



FINAL REPORT

01 OCTOBER 2018 - 31 JULY 2021

Home Owners
of Ukraine
for Sustainable
Energy Solutions
(HOUSES)





FINAL REPORT

PROJECT TITLE	Home Owners of Ukraine for Sustainable Energy Solutions (HOUSES) – an action within the EE4U Programme
PROJECT NUMBER	ENI/2018/396-961
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LIST OF ABBREVIATIONS

ATC	Amalgamated Territorial Community
BCP	Business Continuity Plan
CBA	Community-Based Approach to Local Development project
COVID-19	SARS-COV-2 (severe acute respiratory syndrome coronavirus 2)
CDA	Community Development Associate
EEF	Energy Efficiency Fund
EE	Energy efficiency
EU	European Union
EE4U	Energy Efficiency Support Programme for Ukraine
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GOU	Government of Ukraine
HBC	Housing/Building Cooperative
HOA	Home Owners Association
HOUSES Project	‘Home Owners of Ukraine for Sustainable Energy Solutions’ project
FG	Functional Group
IFC	International Finance Corporation
MOH	Ministry of Health of Ukraine
M&E	Monitoring & Evaluation
MOU	Memorandum of Understanding
MP	Member of Parliament
NEEAP	National Energy Efficiency Action Plan
SDGs	Sustainable Development Goals
TA	Technical assistance
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
WG	Working Group



EXECUTIVE SUMMARY

There is no doubt that energy efficiency is one of the keys to sustainable development and achieving SDGs, which is particularly applicable to Ukraine. While noticeable progress in energy efficiency policies and measures has been made in recent years, Ukraine still remains one of the least energy-efficient countries in Europe. An effective policy framework, which is still under formation, would emphasize market-driven regulatory and control mechanisms, fiscal measures and tax incentives, financial schemes, technology modernization, as well as renovation and retrofitting in the housing sector.

Since 2015, the Ukrainian Government committed to new climate and energy policy targets with its National Energy Efficiency Action Plan (NEEAP), which was renewed in December 2021¹. The updated plan envisages that by 2030 the final consumption according to the energy-efficient scenario should be 17.1% less vs baseline scenario. The NEEAP includes a number of sectoral and intersectoral measures covering housing sector and public buildings, transport, industry, and energy sector. These measures include promoting EE in the industrial production and residential buildings, energy labeling and eco-design, accounting of utilities, reduction of losses within electricity transmission and distribution networks, natural gas distribution, etc. Further promotion and support to implementation of energy efficiency measures in multi-apartment buildings, in particular through the Energy Efficiency Fund (EEF), is one of the key tasks included in the NEEAP.

The energy efficiency is also an essential sector of EU-Ukraine cooperation. Ukraine is continuing to pursue European approaches to strategic planning, policy formation and implementation in this area. The existing EU-Ukraine cooperation framework embraces the entire range of EE related issues in the current context of high energy intensity. It also includes the need for diversification of energy resources and increased reliance on domestic sources of energy, along with rational and provident approach to energy consumption. In particular, the NEEAP aims to align the national energy efficiency targets and policy with the *acquis Communautaire*, in particular Directive 2012/27/EU "On Energy Efficiency", as well as ensure Ukraine's compliance with its international obligations, including the Paris Agreement and Treaty on Establishing the Energy Community.

Despite the positive changes, achieved over the recent years in the area of EE, strong challenges for the government and population are still associated with the unsustainable energy sector and, to much extent, the obsolete and poorly managed housing stock. Therefore, the ongoing reforms in the residential and utilities sector in Ukraine are closely linked to the needs for improvement of the residential property EE, first of foremost, in the multi-apartment buildings. The true structural shifts in this area, however, are impossible without home owners' commitment to take responsibility, initiate and implement EE measures.

¹ [https://www.kmu.gov.ua/news/uryad-shvaliv-nacionalnij-plan-dij-z-energoefektivnosti-na-period-do-](https://www.kmu.gov.ua/news/uryad-shvaliv-nacionalnij-plan-dij-z-energoefektivnosti-na-period-do-2030-roku)

2030-roku



“Home Owners of Ukraine for Sustainable Energy Solutions (HOUSES), an action within the EE4U Programme” project (hereinafter “the Project”), was launched in October 2018 by the EU and UNDP in Ukraine with the aim of mobilizing the home owners across the country to trigger energy efficiency improvements in their multi-apartment buildings. This EUR 4 million project is part of a larger support package to Ukraine from the EU and the Government of Germany. The EU provided EUR 104 mln under the Energy Efficiency support programme for Ukraine (EE4U), which included EUR 80 mln contribution to the Multi-Donor Trust Fund managed by the International Finance Corporation (IFC).

Over 34 months of its implementation period, the Project provided support to the home owners across Ukraine with setting up new and strengthening the existing Home Owners Associations (HOAs), empowering them to effectively manage, ensure quality maintenance and improvement of their residential property, as well as fostering their cooperation with the municipal administrations and linking to the potential sources of funding, and specifically the EEF.

The support has been provided by the Project in the form of targeted trainings, consultancy, experience exchange and awareness raising activities, as well as motivation campaigns. From the very start, the Project has established a strong, area-based implementation structure covering 24 oblasts of Ukraine, engaging key stakeholders, reaching out to the potential beneficiaries, and putting into operation its capacity-development and support mechanisms.

The Project has been closely coordinating its activities and cooperating with key stakeholders and partners, including but not limited to the EUD to Ukraine, International Finance Corporation (IFC), German Society for International Cooperation (GIZ), the Ministry for Development of Communities and Territories of Ukraine, Energy Efficiency Fund, regional and local administration,

including more than 330 municipalities in 24 oblasts of Ukraine.

The main challenge faced by the Project during its implementation period was the COVID-19 pandemic, which has affected the Project’s activities both directly and indirectly. In particular, the health-related risks forced the Project to apply alternative methods and techniques for providing its services to final beneficiaries, giving preference to safer but in many cases less effective online modality while conducting trainings or experience exchange activities. Furthermore, the crisis caused a reduction in household incomes and a decline in economic activities and revenues to local budgets, thus limiting their financial capacity and readiness to invest in EE improvements.

To ensure the uninterrupted provision of support, the Project swiftly developed a Business Continuity Plan with alternative modalities to support the establishment of HOAs, provide capacity development through the available online tools, as well as promote EEF activities. To address the challenge, the Project’s offline and online activities were thoroughly planned to consider the quarantine limitations introduced by the central and local governments.

As result, the Project has achieved significant success in boosting the establishment of new HOAs and strengthening the capacities of the newly established and pre-existing HOAs. It has provided instrumental support to the Energy Efficiency Fund in promoting its “ENERGODIM” grant programme among potential beneficiaries, and reinforced partnerships at the local level between the EEF and municipal administrations. Since the launch of the “ENERGODIM” programme, and as of the end of July 2021, the EEF had received over 700 grant applications from HOAs, with the estimated total budget of the projects exceeding UAH 3.65 billion, and the total amount of requested funding from the EEF approaching UAH 5.67 billion. Nearly 500 applications have been approved for funding.



The key achievements of the Project can be summarized as follows:

- In total **6,104 HOAs were supported** by the Project. This was achieved through extensive training, individual and group consultations, and experience exchange activities.
- **2,288 HOAs were established** with the Project's direct support. With the outbreak of COVID-19 pandemic this process was not suspended - the Project found the way to support establishing of 950 new HOAs.
- **55,168 people (51 percent women, 49 percent men) participated in 3,432 training activities** organized by the Project over the period of its implementation, including representatives of newly established and existing HOAs, functional groups willing to establish HOAs, as well as representatives of Housing and Building Cooperatives (HBCs) and local self-government bodies.
- Notably, local authorities were also engaged in the project's activities. **332 municipalities partnered with the Project** and 841 local officials participated in its trainings. Moreover, 59 representatives of the local authorities completed full cycle of trainings and received certificates confirming obtained knowledge.
- The supported HOAs have initiated, in total, **1,085 renovation projects**, including 660 projects developed with the intent to be funded from the EEF and 425 projects to be funded from other sources, including municipal programmes, budgetary subvention for socio-economic development, and homeowners' own funds.
- The Project has **mobilized 660 HOAs to initiate applications to the EEF**. Opportunities provided by the EEF under its "ENERGODIM" grant programme were widely promoted, which resulted that **373 supported HOAs have already applied to the EEF** by the end of implementation period. In addition, 63 HOAs are at the stage of energy audit, and 224 HOAs - at the stage of formalizing the decision to participate in EEF's programmes.
- Considering the high demand for the Project's tailored trainings and with the intention to ensure the sustainability of results, **a series of on-line courses "HOAs: the ABC of success"** was developed and launched in April 2021, in partnership with a popular online education platform PROMETHEUS. By the end of the Project over **4,700 people (45% women) have enrolled in the online programme**.
- The Project implemented several information campaigns targeting homeowners and residents of multi-apartment building aimed to raise their awareness of the advantages of HOAs and energy efficiency. Moreover, with the beginning of COVID-19, the Project also contributed to the dissemination of reliable information from WHO and UNICEF about the pandemic and advised on risk-reduction measures eventually reaching over 2.4 million people across the country.
- Over **1,441,600 people were reached by information campaigns** on EE and HOA creation through the channels other than TV: social media, publications. The Project has also reached its audience through **one national (UA:Persnyi) and 43 regional TV channels**. The total estimated audience reached over the implementation period exceeded 36,562,700 (non-unique) TV viewers, who watched the Project information and motivation videos on HOAs related topics.

