

CSSF PROGRAMME SUMMARY

PROGRAMME TITLE: Good Governance Fund			
HMG Partners (LEAD in bold)	Department for International Development (DFID) and the Foreign and Commonwealth Office (FCO)		
COUNTRY/REGION:	Eastern Europe and Western Balkans (Bosnia and Herzegovina, Georgia, Republic of Moldova, Republic of Serbia and Ukraine). Delivered using 3 complimentary delivery mechanisms in each country: via a Managed Fund; Strategic Support Fund; and in partnership with International Financial Institutions/Other Bilateral Donors (IFIs).		
PROJECT DURATION: April 2016 – March 2018			
FY 2016-17 BUDGET:		ODA: £30 million	Non-ODA: £0
PROJECT/COMPONENT	LEAD DEPT	IMPLEMENTING ORGANISATION	BUDGET
Projects support reform through tackling corruption; improving the business environment; supporting governments to be more responsive and accountable to citizens; enhancing media and civil society freedom; and promoting overall reform	DFID	Pricewaterhouse Coopers; International Financial Institutions/multilateral and bilateral partners; this includes the World Bank, European Bank for Reconstruction and Development and European Investment Bank; British Embassies and implemented by various partners in-country.	£28.5 million
Programme delivery	DFID	DFID; FCO	£1.5 million
WHAT SUPPORT IS THE UK PROVIDING?			
<p>The Good Governance Fund (GGF) is a highly responsive and adaptive, demand-led fund. It is largely focused on supporting governance and economic reform in Ukraine, Georgia, Moldova, Serbia and Bosnia and Herzegovina (BiH). Specific areas the fund supports include: anti-corruption measures, improving the business environment, judicial reform, key sector reforms (e.g. banking and energy), strengthening the rule of law and supporting an independent media. These interventions support states to become more resilient to external and internal shocks, both political and economic, and support poverty reduction, growth and stability.</p>			
WHY IS UK SUPPORT NEEDED?			
<p>Since the early 1990s the five partner countries have worked to develop stronger economies and democratic institutions, to support growth and poverty reduction. There has been success but many challenges remain which could undermine progress and may lead to development reversals. The UK can play an important role in helping to accelerate reform, generate growth, promote open and market-based economies and support stability. Existing multilateral partners in the region tend to operate larger, multi-year programmes, with longer term commitments. There is a clear need, identified by government partners and other key stakeholders and donors, for responsive, flexible technical and other assistance to unblock reform and respond to reform opportunities, and complement the larger programmes of other donors. The GGF is</p>			

designed to respond to these evolving priorities and focus on delivering with a view to securing longer term support from donors with larger budgets.

There are a number of factors which contribute towards the UK's comparative advantage in the region. This includes the availability of strong in-house (HMG) professional expertise, particularly in economic reform, governance and private sector development and experience of contracting flexible programmes through high quality external suppliers. The UK is also able to provide proven programme management capacity with an emphasis on value for money and impact.

WHAT RESULTS DOES THE UK EXPECT TO ACHIEVE?

The impact of the GGF will be that countries are increasingly resilient and prosperous as the result of economic growth and transparent, effective governance institutions, which are held to account by informed and active populations. This will in turn, support states to become more resilient to external shocks and disruption, both political and economic, and support poverty reduction, growth and stability. The portfolio will develop throughout each year of implementation, responding to the policy priorities, opportunities and project performance.