Ukraine
Agriculture and
Rural Development Support Program
(ARDS)

March 27, 2019
Agriculture and Rural Development Support (ARDS) Program Overview
ARDS Basics

- September 7, 2016 - July 30, 2020, $21 million with $4 million in grants under contract
- Supports broad-based, resilient economic growth through more inclusive, competitive, and better governed agriculture offering attractive livelihoods in rural areas
- Works at national and regional levels, and until recently had special focus on rural development in southern and eastern Ukraine
- Applies market systems development approach to improve rules and regulations, value chain core, and supporting functions
- Uses PMBOK tools and techniques
Key Accomplishments and Results
Rules and Regulations

- ARDS partnered with the Prime Minister’s Office and Ministry of Agrarian Policy and Food to design and roll out a comprehensive nine-month land reform communications campaign.

- Print, digital, social, television, and radio media to media training for journalists and regional initiatives with local activists that reached 2,600 participants.

- In June 2017 a public opinion survey of 1,053 land owners and an additional 156 small farmers showed growth of support for reform from 15% in 2015 to 35%.

- Rural land owners the most impacted by the communications campaign.
Support for Anti-Raiding Legislation

**Risk assessment of raider attacks on agricultural enterprises**
(% of respondents’ answers with multiple choice)

- Under attack: 3%
- High risk: 8%
- Medium risk: 14%
- Low risk: 31%
- No risk: 44%
- Refused to answer: 1%

**Main reasons for raiding**
(% of respondents’ answers with multiple choice)

- Corruption: 64%
- Confusion in legislation: 38%
- Low legal literacy of farmers: 15%
- Other: 8%
- Refused to answer: 4%

- ARDS collaborated with the industry associations to prepare a Draft Law #8121 “On Amendments to the Land Code of Ukraine and Some Other Legislative Acts on Counteraction to Illegal Takeovers.”

- DL #8121 addresses illegal takeovers of land, which farming enterprises experience around Ukraine, and strengthens the protection of land owners’ and users’ property rights.

- In February 2019, DL #8121 was approved by the VR Committee on Agrarian Policy and Land Relations for adoption by the Verkhovna Rada of Ukraine in the second reading.

Source: Ukrainian Agri Council (UAC) survey of agricultural farm managers, Aug 2018
Community capacity to manage land resources

**Citizens and Legal Entities**
- Lack **equal access** to land
- Are forced to obtain **excessive permits** and approvals
- Are subject to **strict regulations** and controls by state agencies
- Face risk of **corruption**
- Lack **protection of their rights** to land

**Communities**
- Lack **relevant authority** to manage land resources
- Lack **information** required for **decision-making**
- Lack **relevant experience, skills, and comprehensive tools** for efficient land management to ensure economic development and attraction of investments
Experience of the Kipti community

Chernihiv oblast

ACHIEVEMENTS: Development of the economic potential of the community

6,600 acres of agricultural land transferred to community in September 2018

$64,285 Additional budget receipts from land payment in 2018-2019

$107,142 $92,857

Land fees

2018 54%
2017 46%

investment project

Creation of a solid waste recycling center and energy efficiency improvement in Kipti community

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Experience of the Palanka community
Cherkassy oblast

ACHIEVEMENTS: Transparent Land Management System and Other Resources at the Local Level Based on ArcGIS

2,214 acres of state-owned land planned for transfer to communal property

242 acres of land planned for sale through auctions and attracting investors

$18,000 Planned increase in budget revenues annually

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LOCAL SYSTEMS DEVELOPMENT PROGRAM

79
Partner
Consolidated Communities

10
Model
Consolidated Communities

6
Regions

Kharkiv
12 CCs

Dnipropetrovsk
26 CCs

Kherson
13 CCs

Zaporizhzhya
13 CCs

Luhansk
7 CCs

Donetsk
8 CCs

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Value Chain Core and Supporting Functions
Co-investment with Private Sector

$5,820,225
ARDS leveraged private sector investment

30% 70%
ARDS SIF $2,518,006

40% 30%
SME committed investment by grant agreement $3,302,219
Additional SME investment $2,518,006

ARDS Grant Fund  Co-financing of Grantee by grant agreement  Grantee additional leveraged funding
Private Sector Engagement
VALUE CHAIN CO-INVESTMENTS

- Meat: 67 farmers, 30 private households
- Dairy: 135 farmers, 7,000 private households
- Vegetables: 221 farmers, 3,200 private households
- Fruit: 370 farmers, 26,000 private households

37,000 direct beneficiaries
What’s Next?
ARDS Basics: Value Chain Core and Supporting Functions Final 18 Months

Shifting focus to system solution uptake by new market actors using knowledge transfer, changing actors’ behavior on basis of successful cases. How?

- Existing and new champion firms in lead
- ARDS offers TA and some training costs, no further grants
- Cost-benefit models of improved technologies, inputs, and supply chain process uptake by producers, service providers, and buyers: training, behavior change materials
- Behavior change communications and knowledge sharing: peer to peer learning, events, tours, and sector association strengthening
- TOT: associations, training entities, service providers, processors, producer groups
- Advising champion firms: operationalize solutions and scale to other products, markets, producers, and/or regions
- Advising new peer champion firms: identify and operationalize solutions
Thank you