The experience accumulated by the end of the Project, allowed its external evaluation team to conclude that Ukrainian homeowners can be effectively mobilized to establish their HOAs using



a proper set of knowledge and tools for support to their institutional capacity development. Even under the most unfavorable external circumstances and economical challenges caused by the COVID-19 pandemic, a large number of them have initiated energy efficiency improvements in their buildings.

It was specifically emphasized in the Final Evaluation Report that the Project has potential for replication and scaling up across Ukraine. Support from the national and local authorities is essential for acceleration the creation and sustainable functioning of HOAs, as well as successful implementation of their EE initiatives.

Another important conclusion made is that successful creation and sustainable functioning of HOAs depends on the local environment and access to supporting institutional infrastructure, such as local resource centers, EE technology support centers, legal aid services, building management companies, etc. Such supporting infrastructure needs to be put in place and further strengthened in order to sustain the effective and efficient creation and functioning of HOAs.

In general, *the Project results were evaluated as highly satisfactory*. To take them further, it was recommended to rollout and scale-up the HOUSES Project across the regions of Ukraine working in close partnership with the relevant partners at national, subnational and local levels. In the recommended follow-up action, several new activities were suggested as complementary to the core activities of the HOUSES project, which will allow to amplify the outcome.

The new elements recommended for the follow-up action include, but not limited to:

- (a) Improvement of the legislative framework and regulations to create enabling environment and favorable conditions for HOAs to thrive in.
- (b) International experience exchange activities.

- (c) Promoting the development and strengthening the institutional support infrastructure for HOAs.
- (d) Finally, disbursement of micro-grants for HOAs to support small modernization or “greening” projects would be instrumental for encouraging them to act and eventually become capable and motivated for large-scale EE improvements.



1. BACKGROUND



The need for energy efficiency improvements across the Ukrainian economy is huge. One of the sectors which need to become more energy efficient is the housing and communal sector. This sector, directly impacting the quality of the living conditions of millions of Ukrainians, is four times less energy efficient than in the average Western European country and consumes almost 30 percent of the country's energy². Inefficient central heating systems lead to significant gas wastage. 70 percent of the housing stock, consisting of apartments, situated in multi-apartment buildings, housing approximately 34 million people, is highly energy inefficient³.

Opportunities to address this issue have recently emerged with the passing of a number of related laws, among which a new law that implements an EU directive on the efficiency of buildings in July 2017, and the set-up of an Energy Efficiency Fund, which was officially registered on 24 July 2018. The Fund provides financing to implement thermal modernization projects, establish effective heating and cooling systems and equipment, as well as replace

² http://www.ukrstat.gov.ua/operativ/operativ2012/energ/en_bal/arh_2012.htm



existing systems and equipment with more efficient ones. Financing of energy efficiency projects will take the form of partial refunds of the project's costs to individuals and legal entities.

In 2017 and 2018, the European Commission adopted a new Energy Efficiency Support Programme for Ukraine (EE4U), aimed at contributing to increased energy efficiency in the Ukrainian residential sector and reducing greenhouse gas emissions. In this context, the EU, together with Germany, supported the activities of the Energy Efficiency Fund in providing grants to the energy efficient renovations of multi-apartment buildings across Ukraine.

UNDP and IFC were called upon by the EU to contribute, through technical assistance, to the improvement of the Ukrainian housing stock energy efficiency. From October 2018 to July 2021, UNDP supported HOAs throughout the country to prepare for projects' financing and implementation, building on its country-wide network of partnerships with regional and local governments, and its long-standing experience of bottom-up citizens mobilization.

1.1. Implementation context

Despite two big electoral campaigns and a change of government occurring during the Project implementation period, improving energy efficiency in residential and public buildings has remained a top priority for Ukraine's government. The potential for improving energy efficiency in the residential housing sector remains significant and requires massive investment. Although the housing stock is 93.7 percent privatized, responsibility for the management and maintenance of communal sections of multi-apartment buildings is still shared between municipal housing services organizations, housing/building cooperatives (HBCs), and private homeowners who have created HOAs in line with the national legislation⁴. According to the State Statistic Service of Ukraine, the total number of HOAs registered in Ukraine as of 1 July 2021 was 36,420⁵. However, the number of active HOAs is less than this, with many either having not completed the registration procedure or having suspended their activities (in most of the cases within the first few years after registration). Considering that Ukraine's housing stock includes over 180,000 multi-apartment buildings⁶, there is still a lot of potential for the creation of new HOAs, while the existing ones still require a great deal of support in order to sustain their activities.

As mentioned above, in 2017 and 2018 the European Commission adopted the EE4U programme (Phases I and II), with the aim of helping to increase energy efficiency in the Ukrainian residential sector and reduce greenhouse gas emissions. Under the programme the EU, together with the German Government, support the activities of the EE4U by providing grants to energy-efficiency renovations of multi-apartment buildings across Ukraine. Through this programme, the EU contributed EUR 80 million to the Multi-Donor Trust Fund (established and managed by the IFC under the framework of the EE4U Programme), along with a package of technical assistance worth over EUR 23 million. The Energy Efficiency Fund supports HOAs in implementing thermo-modernization projects and energy efficiency renovations in multi-apartment buildings that employ the best European thermal modernization

4 Law № 417 "On specifics of ownership in apartment buildings" adopted in 2015

5 <http://www.ukrstat.gov.ua/>

6 <http://osbb.ikg-portal.com.ua/ua/publication/one/v-ukrajini-167--bagatokvartirnih-budinkiv-znahodjatsja-v-upravlnn-osbb-55161>



practices. The financing of energy efficiency projects is conducted through providing partial refunds (grants) to HOAs for energy efficiency project costs.

In 2019 15 pilot projects called “First Movers” were launched to test the EEF’s grant policy, the feasibility of the entire project cycle, and EEF’s procedures. In September 2019, the EEF’s “ENERGODIM” grant programme was officially launched, and it was further improved in February 2020 and April 2020. Since the launch of the “ENERGODIM” programme, and as of the end of July 2021, the EEF had received 715 grant applications from HOAs, with the estimated total budget of the projects exceeding UAH 3.65 billion, and the total amount of requested funding from EEF approaching UAH 5.67 billion. More than 497 applications have been approved for funding.

The COVID-19 pandemic that swept across the world in early 2020 has seriously affected the Project’s environment and activities. This outbreak coincided with a change of government in the country, while conditions were already challenging due to a fall in the economy and the protracted armed conflict in eastern Ukraine. The first COVID-19 case in Ukraine was detected in March 2020 in Chernivtsi Oblast. After that, the situation rapidly escalated, and soon cases of COVID-19 were being recorded in all regions of Ukraine. In response to the pandemic, Ukraine’s government introduced a nationwide lockdown from March to May 2020, after which the GOU introduced an “adaptive quarantine” regime in the country. A range of restrictive measures have been in place continuously, depending on the level of risk assessed in an area for which local authorities were responsible. “Red”, “orange”, “yellow”, and “green” zones were assigned by the State and Regional commission on Technogenic and Ecological Safety and Emergencies at the regional level, according to data provided by the Ministry of Health (MOH).

The COVID-19 pandemic has seriously impacted the Project’s beneficiaries and stakeholders. The crisis and the imposed quarantine and lockdown caused a reduction in household incomes, and a decline in economic activities and revenues to local budgets. According to the findings of the COVID-19 Socio-Economic Impact Assessment⁷ conducted by UNDP in partnership with the Food and Agriculture Organization (FAO) and UN Women in May-June 2020, among the top concerns of households are paying back loans, paying utility bills, and increases in food prices. The pandemic has significantly reduced the average monthly income of more than half of the country’s households.

1.2. Project objective and key deliverables

The Project promoted sustainable socio-economic development at the local level by addressing two interlinked elements. The first element is the mobilization of homeowners in Ukraine to organize themselves within the available legal framework so as to fully realize their rights and responsibilities in relation to their multi-apartment buildings. The second element is motivating and supporting HOAs on their way to carrying out thermo-modernization projects and reducing their excessive energy consumption, which results from the outdated physical state of the country’s housing stock. Such projects can only be created when homeowners themselves are proactive and take the initiative.

⁷ https://www.ua.undp.org/content/ukraine/en/home/library/democratic_governance/covid-19-in-ukraine--impact-on-households-and-businesses.html



The key intended outcome of the Project is **to increase, throughout the country, the number of operational HOAs that have the capacity to plan viable energy efficiency solutions for their buildings** and to mobilize financing for their energy efficiency (EE) improvement projects through the EEF.

