – results

From your perspective, what are the main <u>results</u> of the project? Tick all that apply.	Tick
Enhanced policy making capacities of the government (outcome 1)	4
Government institutions and industries are equipped with best-available solutions (outcome 2)	3
The development of the "Green Industrial Recovery Programme Ukraine 2024-2028" (outcome 3)	5
List of project proposals for the next phase ("Green Industrial Recovery Programme 2024-2028" Annex II)	4
Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany (outcome 4)	1
New/improved government toolkits or guidelines	-
Analytical and/or statistical publications	2
Interesting events (e.g. conference, workshop)	6
Enhanced knowledge and/or skills (as a result of training seminar or course)	7
Empowerment of youth and women with industrial or entrepreneurial skills (output 4)	2
Established valuable contacts or networks to foreign actors	5
Companies have improved management practices	1
Companies have new technologies installed and operational	1
Companies have new business plans	2
Other results (please add): ...	-
I don't see any relevant results.	-
I am not in a position to answer the question.	-

4. Question – strengths and weaknesses

From your perspective, what are the main <u>strengths</u> and <u>weaknesses</u> of the project? Please rate.	Agree (strength)	Moderately agree	Moderately disagree	Disagree (weakness)	n/a
The project was designed with sufficient consultation.	7	2	-	1	-
The project selected the right topics and sectors to work on.	9	-	-	1	-
The project reflects government priorities.	5	4	-	1	-
The project has a clear focus.	9	-	-	1	-
The project responds well to the war context.	3	5	1	1	-
The project was implemented in a timely manner.	6	3	-	1	-
The project was cost-effective (good value for money).	6	1	1	1	1
The project has a good presence at the municipal level.	4	3	2	1	-
The National Coordination Body (NCB) works well.	7	2	-	1	-
There was a good coordination between the national stakeholders and UNIDO.	7	-	-	1	2
The project was well coordinated with similar activities of the Ukrainian government.	4	1	1	1	3
The project was well coordinated with similar activities of other development partners (e.g. United Nations agencies, bilateral agencies).	2	4	-	1	3
Overall strong UNIDO performance.	7	1	-	1	1
UNIDO has a strong presence at the country level.	5	3	1	1	1
Other strengths, if any (please add):	...				
Other weaknesses, if any (please add):	...				

5. Question – long term effects

The project is typified by UNIDO as “preparatory phase project”. As such, direct impact can not be expected. Nevertheless, the project may contribute to impact in the long-run. What do you expect? Tick all that apply.	Tick
The project may contribute to reduce CO2 emissions in the future.	2
The project may contribute job creation in the future.	9
The project may contribute to a reduction of waste through recycling.	8
The project may contribute to more energy efficiency in future.	8
The project may contribute to a revitalization of the agribusiness and food processing industry.	3
The project may contribute to enhanced competitiveness, quality and compliance for market access	5
The project may contribute to the digital transformation and uptake of artificial intelligence and robotics	2
Other long term effects, if any (please add): ...	
I don't think the project will contribute to long term effects.	
I am not in a position to answer the question. Not applicable to me.	

6. Question – factors for long term effects

What are some of the factors that will contribute long term effects of the project? Tick all that apply.	Tick
The implementation of the “Green Industrial Recovery Programme Ukraine 2024-2028”	9
Sufficient funding for the implementation of the “Green Industrial Recovery Programme Ukraine 2024-2028”	10
The end of the war and security.	8
Stability of government and institutions	7
Good coordination with other activities of the government	5
Stable global economy	3
Other factors, if any (please add): ...	
I am not in a position to answer the question. Not applicable to me.	

7. Question – recommendations

The project is completed (end of preparatory phase). The implementation of the new Green Industrial Recovery Programme (2024-2028) is about to begin. What are your suggestions and recommendations for the future, if any? Tick all that apply.	Tick
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The National Coordination Body (NCB) should continue.	6
UNIDO should open a UNIDO country office in Kyiv.	7
UNIDO should strengthen the municipal network/coordination	4
UNIDO should promote investment opportunities through its global network	8
Other recommendations, if any (please add): ...	
I don't have any recommendations.	
I am not in a position to answer the question. Not applicable to me.	

Annex 5: Survey of UNIDO staff - results

- 19 participants
- Quantitative responses only (without written responses)

1. Relevance

	Highly satisfactory 1	Satisfactory 2	Moderately satisfactory 3	Moderately un-satisfactory 4	Un-satisfactory 5	Highly Un-satisfactory 6	n/a
Overall design	7	10	-	-	1	-	1
Results framework	6	10	2	1	-	-	-
Selection of topics/sectors	7	11	1	-	-	-	-
Response of project design to war context	5	9	4	-	1	-	-
Comment, if any:	...						

2. Coherence

	Highly satisfactory 1	Satisfactory 2	Moderately satisfactory 3	Moderately un-satisfactory 4	Un-satisfactory 5	Highly Un-satisfactory 6	n/a
Internal coherence and synergies (in UNIDO)	8	7	3	-	1	-	-
External coherence with other activities of the Ukrainian government	3	11	3	-	-	-	2
External coherence with activities of other development partners	2	8	4	2	-	-	3
Coherence of "Green Industrial Recovery Programme Ukraine 2024-2028" with the upcoming United Nations Sustainable Development Cooperation Framework (UNSDCF) for Ukraine 2025-2029	4	11	1	-	-	-	3
Comment, if any:	...						

3. Effectiveness

Level of achievement of planned results (outcome and output level) ↓	Highly satisfactory	Satisfactory	Moderately satisfactory	Moderately un-satisfactory	Un-satisfactory	Highly Un-satisfactory	n/a

Enhanced policy making capacities of the government (outcome 1)	4	7	2	-	1	-	5
Government institutions and industries are equipped with best-available solutions (outcome 2)	2	6	5	-	1	-	5
The development of the "Green Industrial Recovery Programme Ukraine 2024-2028" (outcome 3)	6	6	4	-	1	-	2
List of project proposals (Annex II of the "Green Industrial Recovery Programme 2024-2028")	5	9	3	-	1	-	1
Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany (outcome 4)	-	5	6	1	1	-	6
New or improved industrial strategies or industrial policies drafted/prepared	1	8	1	-	1	-	8
New/improved government toolkits or guidelines	1	4	3	1	1	-	9
Analytical and/or statistical publications	10	5		-	1	-	3
Events (e.g. conference, workshop)	5	10	1	-	1	-	2
Enhanced knowledge and/or skills (as a result of training seminar or course)	7	6	1	-	1	-	4
Empowerment of youth and women with industrial or entrepreneurial skills	3	5	2	1	1	-	7
Established valuable contacts or networks to foreign actors	5	7	1	-	-	1	5
Companies have improved management practices	2	5	2	-	1	-	9
Companies have new technologies installed and operational	2	5	3	-	1	-	8
Companies have new business plans	2	3	3	-	-	-	11
Other results (please add):						-	

