

Chapter 6

(Draft 7-26-10)

Creating and using the USDOL Adjustment Model in Romania, Bulgaria, Macedonia and Ukraine

Part 4: Ukraine

(7-22-10 Draft)

1. Background and design of the Ukraine project

I found the Ukraine project an interesting one to participate in even though my involvement and travel was not as great as it had been in the previous USDOL SEED- and World Bank- funded projects in Central and Eastern Europe. By the time that project started in April 2000, a health problem made it impossible for me to travel internationally as I had done in previous years. While I had to decline an invitation to go to Kiev as part of the assessment team, I agreed to help design the project working from home.

The launching of the Ukraine project encountered a number of problems, not the least of which were the corruption and political climate in Ukraine at the time of its inception. The final report of the project provides a brief overview of how the project came about after the USDOL received a request from the Government of Ukraine to the American Embassy in Kiev.

In April 2000, ILAB Program Managers Sydney Smith and Laura Buffo, accompanied by a high level USDOL manager Theodore Mastroianni and a dislocated worker specialist, as well as Virginia Stacey and Jane Daly from WSI conducted a design mission. The Ministry of Labor had indicated to the U.S. Embassy that it desired assistance with mass layoff issues. WSI participated in the mission to provide examples of efforts and results achieved in the CEE region. At the conclusion of the mission, there was verbal agreement to proceed with a demonstration project of the ICDP [Integrated Community Development Program]. This is the name that WSI had given to the USDOL Adjustment Model as part of their strategy of delinking the model from USDOL so that they could begin marketing it to other international donors after the winding down and ending of the USDOL involvement in SEED-funded programs in Central and Eastern Europe, which would soon be occurring.

The primary objective of the USDOL's Ukraine Worker and Regional Economic Adjustment Program (locally known as PARTNER from the Ukrainian acronym) was to help the Ministry of Labor and Social Policy (MOLSP) and its partners provide visible solutions to the country's worker and community adjustment needs. PARTNER was designed to enable the Ministry of Labor and Social Policy (MOLSP), and the National Employment Service (NES), to establish the policies and design the services that would overcome several of the service shortfalls in their labor market service provision, and facilitate successful community economic adjustment to Ukraine's transition from a command to open market economy. PARTNER was also designed to provide new techniques through which Ukraine's local labor offices could more effectively provide services to their local communities and workers. (*Ukraine Worker and Regional*

Economic Adjustment Project: Final Report, submitted December 2003 by Tom Fletcher, Project Director)

That description reflects the official, positive way of looking at the Ukraine project. What eventually became evident was that the Ministry of Labor and National Employment Service in Kiev really wanted the money to buy computers and other such equipment, and they were not keen on having any or all of the components of the USDOL Adjustment Model implemented. Differences in the objectives of USDOL and Ukraine officials plagued the project from the beginning.

In a May 29, 2009 email, Virginia Stacey told me a different version of the startup of the Ukraine project. Her account is probably more accurate than that contained in the project's final report. Virginia recalled the March 2000 trip to Kiev, Ukraine, and the subsequent events leading up to the project startup as follows:

You were viewed as the senior adviser and expert, but had to rely on others to be your eyes and ears. Sydney was driving around with a buffalo leg in her back seat and had decided to give it all up for love and/or her ticking biological clock. USDOL had been taken over by a bunch of still wet behind the ears program assistants with huge egos and, what's that term again – oblivious incompetence. Sydney was the only one in ILAB who believed in the model and was marketing it high and low and had somehow convinced Ukraine to try it. Ukraine and Kuchma! Where they were jailing and killing journalists and Europe was pressuring the US to help convince Ukraine to shut down the last reactor at Chernobyl.

[President] Clinton had gone there in June and promised them a dislocated worker program. The information coming our way wasn't complete or unbiased and changed by the minute. The DUS [Deputy Undersecretary of USDOL] had promised the [Ukrainian] MOL Minister during a study tour that there was no reason he couldn't create a model office like Baltimore's – that's why the equipment issue got on and never left the table.

The Deputy DUS had joined Jane and me and Laura to write the TOR [Terms of Reference], but Sydney had said Laura must do the talking in each meeting to position her as cracker-jack ILAB staff, and she had no clue how to control and cut off the talking, talking, talking that foreign government officials do when they get to start a meeting.