The specific objectives of the Project are to stimulate and support the creation of HOAs and to prepare them to seek and obtain financing for their home improvement projects from the EEF and other available sources. Primarily it was envisaged that throughout the country's 24 oblasts, with the Project's support, at least 2,000 new HOAs would be created, and a total of 4,000 HOAs would be trained to manage their associations and develop energy efficiency projects. The Project aimed to directly benefit at least 480,000 people throughout Ukraine, and help raise the energy efficiency awareness of no less than 1,000,000 people overall.

The initial implementation period of the Project covered a period of 24 months (from 1 October 2018 through 31 October 2020). To address the challenges caused by the COVID-19 pandemic and restrictions on movement imposed by the Government, the Project's implementation period was extended until the end of July 2021. These changes were reflected in amendments to the Description of the Action (in terms of duration and target indicators) and the Budget for the Action.

1.3. Project implementation arrangements

The Project was implemented by UNDP in Ukraine as part of the Inclusive Development, Recovery and Peace Building (IDRPB) portfolio. The project implementation team was led by a Team Leader, supported by eight staff members in the central office in Kyiv, and 24 regional coordinators (Community Development Associates) based in 24 oblasts of Ukraine provided with the support of a driver in their local offices, as well as management, administration, and communications support from the central office in Kyiv.

The Project has established and maintained good and constructive partnership relations with subnational and local authorities, including regional administrations and councils, city councils, territorial communities, etc. The local offices in the majority of the regions were provided by the regional authorities under Memorandums of Understanding (MOUs) signed with UNDP for the period from 2017 until 2022. Of the 24 local offices, 17 are located on the premises of oblast councils, three in the premises of oblast state administrations, one in the UNDP project office in Kyiv, and three in UN shared premises: in Kharkiv (Kharkiv Oblast), Kramatorsk (Donetsk Oblast), and Severodonetsk (Luhansk Oblast).



2. RESULTS ACHIEVED BY THE PROJECT



Since its start and during its entire implementation period, the Project has been continuously and efficiently supporting the key target groups with extensive training and other capacity-development activities and has managed to deliver its services in a highly challenging implementation context. As result, the Project has made significant progress in boosting the establishment of new HOAs, developing and strengthening the capacities of the newly established and pre-existing HOAs supported by the Project, and providing support to the Energy Efficiency Fund in promoting its “ENERGODIM” grant programme among the potential beneficiaries – HOAs. It has also succeeded in establishing partnerships at the local level between the EEF and municipalities. Moreover, the Project has also developed and implemented information campaigns targeting homeowners and residents of multi-apartment buildings, aimed to raise awareness of the benefits of HOAs and energy efficiency projects. It has also contributed to the dissemination of reliable information about risk-reduction measures in response to the COVID-19 pandemic.

The Project’s overall objective was fulfilled through achieving the following two main outputs:

Output 1: Mobilized homeowners set up their associations.

Output 2: The operational, project design and implementation capacities of the new or pre-existing HOAs are developed.



Project's final evaluation was conducted in June-August 2021. In the Final Evaluation Report (provided in the Annex 27), it was noted that: (a) the Project has clearly demonstrated that Ukrainian homeowners can be mobilized to establish their HOAs, if provided with right knowledge and tools, (b) External circumstances and economical challenges caused by the COVID-19 pandemic prevented HOAs from triggering energy efficiency improvements and other capital/modernization works in their residential buildings, and (c) the Project has the potential to be replicated and scaled up across Ukraine if there is the right environment with favorable conditions for HOAs to succeed and thrive to bring benefits to local communities. At the same time the following recommendations were provided by the Evaluator: (a) strategies in the future project design and formulation to strengthen outcomes indicators and (b) Improve synergies with other UNDP-led projects/programmes to maximize collective results. It was also recommended to: (c) Communicate project results with focus on benefits and impacts on societal and community well-being (d) Consolidate institutional knowledge for HOAs into one primary source, and (e) Rollout and scale-up the HOUSES Project across 24 regions in Ukraine. By the end of the Project some of the recommendations, including one-stop shop for the Project intelligence by placing all the related information of project [the website](#), were addressed, while others can be addressed in a follow-up action.

2.1. Output 1: Mobilized homeowners set up their associations

The Project developed an information strategy and continuously carried out awareness-raising and training activities with the aim of informing as many people as possible about its activities and existing possibilities for homeowners to improve their knowledge and become involved in applying energy efficiency measures. Within the strategy, the Project engaged the key target groups (Functional Groups of homeowners, newly established and pre-existing HOAs, HBCs), as well as representatives of regional and local authorities, and local communities in all oblasts. In line with the Project's Logical Framework, by the end of its implementation the Project was to have mobilized homeowners to establish at least **2,250** new HOAs, and support at least **6,000** HOAs (both newly created and pre-existing ones) with capacity development and experience exchange activities, with special attention paid to women's participation and support for HOAs with low-income households. The key target results achieved by the Project are summarized in the table below.

Table 1. Output 1 indicators

OUTPUT INDICATORS	TARGET	ACTUAL
1.1 Percentage of homeowners aware of energy efficiency requirements and solutions for their buildings and EE financing facilities (gender-disaggregated) in the territories covered by the Project	75% (75% women, 75% men)	78.8% (78.7% women, 78.9% men)
1.2. Cumulative number of home owners' functional groups, supported by the Project, register their associations	2,250	2,288
1.3. Percentage of newly set-up functional groups and HOAs supported by the Project, managed by women or with a majority of women in their memberships	50%	51%
1.4. Cumulated number of HOAs (both pre-existing and newly created) supported by the Project	6,000	6,104
1.5. Percentage of newly set-up HOAs, supported by the Project, manage housing blocks with at least 25% of low-income home-owners	20%	24%



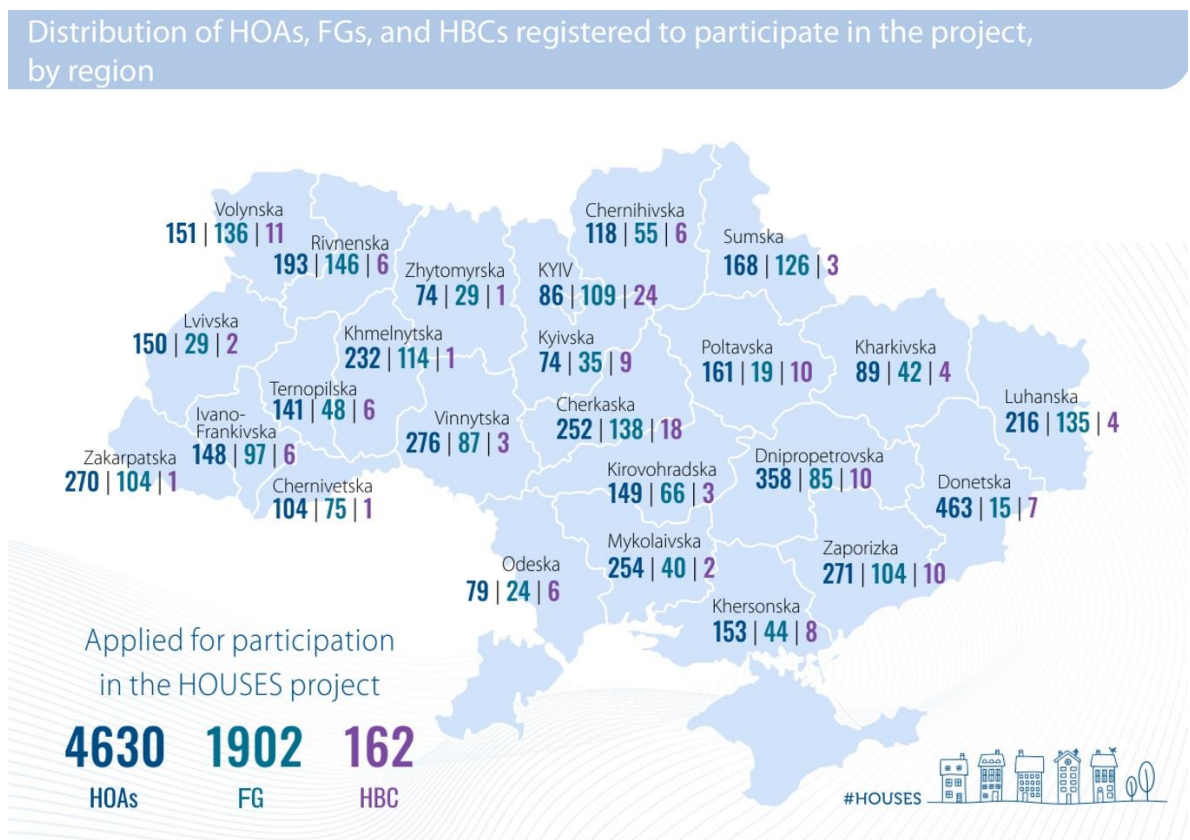
By the end of the Project, **15,212** Ukrainian homeowners, along with staff from local authorities, improved their knowledge about energy efficiency measures through **920** info sessions held for Project beneficiaries in all oblasts.