4. Efficiency

	Highly satisfactory	Satisfactory	Moderately satisfactory	Moderately unsatisfactory	Unsatisfactory	Highly Unsatisfactory	n/a
Financial efficiency (use of resources)	6	9	2	-	2	-	-

Time efficiency (use of time)	8	5	4	-	1	1	-
Efficiency of National Coordination Body (NCB)	2	5	3	-	3		6
Efficiency of Regional Development Coordinators (RDCs) at oblast level	1	4	5	2	1	-	6
Efficiency of UNIDO programme management at HQ (including PMU)	11	7	-	-	-	1	
Efficiency of UNIDO programme management at country level	4	9	2	1	2	-	1
Monitoring and reporting	5	10	3	-	1	-	-
Security measures by UNIDO for UNIDO staff and UNIDO consultants working in or travelling to Ukraine	2	8	-	1	-	3	5
Comment, if any:	...						

5. Impact

Likelihood of contribution to impact in future (after "preparatory phase") ↓	Very likely	Likely	Moderately likely	Moderately unlikely	Unlikely	Highly Unlikely	n/a
Reduction of CO ₂ emissions 9	4	3	2	1	-	-	9
Job creation 13	2	8	3	-	1	-	5
Reduction of waste through recycling 9		7	2	-	-	-	10
Energy efficiency ¹⁰	4	5	1	-	-	-	9
Revitalization of the agribusiness and food processing industry ⁹	4	5	-	-	-	-	10
Enhanced competitiveness, quality and compliance for market access ¹¹	3	8	-	-	-	-	8
Digital transformation and uptake of artificial intelligence and robotics ¹⁰	3	4	3	-	-	-	9
Comments, if any:	...						

6. Sustainability

	Very likely	Likely	Moderately likely	Moderately unlikely	Unlikely	Highly Unlikely	n/a
Likelihood of lasting results/effects	4	7	3	1	2	-	2
Comment, if any:	...						

7. Performance of partners

	Highly satisfactory	Satisfactory	Moderately satisfactory	Moderately un-satisfactory	Un-satisfactory	Highly Un-satisfactory	n/a
UNIDO	8	7	1	-	1	-	2

National counterparts	7	9	-	-	1	-	2
Donor	4	7	2	-	2	-	4
Comment, if any:	...						

8. Transversal topics

Consideration of topic in project ↓	Highly satisfactory	Satisfactory	Moderately satisfactory	Moderately un-satisfactory	Un-satisfactory	Highly Un-satisfactory	n/a
Gender mainstreaming	2	7	5	-	1	-	4
Environment (environmental safeguards)	5	4	3	-	-	-	7
Social dimensions, disability and Human Rights (Social Safeguards)	4	5	1	1	-	-	8
Comment, if any:	...						

Annex 6: Project results framework

Source: Completion Report - Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine, Project ID: 230030, UNIDO, 30/06/2024.

MEASURABLE RESULTS

RESULTS AND INDICATORS	BASELINE	FINAL TARGET	ACHIEVED VALUE
<p>Outcome 1: The productivity and efficient recovery of the industrial sector of Ukraine are supported by a strengthened industrial policymaking capacity and an improvement of the policy process</p> <p>Outcome 2: The Government of Ukraine, its institutional framework and enterprises are equipped with tailored thematic tools and best-available solutions to guide and foster the country's short- to medium-term green recovery and long-term sustainable industrial development</p> <p>Outcome 3: The green recovery programme for Ukraine provides an operational, evidence-based and result-oriented framework for the multi-stakeholder partnership to restore the country's industry under the ownership and leadership of the Government of Ukraine</p> <p>Outcome 4: Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany to foster green recovery and long-term development are strengthened with a specific focus on each of the identified priority areas of the future green recovery programme for Ukraine</p>			June 2023 – March 2024
POL.3: Number of guidelines adopted by relevant actors	0	3	7
GOV.2: Number of actors participating in enhanced collaboration settings (clusters, networks)	0	15	23
KASA.1: Number of actors gaining awareness/knowledge on UNIDO knowledge areas	0	125	>1,600
KASA.2: Number of actors gaining skills in UNIDO knowledge areas	0	65	>130
BUS.1: Cumulative number of firms with improved management practices	0	15	17
TEC.3: Number of new technologies adopted	0	10	12
REA.1: Number of actors reached	0	30 (government bodies)	>50
	0	20 (global actors)	>55
	0	18 (intermediary institutions)	>120
	0	35 (firms)	>450
REA.2: Number of actors engaged	0	20 (government bodies)	>25
	0	7 (global actors)	>15
	0	10 (intermediary institutions)	>50
	0	35 (firms)	>110
Output 1: Industrial diagnostics for informed policymaking			June 2023 – March 2024
PAO.2: Number of analytical and statistical publications produced	0	1	8

Overall progress on output 1: The collection and analysis of data and drafting of the chapters of the diagnostic study commenced by a recruited team of experts and contractors.

Main activities corresponding to output 1:	Status
1. Conduct analytical work and consultations with stakeholders	Completed
2. Draft the diagnostic study, as per the identified methodological approach	Completed
3. Undertake the elaboration of implications and recommendations	Completed
4. Organize the final presentation for the validation of the diagnostic study	Completed

Output 2: Industrial policy advice and capacity development	June 2023 – March 2024
PAO.1: Number of industrial strategies and industrial policy documents drafted/prepared	0 1
TCO.1: Number of capacity-building activities provided	0 9
TCO.3: Number of toolkits and guidelines produced	0 1

Main activities corresponding to output 2:	Status
1. Identify and interview staff for the Industrial Policy Support Unit	Completed
2. Undertake the training of the identified staff for the Industrial Policy Support Unit	Completed
3. Establish a stakeholder platform	Completed
4. Analyse policymaking capacity gaps	Completed
5. Undertake the training of the staff of the coordinating ministry and potentially other stakeholders	Completed
6. Organize study tours	Completed
7. Undertake training on monitoring and evaluation	Completed
8. Carry out coaching on the drafting of the industrial development strategy	Completed

Output 3: Promotion of the growth and resilience of MSMEs and job creation for war-affected people	June 2023 – March 2024
TCO.3: Number of toolkits and guidelines produced	0 1
CPO.1: Number of global fora, workshops/EGM/side events organized	0 1

