

Policy dialogue in Ukraine

EBRD Evaluation department



2014

This evaluation explores the European Bank for Reconstruction and Development's (the EBRD's) experience with policy dialogue in Ukraine. The evaluation provides findings and insights to inform future policy dialogue efforts in Ukraine, and in other countries where the experience in Ukraine is considered relevant. It also contributes ideas on how policy dialogue by the Bank might be made more effective as it moves to strengthen this area of its business.

Policy dialogue in Ukraine

Policy dialogue explored in this study includes interactions and actions taken by EBRD staff members and consultants with or for policy actors in Ukraine for the express purpose of bringing about changes in policies, legal and regulatory frameworks, institutions and practices, perceptions and attitudes in Ukraine for the overall benefit of the country.

The crisis that has engulfed Ukraine since late 2013 has created an opportunity for reform that did not exist when the field work for this evaluation was carried out. Crises are often seen as providing a window of opportunity for reform. While the EBRD is and should react positively to this window of opportunity in Ukraine, it is essential to heed the lessons from this evaluation – particularly those related to the essential requirement to understand the political economy of reform (in this circumstance, crisis-driven reform) and the distinct challenges posed by policy implementation as opposed to policy adoption.

In responding to the current opportunity to support policy reform in Ukraine, it should be recognised that, despite changed political leadership, those that are likely to be losers from reform and active opponents of that reform are still in place, while the institutions responsible for implementing reform are little changed from what existed pre-crisis.

Highlights

- A substantial commitment has been made to policy dialogue in Ukraine – policy dialogue now needs to be recognised as a core element of the EBRD's business practice;
- There have been some significant results, particularly at the output level;

- There are things the EBRD can do to increase the likelihood of achieving desired outcomes and impacts;
- The quantum of resources for policy dialogue has been generally adequate to date but there are now new needs and new skills requirements that will require some additional resources;
- The visibility of the EBRD's policy dialogue work needs to increase;
- Selectively, the EBRD should become more of an advocate for reform and engage more broadly;
- More attention needs to be given to supporting policy implementation distinct from promoting policy adoption;
- Better internal coordination on policy dialogue is required;
- Rewards for policy dialogue are needed but these should be intrinsic rather than extrinsic;
- Adopting a political economy approach and focus on institutions are essential for success.

Recommendations

- The EBRD should produce a clear statement and guidance on policy dialogue;
- The results focus of the Bank's policy dialogue in Ukraine should be enhanced;
- Resources gaps should be addressed;
- Some enhancements could be made to the way in which the Bank engages;
- Some improvements can be made in the way in which the Bank manages its policy dialogue



For more information read the full report at:
www.ebrd.com/evaluation.

The Evaluation department (EvD) at the EBRD reports directly to the Board of Directors, and is independent from the Bank's Management. This independence ensures that EvD can perform two critical functions, reinforcing institutional accountability for the achievement of results; and, providing objective analysis and relevant findings to inform operational choices and to improve performance over time.

This information sheet has been prepared by EvD and is circulated under the authority of the Chief Evaluator. The views expressed herein do not necessarily reflect those of EBRD Management or its Board of Directors. Responsible members of the relevant Operations teams were invited to comment on this report prior to internal publication. Any comments received will have been considered and incorporated at the discretion of EvD. Whilst EvD considers Management's views in preparing its evaluations, it makes the final decisions about the content of its reports.

Contact

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JNUK
Tel: +44 20 7338 6000
Fax: +44 20 7338 7848

Joe Eichenberger
Chief Evaluator, Evaluation department
European Bank for Reconstruction
and Development
Tel: +44 207 338 6107
Email: eichenbj@ebrd.com

Further information
www.ebrd.com/evaluation