This approach resulted in the establishment of a critical partnership between HOA Heads’ Councils, regional Associations of HOAs, local Associations of HOAs, Resource Centres, and regional Energy Efficiency Centres, which facilitated communications with HOAs in the target regions throughout the country. This partnership has proven essential to the further successful implementation of the Project at the oblast and local levels and forms the basis of the Project’s sustainability.

Moreover, **332** municipalities applied for partnership and committed themselves to support the implementation of the Project through launching municipal EE and HOA support programmes, promoting energy efficiency in general, and supporting the popularization of the EEF’s grant programme among HOAs, encouraging them to participate in the EEF’s “ENERGODIM” programme (Annex 2).

Another result of this approach to HOA mobilization is seen in the number of applications for participation in the Project. During the implementation period, the number of registered applications through the houses.in.ua platform reached 6,694, among them 1,902 Functional Groups (FGs), 4,630 Homeowners Associations (HOAs) and 162 Housing Building Cooperatives (HBCs) that wished to transform into HOAs (Annex 3).

Figure 1. Distribution of HOAs, FGs, and HBCs registered to participate in the project, by region





While providing support for the creation of new HOAs, the Project worked primarily with homeowners who had yet to make a choice on how to manage their multi-apartment buildings. A lot of preparation work was aimed both at homeowner education and motivation, therefore, had to precede the start of actual HOA registration.

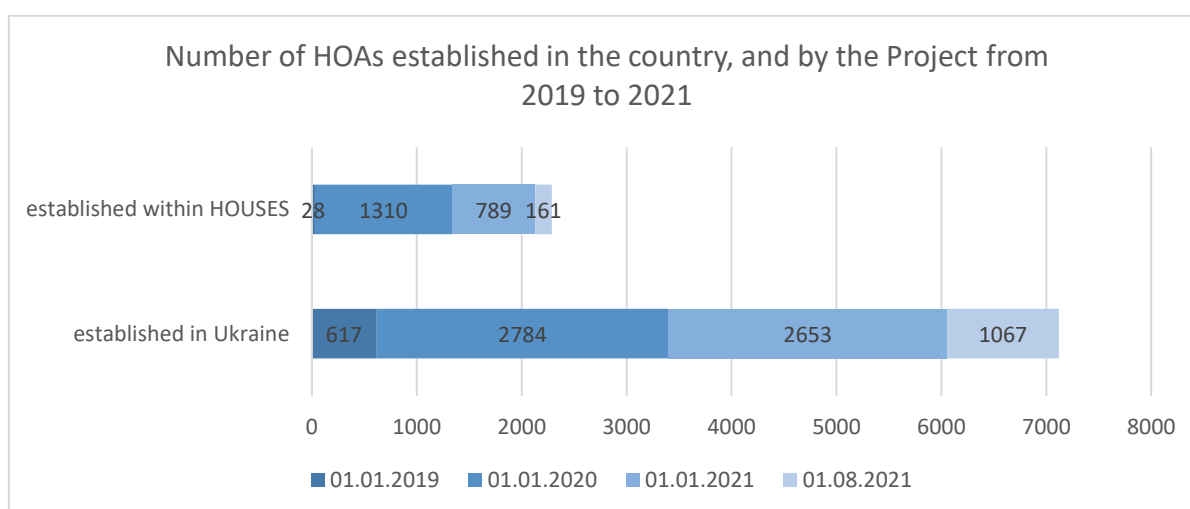
The establishment of new HOAs with support from the Project showed a positive trend over the period of Project activity. According to data collected by the Project, during the whole 2018 a total of **1,917** new HOAs were established in Ukraine, and the overall trend was declining. With the start of the Project's active phase, the number of newly established HOAs in Ukraine increased to **2,784** HOAs in 2019, of which **1,310 (47.05 percent)** were HOAs established with Project support. In 2020, when the whole country faced the COVID-19 lockdown and followed quarantine restrictions, the Project supported the creation of **789** HOAs, or **29.7 percent** of the total number of HOAs established in the country. And during the first seven months of 2021 the Project supported the establishment of **161** HOAs, which is **15 percent** of the total number of HOAs established in Ukraine during the respective period.

The fall in the pace of establishment of HOAs from the second half of 2020 was the result of several factors – the main one being the COVID-19 pandemic.

Table 2. HOAs established from 2019 to 2021: Country total, and with support of the Project

Period	Number of HOAs established in Ukraine	Number of HOAs established within support of HOUSES Project	%
Oct-Dec 2018	617	28	4.5%
Jan-Dec 2019	2,784	1,310	47.05%
Jan-Dec 2020	2,653	789	29.7%
Jan-July 2021	1,067	161	15%

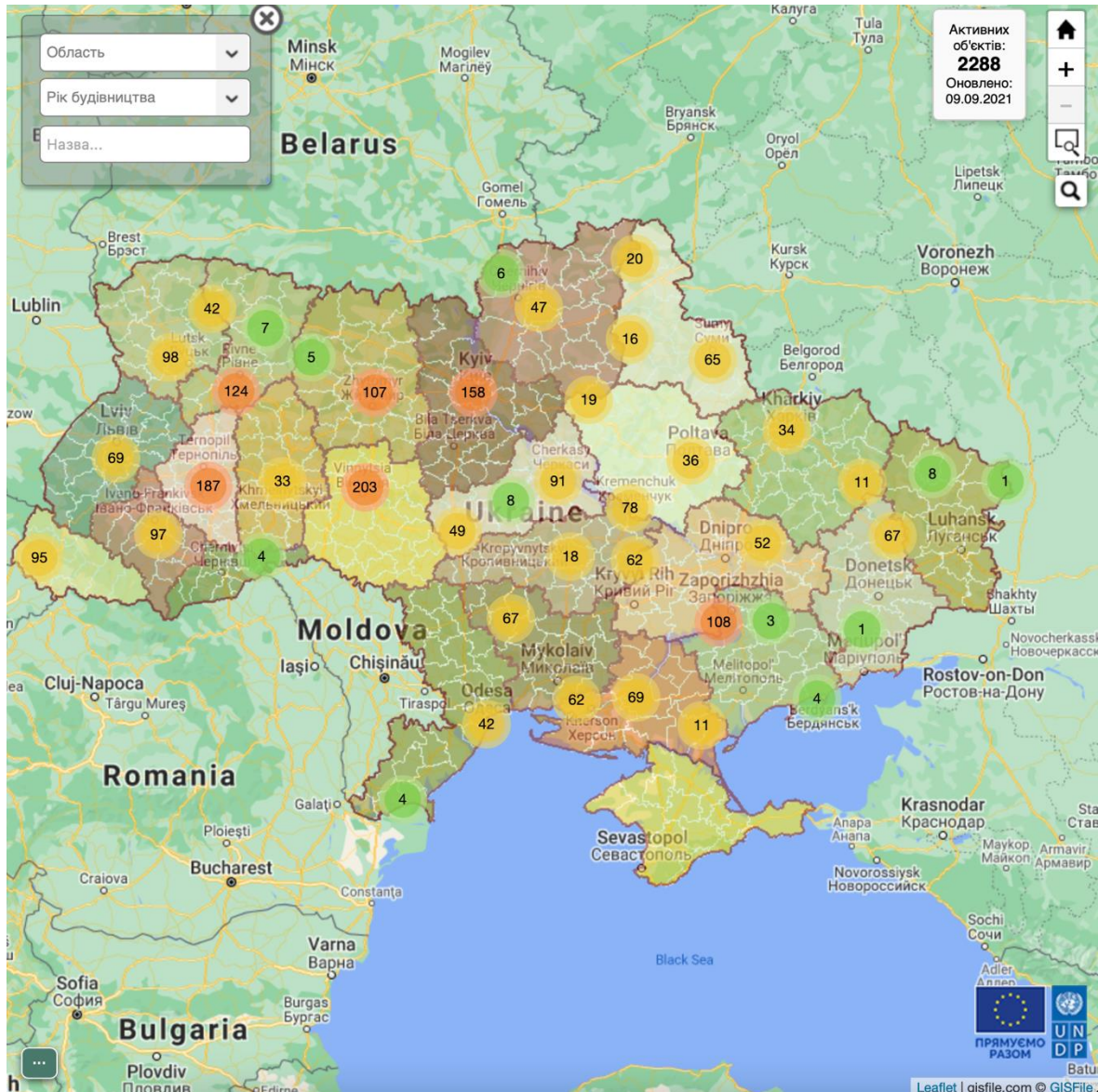
Figure 2. Number of HOAs established in the country, and by the Project





During the Project implementation period a total of **2,288** HOAs were established with HOUSES support, of which **950** were set up after the COVID-19 outbreak. This shows that the Project’s comprehensive approach and the facilitation of the process advanced by the Project boosted the creation of new HOAs (*Annex 4*), as can be seen on this interactive map <http://houses.in.ua/map>.

Figure 3. Interactive HOAs map



Overall, from October 2018 until July 2021 the project supported **6,104** HOAs – both newly created and pre-existing ones – through providing training, consultancy support, facilitating experience exchanges, and supporting dialogue (*Annex 5*).