Main activities corresponding to output 3:	Status
1. Select a region in consultation with the Government of Ukraine and in coordination with the activities under outputs 1 and 4	Completed
2. In coordination with output 1, carry out a regional assessment of the current situation, gaps and needs of local industries and MSMEs with a focus on the manufacturing sector and supporting sectors and analyse the prevailing business climate	Completed
3. Carry out a mapping of support institutions, initiatives and programmes of the Government of Ukraine, bilateral and multilateral development agencies and NGOs in the sector	Completed
4. Based on the findings from the regional assessment and mapping exercise, identify gaps and opportunities at the macro (business climate), meso (institutions) and micro (enterprises) levels in the region	Completed
5. Prepare recommendations and action plans for promoting the growth and resilience of MSMEs and job creation for war-affected people in the region	Completed
6. Organize a validation workshop with relevant line ministries, municipal administrations, representatives of local industries, MSMEs, IDPs, returnees, people with disabilities and NGOs	Completed
7. Develop project proposals to scale up the growth and resilience of MSMEs and job creation for war-affected people to further support Ukraine's resilience building, green recovery and sustainable industrial development	Completed

Output 4: Empowerment of youth and women with innovative industrial and entrepreneurial skills			June 2023 – March 2024
TCO.1: Number of capacity-building activities provided	0	7	8
TCO.3: Number of toolkits and guidelines produced	0	5	5
CPO.1: Number of global fora, workshops/EGM/side events organized	0	1	4
TCO.4: Number of business plans developed	0	10	10
Main activities corresponding to output 4:			Status
1. Conduct situation analysis and assessments on the supply side of the labour market, including the following: <ul style="list-style-type: none"> a. For TVET, identify priority sectors, conduct a rapid needs assessment of TVET education and training needs in Ukraine for a green recovery and determine current skills level and gaps to be addressed with a focus on youth and women b. For institutions that serve entrepreneurs (business development institutions, incubators, cooperatives) in selected provinces, identify priority sectors and skills gaps, particularly, in the field of innovative and sustainable business models for entrepreneurs (for circular economy and circular business plans coordinate activity closely with output 5) 			Completed
2. Identify key private sector partners and engage them in a collaborative process to develop comprehensive and tailored curricula, including sustainable value chains			Completed
3. Develop new curricula or a specific course/module focused on sustainable value chains designed specifically for youth and women			Completed
4. Train TVET trainers on the newly developed curricula or a selected course/module, including innovative teaching methodologies and approaches to effectively engage youth and women			Completed
5. Implement the developed new curricula or a specific course/module in a pilot TVET institution, collect feedback from students and instructors and evaluate the effectiveness and potential for scalability			Completed
6. Disseminate the results of the pilot intervention to other TVET institutions in Ukraine and work towards scaling the approach beyond the project's timeline			Completed
7. Adapt and implement UNIDO's organizational resilience technical assistance package for TVET system planners and managers, including the development of sustainability plans (business plans) to ensure that the selected TVET centre can generate revenue to become financially sustainable and provide training on the financial and administrative management of the training centre			Completed
8. Through the LKDF, support and advise the Government of Ukraine, line ministries and vocational training and education institutions through innovative dialogue mechanisms and partnerships to develop curricula for industrial skills development programmes and schemes			Completed
9. In line with the situation analysis and skills assessments of institutions serving entrepreneurs (business support institutions, incubators, associations), propose the following elements: <ul style="list-style-type: none"> a. Training courses and content for the benefit of institutional staff in the domains of building sustainable and impact-driven business models and businesses based on the use of new technology, circular business plans, IT for business success, 3D printing b. Technology solutions training, e.g. artificial intelligence, blockchain technology) 			Completed Completed
10. Translate the selected training content/course content from English into Ukrainian			Completed
11. In line with the needs assessments, develop new course content in new and green technologies, particularly adapted to the needs and demands of Ukrainian entrepreneurs in close collaboration with institutional partners			Completed
12. Train the trainers on the selected training content (HP LIFE and other) of institutions			Completed
13. Provide support to trainers in applying training and business coaching in sustainable and impact-driven businesses for their beneficiaries (entrepreneurs)			Completed

14. Develop project proposals to scale up the empowerment of youth and women with innovative industrial and entrepreneurial skills to further support Ukraine's resilience building, green recovery and sustainable industrial development			
Output 5: Promotion of circular economy and strengthening of recycling capacities			June 2023 – March 2024
TCO.1: Number of capacity-building activities provided	0	3	3
TCO.3: Number of toolkits and guidelines produced	0	1	2
PAO.2: Number of analytical and statistical publications produced	0	1	2
CPO.1: Number of global fora, workshops/EGM/side events organized	0	1	3
Main activities corresponding to output 5:			Status
1. Conduct an assessment of the following elements: <ul style="list-style-type: none"> a. Gaps and needs to increase capacities of the Government of Ukraine and support institutions in circular economy b. Priority value chains (plastics, construction waste, etc.), including associated baseline circular-economy-related indicators for waste management and recycling c. Priority recycling capacities and installations for circular economy introduction with a focus on the private sector and consideration of the entire recycling infrastructure 			Completed
2. Develop and introduce capacity-building activities for the Government of Ukraine and other support institutions, ensuring support to knowledge management and retention mechanism			Completed
3. Develop a zero roadmap for circular economy action plan of Ukraine			Completed
4. Conceptualize and demonstrate pilot applications of circular economy practices and principles in selected enterprises under the consideration of environmental and social safeguards			Completed
5. Develop project proposals to scale up the promotion of circular economy and strengthening of recycling capacities to further support Ukraine's resilience building, green recovery and sustainable industrial development			Completed
Output 6: Distributed energy generation and energy efficiency for SMEs			June 2023 – March 2024
TCO.1: Number of capacity-building activities provided	0	4	2
TCO.3: Number of toolkits and guidelines produced	0	2	2
Main activities corresponding to output 6:			Status
1. Review energy and carbon-saving opportunities identified by Ukrainian companies and UNIDO experts within the ongoing energy management system implementation programme			Completed
2. Undertake in-depth analysis of electricity and heat demand profiles for participating companies and current electrical power and fuels supply patterns			Completed Completed
3. Carry out feasibility analysis of at least three demonstration projects for renewable energy-based electricity/heat supply combined with energy efficiency, including the analysis of the availability of technologies and services, including the development of environmental and social management plans			Completed In progress
4. Select and implement at least two demonstration projects with renewable energy and energy efficiency integrated solutions for SMEs			
5. Undertake capacity-building for companies through the provision of training and development of e-learning material on the following: <ul style="list-style-type: none"> a. Implemented renewable energy and energy efficiency demonstration projects b. Advanced energy analytics for electricity and heat demand forecasting 			In progress
6. Develop project proposals to scale up the implementation and deployment of renewable energy and energy efficiency integrated solutions for SMEs and to further support Ukraine's resilience building, green recovery and sustainable industrial development			