I came back totally frustrated and called you for help in trying to cobble together a SOW [Statement of Work] from incomplete and contradictory information. That's the setting and somehow you had to figure out a role that didn't involve travel. Thank goodness for computers because we would have failed without emails. And also phones and cordless headsets! WSI had to rely on your tremendous ability to write a detailed manual to help instruct people and that's why your billing reflects so much of that kind of work. Ukraine was the first time you hadn't been on site for the design or start-up. It's a wonder one of us didn't wind up in some gulag as much as we fought with the MOL and NES staff! (Email from Virginia Stacey to GBH, May 29, 2009)

I recall that my involvement with the Ukraine project started early in April 2000, in a telephone conversation with Virginia Stacey about the design of the project, and what my participation would be in the process. On April 25, 2000, I participated in a conference call with Marion Bentley, Virginia Stacey, Teresa Holden, Julie [? incomplete]

During May 2000, I spent much of my time revising Part I of the CER Guide and other training materials in preparation for their translation and use in the new Ukraine Adjustment Project scheduled to start in September. My May billing statement to WSI stated that I worked on 4 specific tasks for the Ukraine Task Order:

1. Writing the Ukraine Proposal and Implementation Plan -- 57 hours
2. Designing the worksheets and preparing a "Participant Worksheet" manual for CER. Workshop E -- 54 hours
3. Designing some new worksheets and preparing a "Participant Worksheet" manual for CER Workshops A-D -- 11 hours
4. Beginning the work of revising the CER Guide Part I --20 hours

For the next several months, I participated in several telephone conference calls and strategy planning sessions with Virginia Stacey, Marion Bentley and others to address issues specifically related to the startup of the Ukraine project

By the beginning of May I had revised the document I had written previously entitled: "Steps to starting..." the CER Component that could be used in the Ukraine or other projects (5th edition, dated May 4, 2000). Over the years I had written all kinds of "how to" documents. Eventually, I consolidated those materials into a chapter for inclusion in the full-blown version of the "Project Director's Manual" that was completed in 2003 or 2004 by WSI as part of the USAID CEE Regional Project. This project will be discussed in Chapter 10.

In June 2000, I worked 126.5 hours revising the CER Guide for the Ukraine project. My work of revising the CER Guide continued throughout the summer of 2000. When finished, I had copies of the revised document printed. Several hard copies and the computer files were also sent to WSI in Boise and to Kiev for translation.

During July 2000, in addition to attending the July 16-20, 2000 Boise meeting, I spent virtually full time (140 hours) working on the Ukraine project. I revised Part II of the CER Guide, including writing a new chapter, Chapter 9 on tourism assessment, and revising and expanding chapters 7 and 8 of the RRDWA IA Specialist manual in preparation for their translation and use in the Ukraine Adjustment Project. I also participated in conference calls on Ukraine and gathering information from various state Employment Services in the United States about "one-stop service centers." I undertook the last task because one of the objectives of the Ukraine project was to help set up some pilot employment centers in that country. (August 1, 2000 billing statement to Virginia Stacey at WSI)

July 16-20, 2000, Marion Bentley and I participated in a project directors meeting at the WSI headquarters in Boise, Idaho, and helped to orient Jon Theile, the new Ukraine Project Director. On Wednesday, part of the day was spent discussing the implementation of the Ukraine Project. In addition to discussing each of the ongoing projects and technical issues related to them, WSI Executive Director Virginia Stacey and the 9 or 10 people in attendance at the Boise meeting also discussed a variety of other topics (the agenda was two pages long), including the prospects for obtaining new projects with USDOL, USAID or other donors.

Virginia and her key staff realized that if they wanted to continue in business after the current USDOL SEED-funded projects were completed and SEED funding ended in the CEE region, they would have to obtain new contracts and projects. That would mean bidding for projects funded by other donors, such as the World Bank, etc. The possibility of obtaining projects in Bosnia, Croatia, Albania, Kosovo, India and Nigeria were discussed at the July meeting.

During September 2000, I spent 88 hours on the Ukraine project. I prepared the master copies of the RRDWA manual and Part II of the CER Guide for printing and binding. Copies of those newly revised manuals were sent to Virginia, Jane Daly and Damien Fitzroy, and to Jon Thiele for translation and use in the Ukraine Adjustment Project. I also began work on the Enterprise Restructuring and Competitiveness Manual (ERAC). (My September 1-30, 2000, billing statement to WSI for work done).