Specifically, the Project gave a serious boost to the capacity development of residents of small cities, including low-income homeowners and residents of remote settlements, who for the first time received access to professional and free training.



The Project also contributed to decentralization reform by facilitating the provision of support by the city authorities to newly established HOAs. Some local government bodies demonstrated a strong commitment to supporting and investing in HOAs through the adoption of HOA Support Programmes, with **95** Partner municipalities in **24** oblasts adopting support programmes in 2020.

It is worth mentioning that despite the challenges related to the COVID-19 pandemic and its negative impact on local budgets, **45** of these support programmes were extended into 2021 (*Annex 6*); the extension of programmes in municipalities required extensive communication with local authorities.

The Project also promoted broad social mobilization through the creation of homeowner's partnerships in small towns, ATCs, settlements, and villages. Positive developments were seen in the regions, where several small Ukrainian cities have created a webpage devoted to supporting HOAs. The Project's training participants also organized themselves into a broad HOA regional network and organized a volunteer group of responsible homeowners to exchange experience on the establishment and development of HOAs.

To facilitate the creation and operation of HOAs, as well as to protect the interests of newly established HOAs in the face of municipalities and monopolists, the Project supported the establishment of five Associations of HOAs – in Sumy, Zakarpattia, Cherkasy and Vinnytsia oblasts, and one Association of HOAs Heads in Kyiv Oblast.

2.1.1. Activity 1.1: Public information campaign

The Project's public information campaign was initiated at the official launch of the Project on 30 October 2018, with the participation of a Ukrainian Vice-Prime-Minister, the Minister of Regional Development, Construction, Housing and Communal Services, the Head of Cooperation, Delegation of the European Union to Ukraine, and UNDP's Ukraine Country Director.

The official start of the Project at the national level was followed by the holding of project information sessions at the regional level across Ukraine, which also received good coverage in local mass media. The purpose of these information sessions was to introduce the Project to all stakeholders, including communities and local authorities. Thus, sessions were organized by the CDAs at various administrative territorial levels – from oblast and city levels to districts, ATCs and smaller settlements in which there are multi-apartment buildings.

The Project, via its CDAs, established a partnership with regional Associations of HOAs, which willingly assisted in the facilitation of communications with HOAs throughout the country, as well as sharing best practices.

The public information campaign proved to be well targeted, and delivered clear communications and user-friendly messages to its stakeholders – the number of information sessions held in the regions during this period is clearly correlated with the number of applications received from Functional Groups and HOAs to participate in Project activities. The effective communications – providing information and raising the awareness of communities and homeowners – as planned motivated them to organize themselves into HOAs.

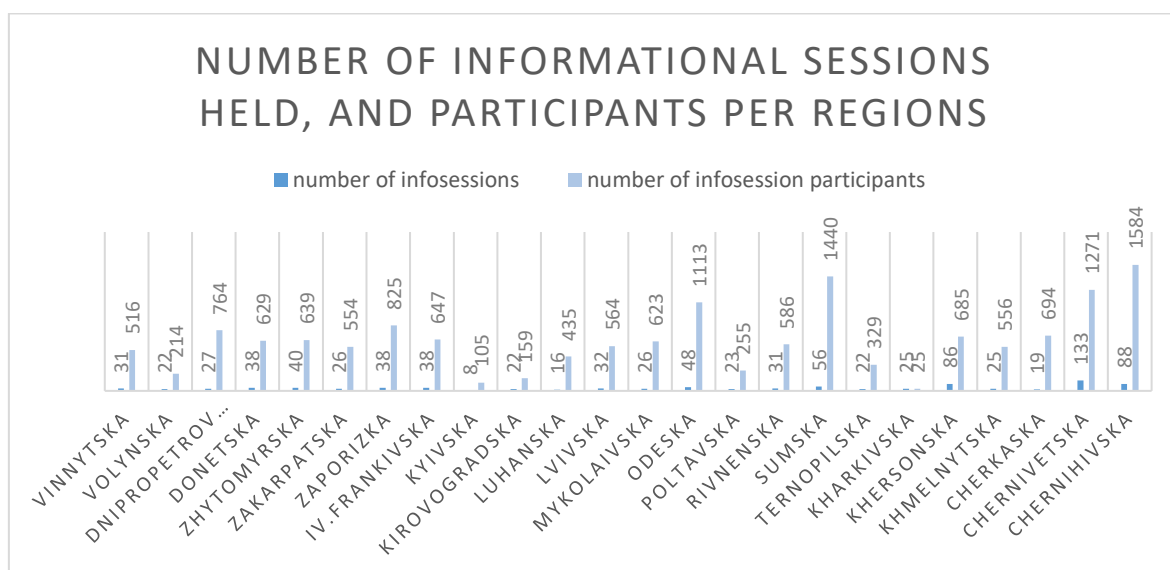
Further on, the Project continued organizing information campaigns. These were synchronized with the stages of the training cycle, and were aimed at informing all stakeholders, including homeowners and other



residents of multi-apartment buildings, community leaders, and local authorities, about the advantages of HOAs and the implementation of EE measures. They also informed stakeholders about new legislation on energy efficiency (including that related to the housing sector), and the setting-up of the Energy Efficiency Fund – including its financing opportunities and the EU's contribution to the fund.

By the end of the Project, **15,212** Ukrainian homeowners, along with the representatives of local authorities, had improved their knowledge about energy efficiency measures through **920** info sessions held for Project beneficiaries in all oblasts.

Figure 4. Number of informational sessions held, and participants per region



The information campaign included the broadcasting of a series of videos in all regions, the publishing of articles in electronic mass media, and the participation of CDAs in various events at the local and oblast level, during which they promoted information about the Project's activities.

Overall, during the Project implementation period over **1,441,600** people were reached by information campaigns on EE and HOA creation through channels other than TV – mainly social media, and print publications.

Based on information received from the Project partners responsible for disseminating Project information and motivational videos on HOA-related topics via TV channels, the audience of the one national (UA:Pershyy) and 43 regional TV channels (including UA:Pershyy regional branches) including in the Project's information campaigns is estimated at **36,562,700** non-unique TV viewers.

Later, to assess awareness of the topics and principles promoted through the Project's public information campaign, a short survey was conducted. It showed that **78.8** percent of informed homeowners understand the energy efficiency requirements of their buildings and are aware of EEF financing opportunities.

In addition, the Project actively supported over **2.4 mln residents of multi-apartment buildings** by providing them with reliable information about the COVID-19 pandemic, and by sharing best practices and



recommendations on how to implement quarantine measures in multi-apartment buildings during the COVID-19 pandemic. More information is provided in section 2.5 below including the information on the Project's efforts to ensure donor's visibility.

2.1.2. Activity 1.2: Engaging HOAs/Supporting Functional Groups

Prior to the process of selecting FGs, HBCs and HOAs to be supported, the Project carried out an assessment of the overall current situation in the housing sector of Ukraine for each oblast (Baseline survey). The analytical analysis covered the following data essential for customizing approaches to each oblast:

- total number of multi-apartment buildings;
- number of multi-apartment houses in which HOAs have been created;
- number of HOAs created;
- number of HBCs;
- growth in the number of HOAs from 2015 to January 2019;
- currently available state, regional and local financial support programmes for HOAs, and for energy efficiency.

The results of the Baseline survey were used to evaluate the current situation and to develop Project approaches and plans.

At the *first stage* of the training cycle, the Project identified Functional Groups (FGs), i.e., groups of active homeowners from existing HOAs, or those homeowners willing to set up an HOA or transform an existing HBC into an HOA.

For the process of selecting the FGs, which was organized through on-line tool <http://www.houses.in.ua>, three main selection criteria were determined:

- commitment demonstrated by local councils to cooperate with UNDP and support Project implementation;
- commitment demonstrated by homeowners in multi-apartment buildings to participate in the Project's activities;
- commitment demonstrated by existing HOAs to participate in Project activities.

After the FGs were identified, the project launched an online questionnaire with the purpose of assessing HOAs' needs, allowing each HOA to express its training priorities and areas of interest. This data was analyzed and compared with the information obtained through individual meetings held by the project's CDAs, and capacity-building modules were adapted for each HOA.

The training modules on HOA operational issues included highly specialized disciplines related to the maintenance of buildings, accounting, financial reporting, and so on.

The selection of the FGs was supported by capacity development of the Project's regional staff – all 24 CDAs improved their knowledge on HOA-related issues, including HOA and EE legislation, by taking an advanced Training for Trainers (ToT) capacity-building programme.



By the end of the Project, the number of registered applications through the <http://www.houses.in.ua> platform reached **6,694** interested participants, among them **1,902** residents of multi-apartment buildings wishing to set up an HOA, **4,630** Homeowners Associations (HOAs), and **162** Housing Building Cooperatives (HBCs) that wished to transform into HOAs.

2.1.3. Activity 1.3: The first development step of HOAs

The Project's *first development step* was focused on supporting Functional Groups of residents in setting up HOAs. Groups of active homeowners who wished to initiate the creation of HOAs in their residential blocks, as well as HBCs that wanted to transform into HOAs were identified by the Project through the <http://www.houses.in.ua> platform.