Output 7: Revitalization of agribusiness and food processing industry			June 2023 – March 2024
TCO.1: Number of capacity-building activities provided	0	2	2
PAO.2: Number of analytical and statistical publications produced	0	3	4
CPO.1: Number of global fora, workshops/EGM/side events organized	0	3	3
Main activities corresponding to output 7:			Status
1. In consultation with local stakeholders, identify a priority value chain and conduct an in-depth assessment to identify the needed support and investment for the gender-responsive upgrading and revitalization of the value chain, develop upgrading proposals and roadmaps to be used for resource mobilization			Completed
2. Conduct an in-depth assessment of the key strategic food processing industries and identify the needed support, including technical, operational, infrastructure and financial, for the rehabilitation of these industries			Completed
3. Assess the immediate and long-term needs of the National Packaging Centre of Ukraine and develop an upgrading plan for its revitalization, conduct a specific set of interventions to enable the centre to carry out basic support on food packaging			Completed
4. Through the European Packaging Institutes Consortium (EPIC), identify and locate Ukrainian professionals and specialists currently resident in the neighbouring European countries such as the Netherlands, where a number of Ukrainian experts are located, and provide specialized training and hosting in EU-based technical institutions with the aim of upgrading their qualifications in the most relevant and needed technical areas, to be further defined in assessments made in previous activities			Completed
5. Develop project proposals to scale up the revitalization of the agribusiness and food processing industry to further support Ukraine's resilience building, green recovery and sustainable industrial development			Completed
Output 8: Strengthening of competitiveness, quality and compliance for market access			June 2023 – March 2024
TCO.4: Number of business plans developed	0	1	2
PAO.2: Number of analytical and statistical publications produced	0	3	8
CPO.1: Number of global fora, workshops/EGM/side events organized	0	3	10
CPO.3: Number of international networks and platforms for which UNIDO is providing secretariat functions	0	1	1
Main activities corresponding to output 8:			Status
1. Building on Ukraine's capacity in standardization and development of technical regulations, conduct a specific assessment of the impact and implications of the integration of sustainability principles into national standards and technical regulations in the key sectors for reconstruction (whilst at the same time ensuring that local industry is not excluded because of such requirements), including but not limited to construction materials, building products, building technology and urban mobility, including a cost-benefit analysis			Completed
2. Re-evaluate earlier assessments of the conformity assessment services in Ukraine (testing, calibration, certification and inspection) in view of the ongoing war, supplement them with a more detailed assessment of the services needed to cater to the demands of the green and sustainable reconstruction of the country's industry and develop a strategic vision to strengthen its competencies			Completed
3. Organize awareness-raising events and an expert group meeting with national institutions and international partners to assess/discuss opportunities to promote fair and environmentally sustainable production and trade along value chains for key export products or sectors			Completed
4. Support the establishment of a network of national and international players in sustainability standards setting to take the agenda forward, foster the integration of environmental and other sustainability principles for reconstruction and promote international cooperation in this area			Completed

5. Conduct a feasibility study for the establishment of a business matchmaking online platform to bring together and facilitate collaboration between environmentally-minded businesses in the key industrial sectors for reconstruction in Ukraine and abroad			Completed
6. Develop project proposals to scale up the strengthening of competitiveness, quality and compliance for market access to further support Ukraine's resilience building, green recovery and sustainable industrial development			
Output 9: Promotion of digital transformation and uptake of artificial intelligence and robotics			June 2023 – March 2024
TCO.1: Number of capacity-building activities provided	0	3	4
TCO.3: Number of toolkits and guidelines produced	0	1	1
Main activities corresponding to output 9:			Status
1. Provide support and knowledge sharing related to the implementation of selected activities of the Digital Transformation Map 2022-2023 and the potential development of the online investment promotion platform jointly with the Ministry of Strategic Industries			Completed
2. Build the capacities of relevant ministries, partners and the private sector in Ukraine in terms of artificial intelligence and robotics through the provision of awareness-raising and training			Completed
3. Review and provide inputs on artificial intelligence and robotics normative frameworks, which are being developed by the Government of Ukraine, and prepare action plans and roadmaps on the rollout of artificial intelligence and robotics at the level of industry			Completed
4. Develop project proposals to scale up digital transformation and uptake of artificial intelligence and robotics to further support Ukraine's resilience building, green recovery and sustainable industrial development			Completed
Coordination, communication and advocacy			June 2023 – March 2024
TCO.3: Number of toolkits and guidelines produced	0	1	1
PAO.2: Number of analytical and statistical publications produced	0	5	14
CPO.1: Number of global fora, workshops/EGM/side events organized	0	4	4
Main activities corresponding to coordination, communication and advocacy:			Status
1. Establish the PMU and organize a first coordination meeting to align initial priorities and coordinate the inception strategy			Completed
2. Prepare the terms of reference of the NCB to be adopted during its first meeting			Completed
3. Coordinate the establishment of the NCB with a co-chair from the Government of Ukraine and senior representatives of line ministries and other counterparts as members, as well as a network of operational focal points from each relevant national entity			Completed
4. Recruit all the necessary experts, including for coordination, partnership-building and communication, according to the identified needs and developed terms of reference			Completed
5. Develop the project's work plan, as well as partnership-building and communication strategies and endorse them with the NCB			Completed
6. Organize a first hybrid NCB meeting to be co-chaired by UNIDO and the Government of Ukraine (to be potentially combined with a mission to Ukraine and meetings with various partners), further organize regular NCB meetings (online/hybrid/in person) in full or in parts to coordinate project activities and address any emerging gaps			Completed
7. Draft the green recovery programme for sustainable industrial development in Ukraine, regularly consulting with and receiving inputs from the PMU and the NCB			Completed
8. Undertake communications and advocacy activities, preparing materials for publication and distributing them widely			Completed
9. Organize a public presentation of the green industrial recovery programme for Ukraine for national counterparts, the donor community and other partners			In progress

Annex 7: Evaluation framework / matrix

The key evaluation questions in the TOR for this evaluation	Issues and evaluation sub-questions (developed during inception phase)	Data collection methods	Data analysis methods
<p>Relevance: Is the intervention doing the right things? To what extent do the project/program-me's objectives respond to beneficiaries, global, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change?</p>	<ul style="list-style-type: none"> - Design: The project was designed under a lot of pressure. It was designed in a few weeks. Also, the project design was partly building on what UNIDO was already doing in Ukraine ("capitalizing of ongoing activities"). Did the project select the right sectors? Are there too many sectors? - War context: How well does the project respond to the war context? 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis
<p>Coherence: How well does the intervention fit? How compatible is the project/programme with other interventions in the country, sector or institution?</p>	<ul style="list-style-type: none"> - Internal coherence: How coherent is the project, in particular given the fact that there are nine different outputs and a rather large number of national stakeholders involved; and there are parallel UNIDO projects with other donors (e.g. GQSP). Are there synergies between the nine technical outputs as well as the other UNIDO activities? - External coherence: There are many development partners active in 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis

	<p>Ukraine. To what extent is the project coordinated with similar activities of development partners?</p> <ul style="list-style-type: none"> - To what extent is the “Green Industrial Recovery Programme Ukraine 2024-2028” coherent with the upcoming United Nations Sustainable Development Cooperation Framework (UNSDCF) for Ukraine 2025-2029? - To what extent is the National Coordination Body contributing to internal and external coherence? 		
<p>Effectiveness: Is the project/programme achieving its objectives?</p>	<ul style="list-style-type: none"> - To what extent has the project achieved the expected results, given the short implementation phase of only nine months (extended to 12 months)? 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff. - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis
<p>Efficiency: How well are resources being used? Has the project/programme delivered results in an economic and timely manner?</p>	<ul style="list-style-type: none"> - How well is the project managed and coordinated by the PMU, in particular given the fact that each of the outputs has different output managers from different technical units? - How well is the National Coordination Body functioning? 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis

	<ul style="list-style-type: none"> - How well are the Regional Development Coordinators (RDCs) at oblast level functioning? - How did the absence of a UNIDO field office affect the implementation of the project? - To what extent has the war context affected the implementation of the project? 		
<p>Impact: What difference does the intervention make? To what extent has the project/programme generated significant positive or negative, intended or unintended, higher-level effects? Has the project/programme had transformative effects?</p>	<ul style="list-style-type: none"> - The project is typified by UNIDO as “preparatory phase” within UNIDO’s approach to post-conflict/-crisis situations. As such, direct impact can not be expected. Nevertheless, the project may have effects in the long-run. What is the likelihood of contribution to impact in future (after “preparatory phase”)? 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis
<p>Sustainability: Will the benefits last? To what extent will the net benefits of the project/programme continue, or are likely to continue?</p>	<ul style="list-style-type: none"> - What is the likelihood of long term results? - What are some of the factors that contribute to long term results/effects of the project? 	<ul style="list-style-type: none"> - Survey of national stakeholders - Survey of UNIDO staff - Interviews with key informants in Ukraine - Focus group discussions with UNIDO staff. - Document review 	<ul style="list-style-type: none"> - Analysis of survey results - Analysis of notes from interviews and focus group discussions - Qualitative content analysis of results of document review - SWOT analysis

Annex 8: Evaluation terms of reference



UNITED NATIONS INDUSTRIAL

DEVELOPMENT ORGANIZATION

TERMS OF REFERENCE

Independent terminal evaluation of the project:

**Industrial capacity-building, policy advice and diagnostics for
the green recovery of Ukraine**

UNIDO ID: 230030

03/2024

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I. PROJECT BACKGROUND AND CONTEXT

1. Project factsheet⁶⁶

Project number:	230030
Project title:	Industrial capacity-building, policy advice and diagnostics for the green recovery of Ukraine
Thematic area code:	JR10 and JR20
Start date:	01.04.2023
End date:	31.12.2023
Extension:	31.03.2024
Project site:	Ukraine
Government coordinating entity:	Ministry of Strategic Industries of Ukraine
Cooperating entities:	Cabinet of Ministers of Ukraine, Ministry of Economy of Ukraine, Ministry of Agrarian Policy and Food of Ukraine, Ministry of Digital Transformation of Ukraine, Ministry of Education and Science of Ukraine, Ministry of Energy of Ukraine, Ministry of Environmental Protection and Natural Resources of Ukraine, Ministry of Foreign Affairs of Ukraine, Ministry of Social Policy of Ukraine, Ministry of Veterans Affairs of Ukraine, Ministry of Youth and Sports of Ukraine
Donor:	Germany (Federal Ministry for Economic Cooperation and Development – BMZ)
Executing agency:	UNIDO
Project input:	EUR 2,628,581
Support costs (13%):	EUR 341,716
UN coordination levy (1%):	EUR 29,703
Total donor input:	EUR 3,000,000

(Source: Project document)

2. Project context

In July 2022, UNIDO received a request from the Government of Ukraine to provide support for the reconstruction of the country's industry and infrastructure, which are significantly affected by the ongoing war. In response, UNIDO commenced conceptualizing and discussing with the Government a green recovery programme for ISID in Ukraine to potentially cover the period from 2024 to 2028.

The programme is aimed to set out a strategic vision for coherent, evidence-based, cross-sectoral and multi-stakeholder action in support of the country's recovery efforts and long-term industrial development. Combining industrial policymaking, technical cooperation, capacity-building, normative support, peer learning and knowledge transfer, this work will be synergetic with the national plan/s and vision, as well as with the Transitional Framework (TF) 2022-2024 between the United Nations and the Government of Ukraine (to which UNIDO is an implementing agency) and the upcoming United Nations Sustainable Development Cooperation Framework (UNSDCF) for Ukraine 2025-2029.

In line with UNIDO's approach to post-conflict/-crisis situations, UNIDO's response in Ukraine is built around the following key phases:



Each phase has a preliminarily defined timeline, priorities, scope of activities and envisaged outcomes. Acknowledging the current high degree of uncertainty and fluidity of the situation in Ukraine, the programme will provide an overarching strategic planning direction for UNIDO's operations in the country while remaining adjustable as the situation evolves.

As part of the preparatory phase undertaken from the second half of 2022 through the beginning of 2023, UNIDO developed an industry-focused rapid diagnostic study. UNIDO has been working to identify the most acute needs and corresponding solutions with a focus on restoring the livelihoods of the affected people by providing job creation and income generation opportunities, as well as sustaining critical industrial processes while minimizing the impact of the hostilities on the environment. The findings of the study inform the current project, which, in its turn, will inform the larger-scale green recovery programme for ISID in Ukraine.

Moreover, UNIDO conducted a gender analysis, focusing on the issues around the key components of the future programme for Ukraine. Based on the gender analysis and consultations with stakeholders, an action plan will be developed, identifying entry points for mainstreaming gender within UNIDO's activities in Ukraine, which will also serve as a contribution to the project.

3. Project objective and expected outcomes

Objective of the project

The overall objective of the project is to provide technical support to the Government of Ukraine in conceptualizing and operationalizing a strategic approach towards green industrial reconstruction and development through the coherent, evidence-based and result-oriented green recovery programme for ISID, which is to be led and owned by the Government of Ukraine. UNIDO will be positioned as the country's key partner within this process given the Organization's unique expertise and cross-sectoral scope of services.