Sept. 23, 2000, I responded to a request from Anne Zollinger, a new USDOL employee who wanted to know the origin of the USDOL Adjustment model, with an email explaining its origin. (Email from GBH to Anne Zollinger, Sept. 23, 2000)

With the start-up of the Ukraine project in September, my work slowed down somewhat. As a result, in October I spent only 8 hours on the Ukraine project. I remember meeting with Gaylene Peebles, manager of the Logan Employment Service, to obtain information and materials about the operation of their One-Stop Center. That information was forwarded to Jon Thiele in Kiev. I also corrected some errors in the master copy and printed additional copies of Part I of the CER Guide and conferred with Virginia about the needs and changes that had to be made in the activity schedules for the Ukraine project.

October 10-14, 2000, I attended the National Dislocated Worker Conference in Minneapolis where I made a presentation about the USDOL Adjustment Model and our projects in Central and Eastern Europe. I also introduced several Romanians who had been invited to come from Bucharest to talk about their work in implementing the USDOL model in their country.

During November 2000, I spent 33 hours on the Ukraine project, including writing two new chapters (9 and 10) for inclusion in the RRWA IA Specialists Handbook Chapter 9. Pages 115-152 in "The Job Seekers Hof [?]" were sent to Virginia Stacey, and an electronic copy of the new material was sent to Jon Thiele in Kiev for translation and inclusion in the manual being used in Ukraine. I also made some corrections to the table of contents for the CER manuals and began working on a new chapter, Chapter 11, outlining the steps for conducting a community "Workforce Development Audit" for inclusion in Vol. II of the CER Guide. I let Virginia know that I was preparing that chapter as a result of information I obtained at the October 2000 National Dislocated Worker Conference in Minneapolis I had attended.

During December 2000, I worked 48 hours on the Ukraine project. I sent electronic copies of Chapters 9 and 10 of the RRDWA Guide to Jon Thiele in Kiev and WSI in Boise, completed the scanning, editing and layout work on a new chapter, Chapter 11, "Conducting a Workforce Development Audit," for inclusion in Part II of the CER Resource Handbook. Then I printed and mailed copies to WSI in Boise and Jon Thiele in Ukraine. I also debriefed Marion Bentley about his trip to Ukraine to conduct the introductory training in CER procedures for the people who would be assisting in the introduction of the CER Component in the Donyesk region. Other tasks included printing a master copy of the new Chapter 11, xeroxing copies of Chapter 11; mailing a copy of Chapter 11 to WSI and delivering a copy to Marion Bentley for his review, binding Chapter 11 with the existing copies of Part II; reviewing draft criteria for selecting CER communities in Ukraine and sending a revised list to Jon Thiele with a copy to Virginia Stacey, and discussing with Virginia the activities being proposed by Jon Thiele for the Ukraine project in the coming months.

During January 2001, I continued to work at home for WSI. I worked only two hours on the Ukraine project, responding to Jon Thiele's emails and conferring with Virginia about various aspects of the work in Ukraine.

2. A serious crisis in Kiev

February 2001 brought a crisis for the Ukraine project that required only four hours of work on my part, but considerably more for USDOL and WSI. I spent my time reviewing the crisis and its implications for and USDOL and WSI because of the Ukraine MOL's attitude about the implementation

of the project. Basically, the Ukrainian MOL wanted to use the project money to buy new computers for their offices and did not want to follow the project's work plan—which they had agreed to in writing—to improve their employment services. They were especially unhappy when Jon Theile, the WSI project director, said “No” to their demand to spend most of the project funds on equipment. Because of the firm negative stand taken by Jon Theile, the MOL sent a letter to USDOL in Washington expressing considerable displeasure with the way things were going in the Ukraine Project. Virginia Stacey forwarded to me a copy of the MOL's letter to Washington and Jon Thiele's response. She asked me to review the situation and give her my advice. I did, and then conferred with her about what steps might be taken to resolve the problem.

A Feb. 25, 2001 email from Virginia Stacey indicated that Gary Russell, the technical cooperation director of OFR, Gedeon Werner and she were scheduled to go to Kiev on March 19, 2001, to meet face-to-face with the UKR MOL officials to address the problems raised in their letter to the DOL. Virginia concluded her email to me by saying, “I could really use your advice.” I complied with her request a short time later. (email from Virginia Stacey to GBH, Feb. 25, 2001)

It is very instructive to read the email Jon Thiele, the WSI Ukraine project director, sent to Gary Russell, director of technical programs at OFR and Steve Marler, the Program Officer at OFR over the Ukraine project. Thiele's email speaks volumes.