At the *second stage* of the training cycle, the Project provided the identified FGs, through targeted training sessions, comprehensive training on the theoretical and practical aspects of HOA creation, including the regulatory and legal aspects of HOA registration and associated issues. At this stage **2,073** training sessions were delivered for **2,196** FGs members.

To support the FGs in planning the actual setting up of their associations, the Project carried out a series of group consultations in the form of a basic seminar on establishing HOAs, along with regular individual consultations with active homeowners who wanted to set up HOAs. In total, during the Project's implementation **5,894** individual consultations – both face-to-face, and remotely via the available digital tools – were provided to FGs on establishing HOAs, and on operational issues.

For pre-existing HOAs whose members wished to improve their knowledge, the Project organized regular training sessions on basic activities in operating HOAs, and on communications with monopolist utility providers, service providers and local authorities. These activities were implemented through targeted training sessions and individual consultations (which were shifted to online mode from March 2020).

Special efforts were made to involve HBCs in the Project: informational sessions were held at which the main challenges in the legislation related to the status of HBCs were explained, and representatives of HBCs were invited to Project training sessions, meetings and specialized events organized for stakeholders.

As a result, **162** HBCs expressed interest in participating in the Project, and **71** received certificates for the completion of a full course of basic training. A total of **404** unique HBCs participated in Project activities, but only **3** HBCs transformed into HOAs.

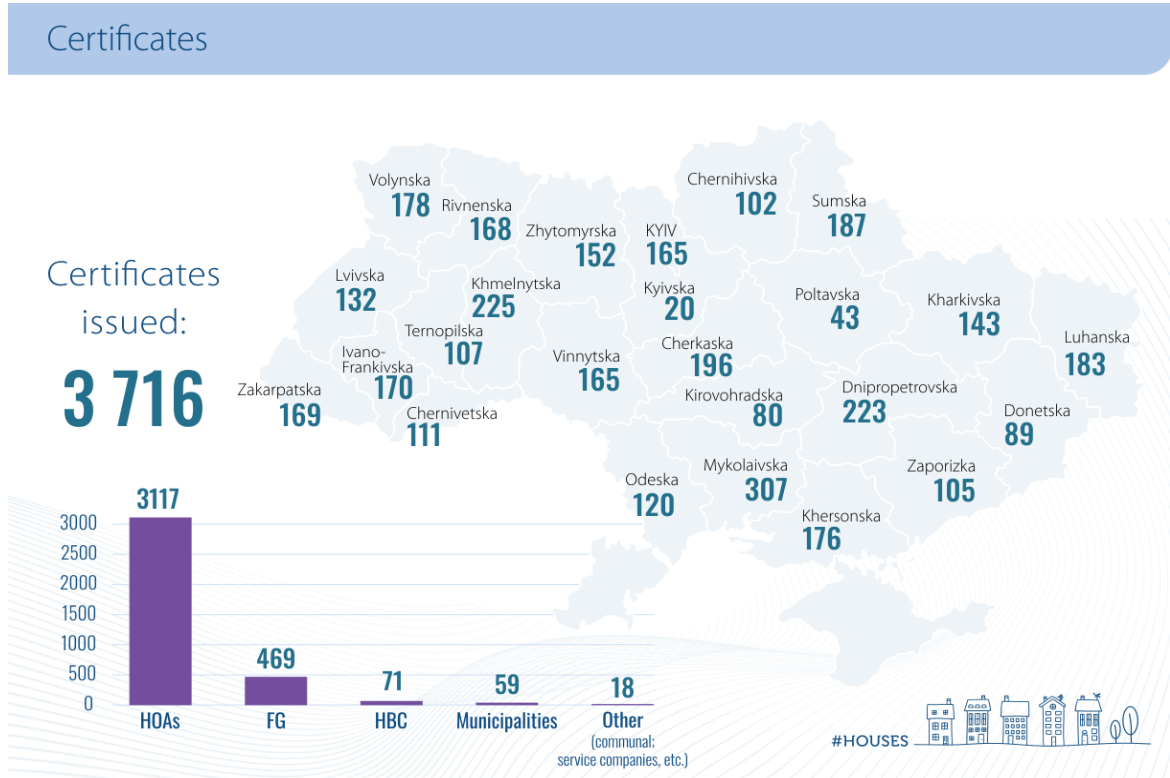
This is because although there is a high level of interest from HBCs in EEF opportunities, they are reluctant to change their status and transform into HOAs due to their belief that their present status is equivalent to that of an HOA. This situation will require joint interventions from the Project's partners at the national and sub-national levels (EEF, the Ministry for Communities and Territories Development and/or the Ministry of Justice), to provide the necessary explanations and clarifications to HBCs on the opportunities available for HOAs.

To reach the maximum number of interested HBCs, the Project supported this activity with specialized publications and two videos explaining HBCs' opportunities – in particular the way HBCs could be transformed into HOAs and apply to the EEF to finance their energy efficiency projects.



By the end of the Project **3,716** participants – from FGs, HBCs, and HOAs, and representatives of local authorities – had completed the basic training programme and received a Certificate of Completion (*Annex 7*).

Figure 5. Certificates of Completion issued to HOAs and FGs (per oblast) from March 2019 to July 2021



The Project promoted the establishment of new HOAs using a variety of approaches and methods, i.e., through the provision of professional support, the systematization of expertise from existing HOAs, and alerting local authorities to problems in homeowner empowerment.

It should be noted that the building of good communications by the CDAs with homeowners, and the support provided to FGs in the form of individual consultancy, ad-hoc meetings and participation in the constituent meetings, resulted not only in improvement of knowledge but also in an increased level of trust between individual residents and HOAs. This played an important role in ensuring the acceptance of the idea of improving the energy efficiency of buildings, and applying to the EEF.

In March 2020, to address the challenges caused by the COVID-19 pandemic and ensure the uninterrupted provision of support for the establishment of new HOAs, the Project carried out an analysis of the legislation, preparing recommendations for its CDAs on how to establish an HOA remotely (*Annex 8*). This allowed the Project, by applying the recommendations and using the available online tools, to continue its work to establish HOAs even during quarantine. As a result, **950** HOAs had been established by July 31, 2021, following the provision of the recommendations by the Project.

It should also be underlined that gender equality and gender parity considerations were an integral part of Project implementation. At its start, the Project conducted a baseline gender equality analysis to establish the gender dynamics of the territorial units in which it was to intervene. This analysis helped identify the



extent of women and men's engagement in associated activities in each territory, and gauge the public perception of women and men's respective abilities to manage homeowners' associations effectively.

During the Project, gender parity was measured through the gathering of sex-disaggregated data at the activity level (gender balance in the membership of associations and functional groups, the attendance of events and training, and when designing renovation projects and preparing to apply for financing), and at the results level (gender balance in new skills and competences acquisition, in setting up and managing associations, in improved decision-making processes within associations, in securing energy efficiency financing, in dealing with the EEF and lenders, and so on). The data were gathered via a mid-term survey.

2.2. Output 2: Operational, project design and implementation capacities of new or pre-existing HOAs are developed

Activities to achieve Output 2 focused on building the capacities of pre-existing and newly created HOAs, with the associations being provided with the knowledge and skills needed not only to operate effectively, but also to identify energy efficiency initiatives that could receive financing. These activities included basic and specialized training aimed at improving HOA operations (on the maintenance of buildings, accounting, and financial reporting), along with exchange visits, workshops, and forums. Quarantine restrictions provided an impetus for the development and launch of new activities, among which were intensified online individual consultations, online meetings with HOA leaders, on-demand webinars, webinars on urgent issues with invited experts, and virtual experience-exchange visits to HOAs that have successfully implemented EE solutions.

The results achieved by the Project are summarized in the table below.