Project outcomes

Outcome 1: The productivity and efficient recovery of the industrial sector of Ukraine are supported by a strengthened industrial policymaking capacity and an improvement of the policy process;

Outcome 2: The Government of Ukraine, its institutional framework and enterprises are equipped with tailored thematic tools and best-available solutions to guide and foster the country's short- to medium-term green recovery and long-term ISID;

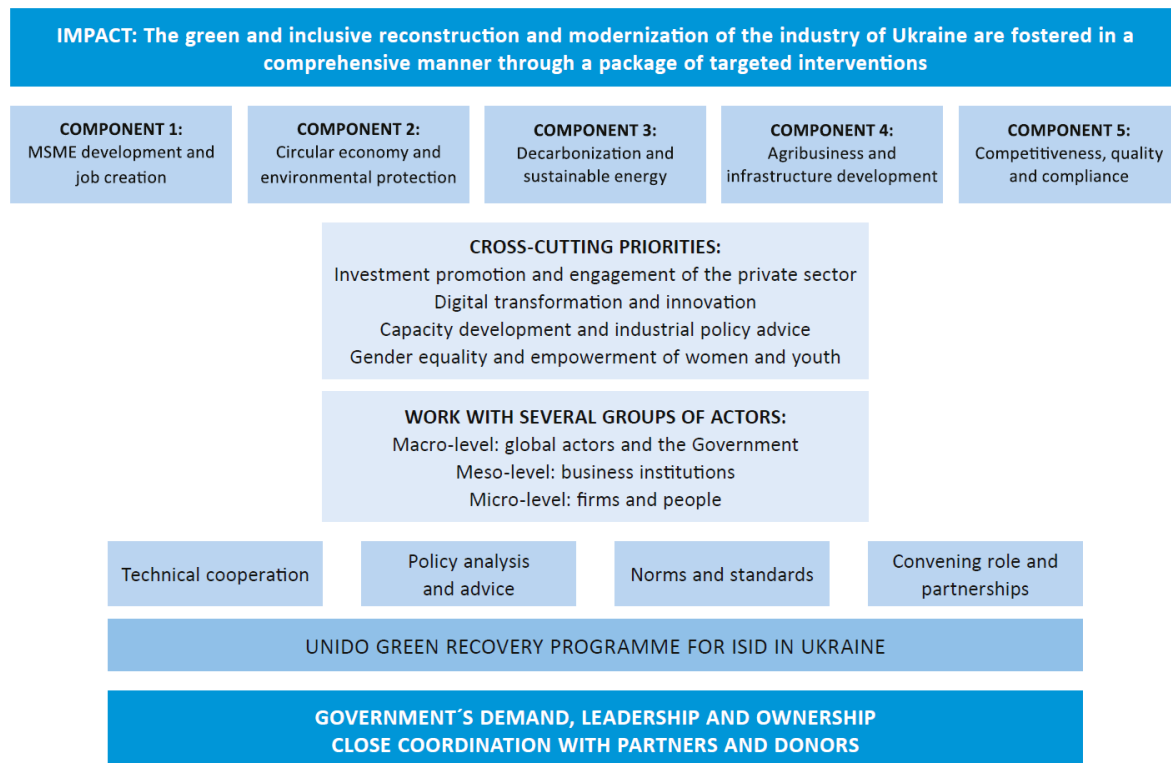
Outcome 3: The green recovery programme for ISID in Ukraine 2024-2028 provides an operational, evidence-based and result-oriented framework for the multi-stakeholder partnership to restore the country's industry under the ownership and leadership of the Government of Ukraine;

Outcome 4: Cooperation and peer learning at the local level between the municipalities of Ukraine and Germany to foster green recovery and long-term development are strengthened with a specific focus on each of the identified priority areas of the future green recovery programme for ISID in Ukraine.

4. Project implementation arrangements

The envisaged architecture of the programme as presented in the project document has in the meantime been revised to reflect emerging project realities. Figure 1 below is extracted from the project document. The revised and slightly amended programme architecture can be viewed in the draft Green Industrial Recovery Programme for Ukraine 2024-2028, which is currently in the approval process.

Figure 1: Architecture of the UNIDO green recovery programme for ISID in Ukraine

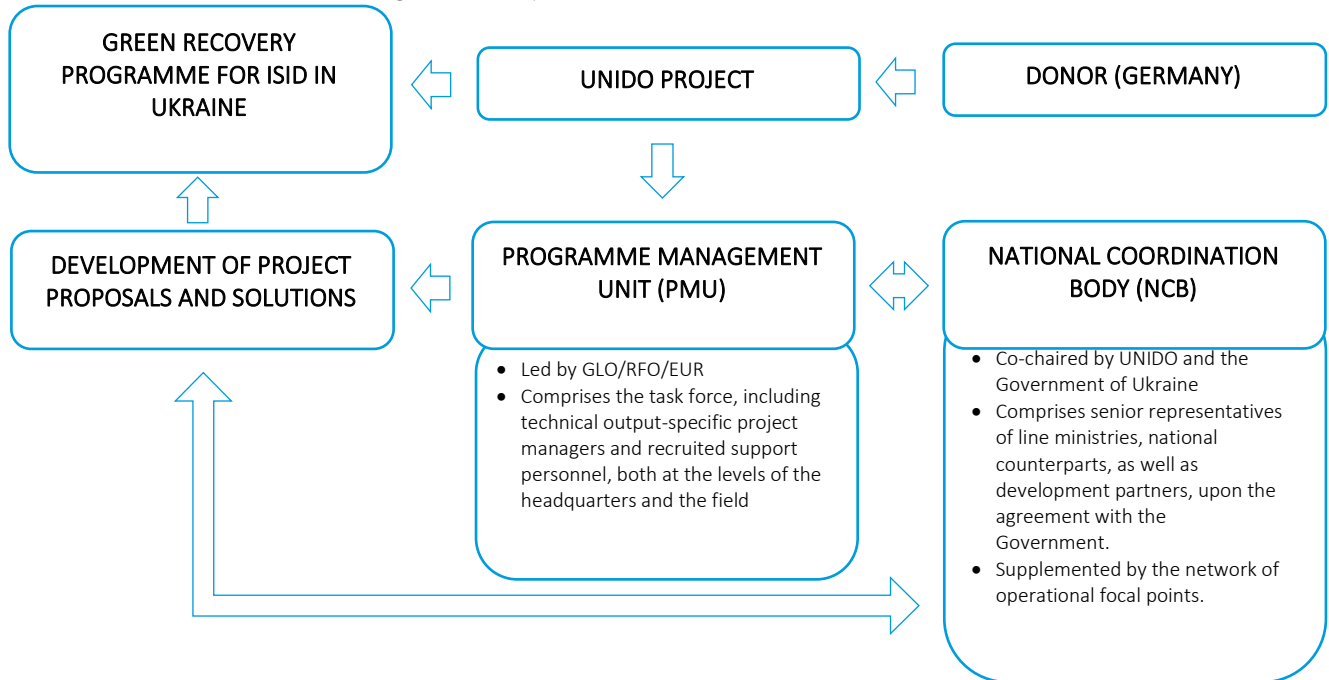


(Source: Project document)

The project, as described in the project document, required the establishment of a solid coordination mechanism for developing the green recovery programme for ISID in Ukraine in a participatory, consistent and result-oriented manner, generating greater development impacts and stimulating resilience building under the general ownership and leadership of the Government of Ukraine. The now updated coordination mechanism, which was established internally and externally, is also available in the newly developed follow-up programme for the 2024-2028 period.