Gentlemen—

Here are a few thoughts on the proposal you've received from the MLSP.

This is essentially a proposal to strengthen the NEC by adapting the worker adjustment effort to the existing structure and operation of the ECs [employment centers]. As such it has some potential for success. As I mentioned in D.C., using the ECs as a vehicle for delivering worker adjustment services is a reasonable idea. It can easily be tested, and if proven to be effective, it could possibly become the preferred model for use in Ukraine

As I also suggested, the DOL model is also reasonable. Indeed. given DOL's success with it in the region and the good response it has received so far in Slautich, there is every reason to believe it is right for Ukraine as the design team concluded.

That's the surface view. Given the MLSP's words and actions, though, it would be naive to take it at that. The minister's lies, the theft in Gorlovka, the threats and obstruction in Donetsk, the sudden nature of this proposal -- all point to underlying motives. I'm not trying to be sinister, not trying to portray them as bad guys; as difficult to believe as it might be, lies, theft, and threats are normal in Ukraine. They are negotiating for more.

It's not that they reject our approach or DOL. but rather they see this project, and all foreign projects, as sources of funds and resources, and since they have plans for everything, they think the foreign group can pay for them. They have a sincere belief that their approach works in spite of all evidence to the contrary, and they resent being told What to do. That is how they see the projects, telling them what to do. They do not want to be partners in an effort to help their clients because that directly implies they are failing to serve them now,

They are not boiling mad. They are not rejecting DOL or this project. They simply want to use its resources they way they want. They do not accept the foundation of all development efforts: that money is not the answer, that the answer is a change in what

is being done. When they show a five year old floor plan and say it does what needs to be done they actually believe it, and that's the problem.

It explains their focus on worker adjustment. They've thought about it. Local economic development and enterprise competitiveness are new ideas, and they don't know how to react.

Anyway, here are some wry brief specific comments on what they wrote;

Regarding their point 2, local coordinators, obviously they cannot choose WSI employees. What they are saying here is that the DOL funds will pay the salaries of the staff they as partners are obligated to contribute to the effort; The only response is to clearly state that they are obliged to contribute.

Regarding their point 3, they are wrong. Registration does not require the information they are asking for (this we have in an MOU between the GOU and USAID representing the US). Also, they have a technical scope of work for the project already .In addition, US funded projects in Ukraine have not given financial info. to partners. DOL should check with the USAIQ mission before it decides to break ranks.

On their first point 6, the method for selecting regions in which to work was scheduled to be discussed with them this month. We have a checklist of characteristics developed from experience in other countries. They know about this but have not yet seen it.

On forming groups, they mean they want to name the members. They have participated fully in group formation in Slawtich and Gorlovka, and they see our inclusion of others as less influence for them.

On the request for a manual, I see this as an indication of how little they really value training of their staff. A condensed manual is the opposite of what they need; if anything, they should take the books and training we give them and expand it. Remember, in late November they told us that a one-week seminar was enough.

And they want to travel. This was in our plans, but it was made clear to them they had to support the program and get it going smoothly before any road trips.

Finally, on their point 7, as simple as this is to say, I am sure that it is driven by a desire to capture the funds for themselves and a complete and deep distrust of anything that allows citizens to act on their own.

In closing, whatever DOL decides we can make happen. The key is for DOL to decide and try to end all of this negotiating. I say "try to end" it because I know it will never end: A survey done in 1998 asked Ukrainians if negotiating ended with the signing of a contract--over 70% said no.

Jon, 19 Feb 2001

Gary Russell's response to Jon Thiele's email follows:

Nice meeting with you in D.C., Jon. Thanks for your thoughts and we will be sure to share our views on the MLSP proposal with you and Virginia before we submit anything for discussion to the ministry. (email from Gary Russell to Jon Thiele, Feb. 20, 2001)

In March 2001 I worked 4 hours at home reviewing and writing a critique to the Ukraine MOL's letter to Washington, reviewing the draft DOL response, and conferring with Virginia Stacey before and after she went to Kiev to discuss the future direction for the project, based on the memorandum of agreement signed by Gary Russell of OFR during their recent trip.