Table 3. Output 2 indicators

OUTPUT INDICATORS	Year 2	
	TARGET	ACTUAL
2.1. Percentage of trained HOA representatives who confirmed their use of new skills and competences when running their associations	80%	90%
2.2. Number of renovation projects initiated by the HOAs trained by the Project	500	1,085
2.3. Number of HOAs trained by the Project and handed over to IFC	1,000	3,130
2.4. Percentage of homeowners in territories covered by the Project that are satisfied with the management of their HOAs (including plans for renovations and EE retrofitting, gender disaggregated)	75% (75% women, 75% men)	81% (82% women, 80% men)
2.5. Total amount of positive media items covering the Project and HOA energy efficiency solutions/energy savings	400	1,350



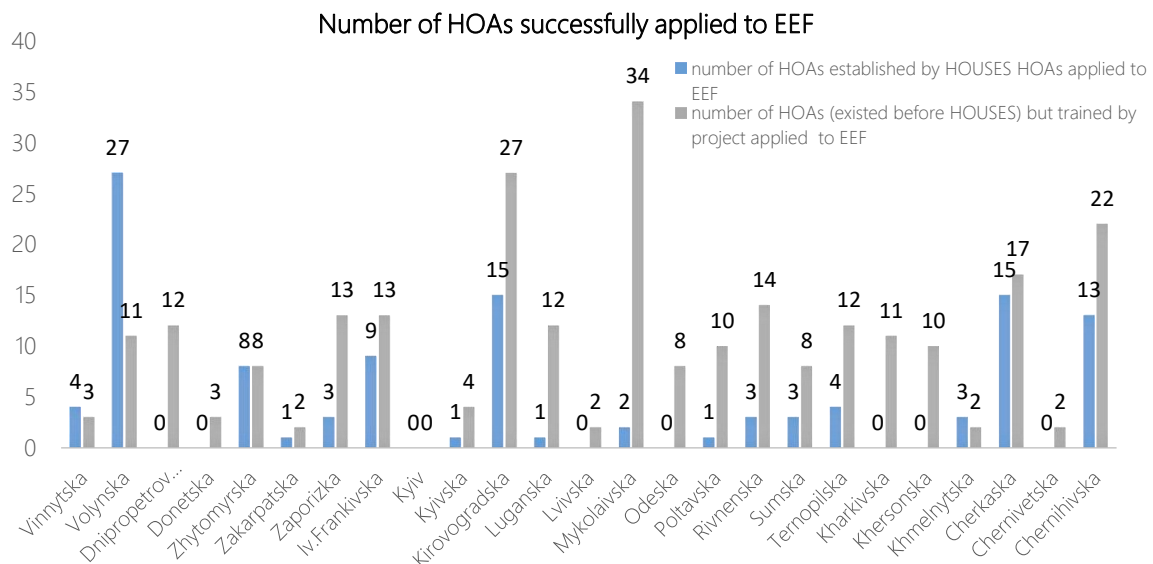
As mentioned in the previous chapter, during the Project's implementation period a total of **4,630** existing HOAs and **1,902** FGs expressed interest (on the <http://houses.in.ua> platform) in participating in the Project's comprehensive training programme.

A total of **3,716** participants completed the basic training course, during which they acquired knowledge about HOA legal status regulations, technical documentation, relations with utility operators, funds, cost estimates and contributions to HOAs, the organization of accounting, and financial discipline of the HOA board and co-owners. This knowledge allows them to create and operate an HOA in keeping with the legal and financial discipline rules. 84 percent of the total participants were members of already established HOAs, 13 percent represented FG willing to establish their HOAs, 2 percent represented Housing-building cooperatives, and 1 represented the municipal administrations.

The Project continued to deliver specialized training to support the technical awareness of the HOAs and explain the advantages of energy efficiency and sustainable energy use, as well as the possibility of applying it to an HOA. The training had a strong emphasis on topics related to energy efficiency, and involved national level experts and IFC specialists. As a result, **373** HOAs have already applied to the EEF, with **113** of these HOAs having been established with Project support (*Annex 9*).

In addition, **63** HOAs are at the stage of undergoing an energy audit, and another **224** HOAs are at the stage of deciding on whether to participate in the EEF and become potential beneficiaries of the "ENERGODIM" programme. In total, the Project has directly mobilized **660** HOAs to initiate applications to the EEF.

Figure 6. Number of HOAs that have applied/are planning to apply to the EEF

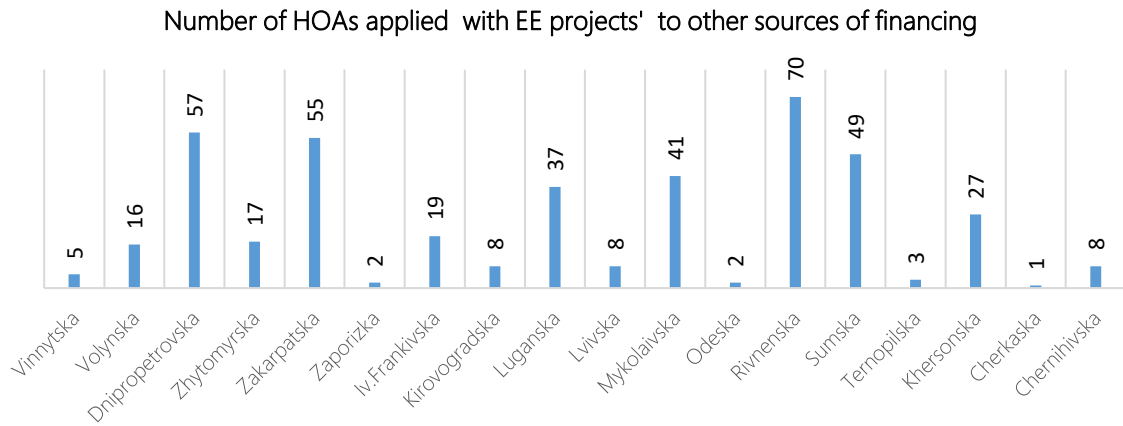


The Project actively advocated for the establishment of local programmes in its partner municipalities to foster the creation of new HOAs and support existing HOAs, resulting in the establishment of several such programmes. Project activities to support HOAs also encouraged them to implement EE measures not only through applying to the EEF's "ENERGODIM" grant programme for serious interventions, but also to carry out some energy efficiency measures using other financing opportunities, such as municipal support programmes, budgetary subvention for socio-economic development, and homeowners' own funds. As a



result, **425** HOAs prepared their energy efficiency projects and applied for financing from the mentioned sources of funding.

Figure 7. Number of HOAs initiating EE projects for alternative funding



To increase the capacity for the sustainable operation of newly established HOAs, and to form solid skills in the financial and legal aspects of managing HOAs, the Project organized **551** regional-level training sessions, which were attended by **16,034** participants.

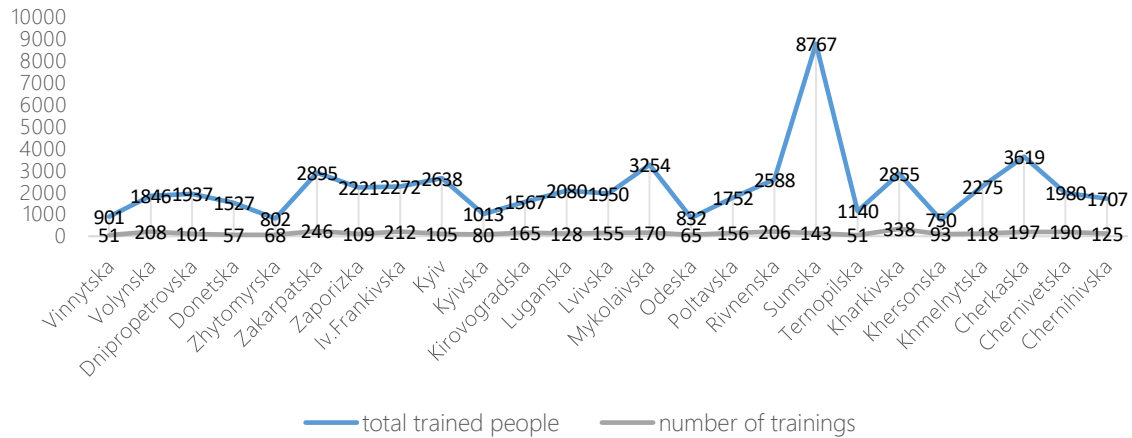
During quarantine, in order to motivate pre-existing HOAs to enhance their knowledge, the Project invited well-known highly qualified national experts to present relevant topics. In this period, **8,684** participants improved their skills in the financial and legal aspects of managing HOAs, attending **68** online training sessions/webinars organized by the Project from March 2020 until March 2021. All of the training sessions were recorded, and made available to all those who registered to take part in the sessions.

In total, some **55,168** people (of this number **11,449** are unique participants) attended **3,432** online and offline training sessions organized by the Project, where they learned about property ownership in multi-apartment buildings, forms and obligations of co-ownership, the concept of the management of a multi-apartment building, calculating management costs, and the responsibilities of the manager.

Figure 8. Number of training sessions held, and participants per region



Number of training sessions and participants



The Project carried out a mid-term survey in October-November 2020 to evaluate the effectiveness of the approaches chosen to fulfil Project targets.

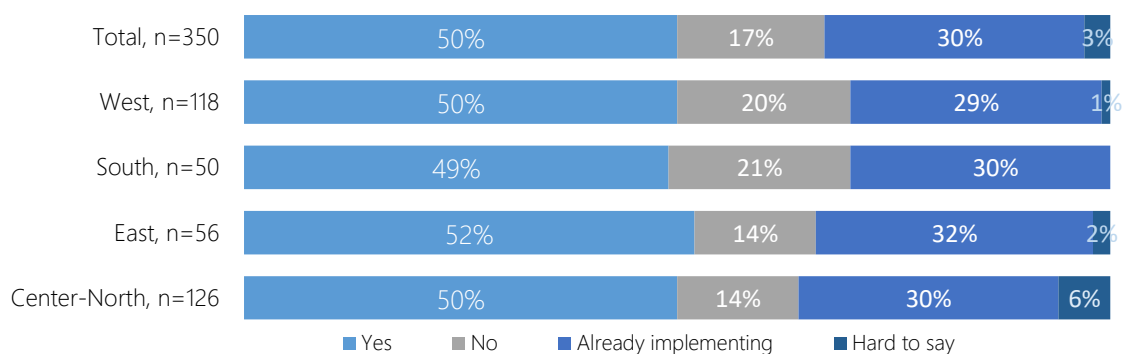
The survey findings are based on 350 interviews with board members of the HOAs that participated in the Project, six online focus group discussions (FGDs) held in six different regions with key target audiences (HOA board members; people in initiative groups to create an HOA, but who have not yet created one; co-owners of multi-apartment buildings who had thought about creating or tried to create an HOA, but who no longer wanted to do so); and 12 semi-structured interviews with municipality representatives who work in the HOA and/or housing sector field.