The general structure of the project's coordination mechanism is presented below in figure 2.

Figure 2: Project coordination structure



(Source: Project document)

II. SCOPE AND PURPOSE OF THE EVALUATION

The purpose of the evaluation is to independently assess the project to help UNIDO improve performance and results of ongoing and future programmes and projects. The terminal evaluation (TE) will cover the whole duration of the project from its starting date on 01.04.2023 to the completion date on 31.03.2024.

The evaluation has two specific objectives:

- (i) Assess the project performance in terms of relevance, effectiveness, efficiency, sustainability, coherence, and progress to impact; and
- (ii) Develop a series of findings, lessons and recommendations for enhancing the design of new and implementation of ongoing projects by UNIDO.

III. EVALUATION APPROACH AND METHODOLOGY

The TE will be conducted in accordance⁶⁷ with the UNIDO Evaluation Policy (UNIDO/DGB/2021/11), the UNIDO Guidelines for the Technical Cooperation Project and Project Cycle⁶⁸, and UNIDO [Evaluation Manual](#).

The evaluation will be carried out as an independent in-depth exercise using a participatory approach whereby all key parties associated with the project will be informed and consulted throughout the process. The evaluation team leader will liaise with the UNIDO Independent Evaluation Unit (EIO/IEU) on the conduct of the evaluation and methodological issues. As this evaluation takes place in a situation of crisis where many factors cannot be foreseen such as easy availability of interviewees or their willingness to

⁶⁷ UNIDO. (2021). Director General's Bulletin: Evaluation Policy (UNIDO/DGB/2021/11)

⁶⁸ UNIDO. (2006). Director-General's Administrative Instruction No. 17/Rev.1: Guidelines for the Technical Cooperation Programme and Project Cycle (DGAI.17/Rev.1, 24 August 2006)

participate in such an exercise at this stage of Ukraine's development, this evaluation will be handled with maximum flexibility and empathy for all stakeholders involved.

As is common practice, the evaluation will use a theory of change approach⁶⁹ and mixed methods to collect data and information from a range of sources and informants. It will pay attention to triangulating the data and information collected before forming its assessment. This is essential to ensure an evidence-based and credible evaluation, with robust analytical underpinning.

The theory of change will depict the causal and transformational pathways from project outputs to outcomes and longer-term impacts. It also identifies the drivers and barriers to achieving results. Learning from this analysis will be useful for the design of future projects so that the management team can effectively use the theory of change to manage the project based on results.

1. Data collection methods

Following are the main instruments for data collection:

- (a) **Desk and literature review** of documents related to the project, including but not limited to:
 - The original project document, monitoring reports (such as progress and financial reports, mid-term review report, technical reports, back-to-office mission report(s), end-of-contract report(s) and relevant correspondence. At the time of the evaluation the project will have been operationally closed and a final completion report should be available for the evaluators.
 - Notes from the meetings of the National Coordinating Body (NCB) involved in the project.
- (b) **Stakeholder consultations** will be conducted through structured and semi-structured interviews and focus group discussions. In view of the situation in Ukraine no field visit by the international evaluation expert will take place. Key stakeholders are interviewed online, and where possible face-to-face by a national evaluation expert. The list of interviewees includes:
 - UNIDO Management, staff and consultants involved in the project; and
 - Representatives of donors, counterparts, and other stakeholders.
 - Actual and potential project beneficiaries in Ukraine as far as they are available for online interviews.
 - UN Resident Coordinator and UNIDO Country offices' representative to the extent that they were involved in the project; and,
 - National [and sub-regional] authorities dealing with project activities, as deemed necessary.
- (c) **Online data collection** methods will be used to the extent possible.

2. Key evaluation questions and criteria

The key evaluation questions (corresponding to the six OECD/DAC criteria) are the following:

- 1) **Relevance:** Is the intervention doing the right things? To what extent do the project/programme's objectives respond to beneficiaries, global, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change?

⁶⁹ For more information on Theory of Change, please see UNIDO [Evaluation Manual](#).

- 2) **Coherence:** How well does the intervention fit? How compatible is the project/programme with other interventions in the country, sector or institution?
- 3) **Effectiveness:** Is the project/programme achieving its objectives?
- 4) **Efficiency:** How well are resources being used? Has the project/programme delivered results in an economic and timely manner?
- 5) **Impact:** What difference does the intervention make? To what extent has the project/programme generated significant positive or negative, intended or unintended, higher-level effects? Has the project/programme had transformative effects?
- 6) **Sustainability:** Will the benefits last? To what extent will the net benefits of the project/programme continue, or are likely to continue?

The table below provides the key evaluation criteria to be assessed by the evaluation. The detailed questions to assess each evaluation criterion are in annex 2 of UNIDO Evaluation Manual. As has been practiced in the past and as this project is particular in that it has a very short project duration with the aim to lay the ground for a larger implementation project, similar to a preparatory project, yet with a relatively large budget, certain evaluation criteria will be prioritized in accordance with the outcomes of the inception phase. In other words, some of the below criteria will be assessed in more depth than others, as decided by the stakeholders.

Table 5. Project evaluation criteria

#	Evaluation criteria	Mandatory rating
A	Progress to Impact	Yes
B	Project design	Yes
1	• Overall design	Yes
2	• Project results framework/log frame	Yes
C	Project performance and progress towards results	Yes
1	• Relevance	Yes
2	• Coherence	Yes
3	• Effectiveness	Yes
4	• Efficiency	Yes
5	• Sustainability of benefits	Yes
D	Gender mainstreaming	Yes
E	Project implementation management	Yes
1	• Results-based management (RBM)	Yes
2	• Monitoring and Evaluation, Reporting	Yes
F	Performance of partners	
1	• UNIDO	Yes
2	• National counterparts	Yes
3	• Implementing partner (if applicable)	Yes
4	• Donor	Yes
G	Environmental and Social Safeguards (ESS), Disability and Human Rights	Yes
1	• Environmental Safeguards	Yes

2	• Social Safeguards, Disability and Human Rights	Yes
H	Overall Assessment	Yes

3. Rating system

In line with the practice adopted by many development agencies, the UNIDO Independent Evaluation Unit uses a six-point rating system, where 6 is the highest score (highly satisfactory) and 1 is the lowest (highly unsatisfactory) as per the table below.