I have nothing in my files about the outcome of the March 2001 trip Gary Russell, Gedeon Werner and Virginia Stacey made to Kiev, but I do have a copy of the four- page memorandum of agreement that Gary Russell and the Ukraine MOL official signed in Kiev. It says in effect that the project would be continued and that the DOL/WSI would send an assessment team to Kiev to assess the requirements for replicating the model service delivery system in the employment centers in other communities:

NEXT STEPS

In close collaboration with the MOLSP, USDOL will deploy a team of experts to Ukraine for a two-week period to:

- Assess the requirements for replicating the model service delivery system to other local employment centers, as well as the number and location of the centers targeted for assistance.
- Identify training and curriculum needs of the NECTI to integrate Rapid Response/Worker Adjustment services into the existing curriculum.
- Develop an implementation plan based on conclusions from this assessment and the agreed upon project description.
- Assess the need and requirements for a Public Awareness Campaign
- Resume Worker/Community pre-layoff activities in Slavutych and Gorlovka in coordination with the local employment centers in those communities.

In a telephone conversation with Virginia Stacey on March 29, 2001, she told me that Gary Russell became drunk one evening and did not behave well. Other than that, all I remember from our conversation is that it appeared that Russell gave in to the MOL's demands to buy computers, and that the project continued with the changes specified in the memorandum of agreement Gary Russell signed while they were in Kiev. Resumption of work on the project was to occur on May 14, 2001.

Virginia said that Gedeon Werner, then working for WSI and a fluent Russian speaker, helped steer the discussions and brought about the compromises needed to make the Ukrainian officials happy and still require a quid pro quo from them to ensure that some good work could still be accomplished. Virginia also told me that DOL had agreed to give the Ukraine MOL \$780,000 to buy the computers and equipment they wanted, the number of one-stop employment centers was increased by the addition of 11 new ones, and the MOL would have to accept the other programs designed to strengthen their employment services and implement the CER and other components of the USDOL/ICAP model.

In April 2001, I worked 7 hours on the Ukraine project consulting with Virginia, Marion and Gedeon Werner about the steps that would be taken to restart the project and expand it to include the eleven new one-stop employment centers. I also wrote a memo to answer some questions raised by Gedeon about the relationships between RRDWA activities and Worker Adjustment Resource Centers in the current project and the model employment centers to be created as part of the expanded Ukraine project.

In May 2001, I continued to confer via conference calls with Virginia, Sydney and Gedeon Werner about the Ukraine project and the others in the CEE region, and worked with Marion Bentley

developing reporting and monitoring materials that could be used for the community-level CER project in all countries in the region, including Ukraine.

In a May 28, 2009 telephone conversation with Virginia Stacey, she told me that Jon Thiele had been replaced as project director shortly after the signing of the memorandum of agreement in Kiev in March 2001. Someone from DOL was sent to Kiev to evaluate Jon's performance and had given him a poor evaluation. Subsequently, Tom Fletcher was hired to direct the Ukraine project. He remained as Project Director until the project was completed and the final report submitted to DOL in December 2003.

From June 2001 onward, I spent most of my time developing manuals and materials as part of the USAID-funded CEE Regional Project and devoted very little time to the Ukraine Project. This work is described in Chapter 10.

3. Elements of the Ukraine project redesign in April 2001

The redesign of the Ukraine project that came out of the March 2001 Letter of Agreement between DOL and UK MOL included some additional employment service capacity building activities and some employment center upgrades along with continuing the LED and RRDWA components in the original design. These are outlined below:

Project Redesign and Funding

The Final Report describes the design and objectives of the three major areas of activity that had been set out for the Ukraine project, both initially and as a result of the project redesign set out in the Letter of Agreement reached in March 2001 called for (1) local economic development, (2) employment service capacity building and (3) employment center upgrades: (*Ukraine Worker and Regional Economic Adjustment Project, Final Report, December 2003, pp. 5-6*)

Local Economic Development

In general, following the implementation standards of the USDOL/WSI Integrated Community Development Program, the objectives of PARTNER's local economic development (LED) component included:

- Stimulate job creation by energizing the local private sector
- Mitigate the negative social and economic impact of enterprise restructuring
- Facilitate democratization through citizen participation in economic decision making providing for local government accountability for outcomes and use of resources, and transparency.
- Promote local government responsiveness to citizen and community needs through development of partnerships between government and citizens, civil society, and the private sector in addressing local needs.