Table 6. Project rating criteria

Score		Definition
6	Highly satisfactory	Level of achievement presents no shortcomings (90% - 100% achievement rate of planned expectations and targets).
5	Satisfactory	Level of achievement presents minor shortcomings (70% - 89% achievement rate of planned expectations and targets).
4	Moderately satisfactory	Level of achievement presents moderate shortcomings (50% - 69% achievement rate of planned expectations and targets).
3	Moderately unsatisfactory	Level of achievement presents some significant shortcomings (30% - 49% achievement rate of planned expectations and targets).
2	Unsatisfactory	Level of achievement presents major shortcomings (10% - 29% achievement rate of planned expectations and targets).
1	Highly unsatisfactory	Level of achievement presents severe shortcomings (0% - 9% achievement rate of planned expectations and targets).

IV. EVALUATION PROCESS

The evaluation will be conducted from 04/2024 to 06/2024. The evaluation will be implemented in five phases, which are not strictly sequential, but in many cases iterative, conducted in parallel and partly overlapping:

- 1) Desk review and data analysis. The Project Management Unit is responsible for sharing all available information at the very start of the evaluation process.
- 2) Inception phase. The evaluation team will prepare the inception report providing details on the evaluation methodology and include an evaluation matrix with specific issues for the evaluation to address. The inception phase is a very important part of the evaluation process and identifies the key evaluation questions based on initial discussions with the project management team and donor representatives. The inception report summarizes expectations expressed by key stakeholders and presents them in a manageable format. The inception report is an internal document, which is shared and cleared by the key stakeholders.

- 3) Interviews, survey and literature review. In view of the complex situation in Ukraine, the Project Management Unit may provide administrative assistance to the evaluation team in terms of helping with setting up an interview schedule and following up on missed or postponed meetings as well as facilitating surveys, if needed, and access to relevant documentation.
- 4) Data analysis and report writing. The first draft report will be widely shared with all stakeholders who were involved in the evaluation in Ukraine, Germany and at UNIDO Headquarters and a debriefing meeting will be organised online summarizing the findings, conclusions and presenting recommendations and lessons learnt.
- 5) Report finalization and submission. Comments received in writing from key stakeholders, the Project Manager (PM), Programme Management Unit (PMU) team, donor representative, and the IEU Evaluation Manager will feed into the revised version of the report for final submission within two weeks after the debriefing meeting. The Evaluation team leader is expected to revise the draft TE report, edit the language and submit the final version of the TE report in accordance with UNIDO EIO/IEU reporting standards.
- 6) Final report issuance and distribution with management response sheet, and publication of the final evaluation report on the UNIDO website.

V. TIME SCHEDULE AND DELIVERABLES

Table 7. Tentative timelines

Timelines	Tasks
1-19 April 2024	Desk review, and online briefings with the programme management unit (PMU) team and donor to inform the inception report writing.
22-30 April 2024	Inception report clearance process.
1-24 May 2024	Online interviews.
27 May – 14 June 2024	Preparation of first draft evaluation report; Debriefing in Vienna.
21 June 2024	Final evaluation report with incorporated comments by key stakeholders.
4 July 2024	Published evaluation report incl. management response

VI. EVALUATION TEAM COMPOSITION

The evaluation team will be composed of one international evaluation consultant acting as the team leader and one national evaluation consultant. The evaluation team members will possess a mixed skill set and experience including evaluation, relevant technical expertise, social and environmental safeguards and gender. Both consultants will be contracted by UNIDO.

The tasks of each team member are specified in the job descriptions annexed to these terms of reference.

According to UNIDO Evaluation Policy, members of the evaluation team must not have been directly involved in the design and/or implementation of the project under evaluation.

The UNIDO Project Manager and the PMU team at UNIDO Headquarters and in Ukraine will support the evaluation team.

An evaluation manager from UNIDO Independent Evaluation Unit will provide technical backstopping to the evaluation team and ensure the quality of the evaluation. The UNIDO Project Manager and national project teams will act as resource persons and provide support to the evaluation team and the evaluation manager.

VII. REPORTING

Inception report

These Terms of Reference (TOR) provide some information on the evaluation methodology, but this should not be regarded as exhaustive. After reviewing the project documentation and initial interviews with the project manager and the donor representative, the Team Leader will prepare, in collaboration with the team member, a short inception report that will operationalize the TOR relating to the evaluation questions and provide information on what type and how the evidence will be collected (methodology). It will be discussed with and approved by the responsible UNIDO Evaluation Manager.

The Inception Report will focus on the following elements: preliminary project theory model(s); elaboration of evaluation methodology including quantitative and qualitative approaches through an evaluation framework (“evaluation matrix”); Unit of work between the evaluation team members; field mission plan, including places to be visited, people to be interviewed and possible surveys to be conducted; and a debriefing and reporting timetable⁷⁰.

Evaluation report format and review procedures

The draft report will be delivered to UNIDO Independent Evaluation Unit (with a suggested report outline) and circulated to UNIDO staff and key stakeholders associated with the project for factual validation and comments. Any comments or responses, or feedback on any errors of fact to the draft report will be sent to UNIDO’s Independent Evaluation Unit for collation and onward transmission to the evaluation team who will be advised of any necessary revisions. Based on this feedback, and taking into consideration the comments received, the evaluation team will prepare the final version of the terminal evaluation report.

The evaluation report should be brief, to the point and easy to understand. It must explain the purpose of the evaluation, what was evaluated, and the methods used. The report must highlight any methodological limitations, identify key concerns and present evidence-based findings, consequent conclusions, recommendations and lessons. The report should provide information on when the evaluation took place, the places visited, who was involved and be presented in a way that makes the information accessible and comprehensible. The report should include an executive summary that encapsulates the essence of the information contained in the report to facilitate dissemination and distillation of lessons.

Findings, conclusions and recommendations should be presented in a complete, logical and balanced manner. The evaluation report shall be written in English and follow the outline given by UNIDO Independent Evaluation Unit.

⁷⁰ The evaluator will be provided with a Guide on how to prepare an evaluation inception report prepared by UNIDO Independent Evaluation Unit.

VIII. QUALITY ASSURANCE

All UNIDO evaluations are subject to quality assessments by UNIDO Independent Evaluation Unit. Quality assurance and control is exercised in different ways throughout the evaluation process (briefing of consultants on methodology and process of UNIDO Independent Evaluation Unit, providing inputs regarding findings, lessons learned and recommendations from other UNIDO evaluations, review of inception report and evaluation report by UNIDO's Independent Evaluation Unit).

The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality. The applied evaluation quality assessment criteria are used as a tool to provide structured feedback. UNIDO Independent Evaluation Unit should ensure that the evaluation report is useful for UNIDO in terms of organizational learning (recommendations and lessons learned) and is compliant with UNIDO's evaluation policy and these terms of reference. The draft and final evaluation report are reviewed by UNIDO Independent Evaluation Unit, which will circulate it within UNIDO together with a management response sheet.



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