Employment Service Capacity Building

Based on the substantive program redesign in the spring of 2001, a six-element train-the-trainer component was added to the original project. The training curricula were based on best practices from the U.S., and were tailored to Ukrainian needs and conditions through

the work of a joint US-Ukrainian committee from the relevant NES departments. The curricula focused on Public Relations, Vocational Guidance and Counseling, Employer Relations, Targeted Services for Youth and Women, Rapid Response Worker Adjustment, and Performance Monitoring. The primary objectives of this component included:

- ❑ Improve the MOLSP's institutional capacity to develop and implement market-oriented services for workers, employers and communities.
- ❑ Introduce new approaches to labor market development, such as worker retraining and transition, that have proven successful in other transition economies
- ❑ Provide local labor offices with the tools and approaches they could use for active labor market measures, increased capture, and provision of more efficient and effective services to their clients.
- ❑ Expand the awareness of available services through training of NES public relations personnel in modern labor office PR techniques.
- ❑ Provide national and local labor offices with new, more pro-active approaches to pre-layoff services and the development of partnerships with local employers.

Local Employment Center Upgrade

This component, also introduced during the 2001 program re-design, was based on MOLSP's perceived need for modernizing and upgrading the infrastructure capacity of 11 existing employment centers located in the highest unemployment areas in order to permit them to fully implement the NES's "New Technology" - a highly structured client service system based on German best practices. Essentially a large procurement, this component was designed to provide automation and furnishings to designated centers to bring them up to international standards, equip a small print shop at the National Employment Service Training Institute (NEST!) to facilitate promulgation of training materials, contract for the development and publishing of 50 job description files for use by local employment centers, and equip the MOLSP conference room.

4. Ukraine Project Outcomes

According to the Final Report, the outcomes achieved by the PARTNERS project in Ukraine included, but were not limited to: (*Ukraine Workers and Regional Economic Adjustment Project, Final Report, December 2003, p.4*)

- ❑ Four community teams were trained in local economic development, resulting in 141 trained citizens, four directly funded new business starts and five additional new businesses in two communities.
- ❑ 965 jobs were retained, 34 new permanent and 30 temporary jobs were created through the ICDP Rapid Response and LED components.
- ❑ A functioning and fully equipped worker transition center was established.
- ❑ Three continuing Labor Management Adjustment Teams were established to assist workers in companies facing mass layoffs.
- ❑ Over 2,000 national, regional and local employment center staff and specialists

trained in one or more of the following methodologies:

- Vocational Guidance and Counseling
 - Employer Relations
 - Targeted Services for Women and Youth
 - Performance Monitoring and Evaluation
 - Public Relations
 - Rapid Response
- Manuals and handbooks for each methodology were developed, translated and published. All local and oblast Employment Centers in Ukraine have at least one copy of each manual.
- Over \$780,000 of equipment and furnishings designed to increase the efficiency of local Employment Centers and the NES were procured and delivered to 11 pilot centers. All equipment is in place and being utilized as intended.

Sustainability

Even though the Ministry of Labor in Ukraine had not been enthusiastic about implementing the full project, thus hindering their ability to obtain willing partners despite the PARTNERS acronym given to the project, there were some positive outcomes relative to sustaining some of the elements of the project after it ended in 2003. Like many of the other USDOL projects in the CEE region, most of the doubting officials and community leaders eventually came to appreciate and even support the projects enthusiastically and wanted to continue them. This was true to some degree in Ukraine. The nature and extent of the changes in Ukraine are set out in the Final Report (*Ukraine Workers and Regional Economic Adjustment Project, Final Report, December 2003*, p. 4) as follows:

Because past MOLSP leadership did not view the ICDP as part of its institutional mandate, no successor organization could be identified at the national level. However, four community teams were formed, of which two present limited continuing fora. [?] In addition, although the USDOL decided not to fund an expansion of the ICDP component of the project, as a result of the impressive results from the Slavutych pilot, the U.S. Agency for International Development recognized the benefits of community partnerships in local economic development by issuing a Request for Proposals to expand LED to 50 communities as part of its local government reform program. In addition, the Rapid Response component was embedded within the National Employment Service as part of the Employment Services Capacity Building Component.

All six components of the Employment Services Capacity building objective have been fully integrated into NES curricula. A plan has been developed and implemented by the NES to ensure replication throughout Ukraine

It would be most interesting to see what the situation in Ukraine is today. Does the state of affairs on the ground today still reflect the statements made in the 2003 Final Report of the project that were made some seven years ago, or will they be similar to what happened to the British/World Bank-funded dislocated worker project carried out in Poland (that will be discussed next in Chapter 8) during the early 1990s.