The mid-term survey identified barriers for HOAs establishing and operation, including financial, legislation and bureaucracy, and proposed solutions to address them, namely increasing cooperation between HOAs and raising awareness. These solutions were implemented through online course and creation of one-stop-shop resource – project website, and conducting regional events and sessions led by CDAs. It also examined additional opportunities to reach potential beneficiaries – the co-owners of multi-apartment buildings who have not yet created or initiated the establishment of HOAs – and ways to encourage homeowners to create HOAs. This survey also helped the Project assess its impact in improving homeowners' awareness of energy efficiency requirements and solutions.

According to the mid-term survey, **78.8** percent (78.7 percent women, 78.9 percent men) of Ukrainian homeowners – participants of the Project were aware of efficiency requirements and solutions, and the EE financing facilities available for the territories targeted by the Project.

The survey also provided information about the intentions of the HOAs created with Project support to renovate/retrofit their buildings for energy efficiency.

Table 4. The intention of HOAs to implement energy efficiency measures



Cumulatively, **80 percent** of homeowners are ready to implement EE measures in their houses – of this number **50 percent** of HOA members confirmed their intention to renovate/retrofit their buildings for energy efficiency, and **30 percent** state that they are already implementing such measures.

At the same time, **72 percent** stated that the main difficulty in implementing energy efficiency measures was a lack of funds, along with a lack of information about the required steps (18 percent), a lack of time (8 percent), the long duration of bureaucratic procedures (2 percent) and difficulties in communication with homeowners.

The target for mobilising homeowners to implement EE measures in their houses was set at 5 percent at the beginning of the Project, when there was uncertainty over the achievability of results. However, during Project implementation this target was exceeded, and the final result was much higher than had been expected.

The findings of the survey confirmed the effectiveness of the approaches that the Project used to achieve its targets (*Annex 10*).

2.2.1. Activity 2.1: Operationalization of newly set up HOAs

Within this activity, the Project's efforts were focused on building the capacity and skills of newly established HOAs in relation to Ukrainian legislation, including energy efficiency measures, and the maintenance, accounting, and financial management of multi-apartment buildings.

At the *third stage* of the training cycle, the Project's efforts were focused on developing the newly set-up HOAs' knowledge and understanding of Ukrainian legislation on energy efficiency measures and the management of multi-apartment buildings. The CDAs and national short-term experts conducted specialized training and provided extended consultancy support on specific issues related to legislation, including how to register an HOA online under quarantine restrictions, and regulations affecting particular cases of HOA registration.

At this stage, **9,457** stakeholders (representatives of HOAs) improved their operational capacities during **334** training sessions. These sessions were focused on building the knowledge and skills of the members of both newly established and pre-existing HOAs on the Ukrainian legislation regulating energy efficiency measures and the management of multi-apartment buildings.



A list of Frequently Asked Questions (FAQ) with answers was developed in cooperation with the Ministry for Community and Territories Development of Ukraine, and disseminated among interested new and pre-existing HOAs to improve their knowledge and provide information on the most relevant issues in the legal and normative framework of HOA operationalization. The FAQ was also shared with the partners of the Project. (*Annex 11*)

The management of multi-apartment buildings is an important aspect of HOA operations. According to Law #417 “On specifics of the ownership of apartment buildings,” HOAs have the right to manage their building without employing professional managers. But understanding aspects of building maintenance is an asset for all HOAs – both those that manage their building by themselves, and those that hire a professional manager.

To assess the level of interest in this topic, and the readiness of HOAs to take responsibility for maintaining their buildings, four inter-regional training sessions on the lifecycle of building maintenance were provided to **271** participants. Furthermore, after the introduction of quarantine restrictions, a set of six national-level online training sessions were held, followed by **446** online training sessions at the regional level. A total of **9,294** people were trained in dealing with complex technical issues of building maintenance.

Figure 9. CDA grants a certificate following course finalization in Khmelnytskyi Oblast



Considering the high demand for information on the topic, the Project developed a unique set of supporting materials – *Manual on Life Cycle of a Building for HOAs* – **2,500** copies of which were printed and disseminated in all regions of Ukraine. The manual was placed on the Project webpage in electronic format, and disseminated to all interested HOAs at training sessions and also on request.



This manual is the first of its kind – a unique, comprehensive source of information for HOAs on all aspects of the technical maintenance of buildings, including energy saving and energy efficiency measures.

Finally, to respond to the needs of the HOAs, the Project developed a separate course entitled "[Technical Recommendations on Multi-apartment Building Maintenance for HOAs](#)" as part of the online training course for HOAs "*HOA – the ABC of Success*".

The course became popular. Over just three months after the launch, **1,569** people registered for it, and **165** received a certificate on the completion of their training. The course was additionally supported by a unique publication – the *Calendar of Technical Maintenance of a Building* – which allows HOAs to maintain their building through the timely implementation of steps detailed in the calendar.

At the *fourth stage* of the training cycle, the Project focused on developing HOAs' practical management skills. The newly set up associations received training in book-keeping and financial management (accounting, budget, tax issues, oversight, etc.), which were delivered in the form of practical seminars. After the introduction of COVID-19 restrictions these were held online.

The developed course was in much demand from HOAs – **8,016** representatives of HOAs participated in **309** training sessions held both offline and online in all regions of Ukraine.

Considering HOAs' needs, and with the aim of improving accounting and financial reporting by HOAs, the Project developed the *Manual on Accounting for HOAs*, **9,000** copies of which were printed and disseminated in all regions of Ukraine. This manual was the first complete source of information not only on the theoretical side of accounting for HOAs, but also on the practical side.

Over three months, **1,596** people registered for the course "[Accounting for HOAs](#)" and **182** received a certificate for successfully completing the training.

The mid-term survey conducted by the Project in 2020 found that **93 percent** of HOA members stated that their level of knowledge of HOA management had increased, with **90 percent** reporting that they had used the skills they had gained when managing their HOAs. HOA board members gave very positive evaluations of the Project's approaches and training:

"In addition, there is a package of materials. You personally complete the training and can understand how useful it is for use with homeowners and colleagues. The materials are well-organized, and can be used in any situation, and used when you need to convince a person. You can take the text of the law, sit down, and read it and discuss it." – HOA board members, Sumy

"The manuals are really cool. They help you very quickly and efficiently solve any issues. Both the accounting and legislation manuals are prepared in a very clear and detailed way, which allows you to resolve any issues between a co-owner and the HOA very quickly and efficiently." – HOA board members, Rivne.

2.2.2. Activity 2.2: Raising HOAs' capacities to initiate viable energy efficiency solutions and attract funding to implement them

At the *fifth stage* of the training cycle the Project provided support to targeted HOAs in identifying key priorities for improving their buildings' energy efficiency and raising new or pre-existing HOAs' capacities to initiate viable energy efficiency solutions and attract funding to implement them.



To meet the CDAs' training needs, a series of training sessions were organized – specifically to improve their expertise in the first steps for achieving energy savings and EE in HOAs, Fundraising for EE needs, Conflict Resolution, and so on (*Annex 12*).

A specialized training session was organized with the involvement of EEF and IFC experts to ensure the CDAs had a better and more comprehensive understanding of the EEF's activities and legislative regulations, and to improve the CDAs expertise on technical, financial, and legal aspects of the Energy Efficiency Fund. (*Annex 13*).

To ensure consistency in delivering knowledge for HOAs, the training materials for the specialized courses on building energy efficiency and raising HOAs' capacities to initiate viable energy efficiency solutions were developed and agreed with the Project partner – the International Finance Corporation.

As the start of this activity coincided with quarantine restrictions, the activity was switched to the format of specialized online training and webinars coordinated with IFC, followed by individual face-to-face and remote consultations provided by the CDAs and short-term national experts contracted by the Project.

During this stage, **4,883** participants of training events organised by the Project improved their knowledge and skills at **261** training sessions related to energy saving and energy efficiency in multi-apartment buildings.

Another effective educational tool to improve HOA members' knowledge about energy efficiency and energy saving issues, and to mobilise them to implement energy efficiency solutions, was the innovative weekly online "*Morning Coffee with HOAs*" activity, which brought HOA members from several regions together online to discuss urgent issues and share best practices in energy efficiency. In Mykolaiv Oblast alone there were **53** meetings among **689** HOA members. This activity became very popular among HOAs, and was replicated in other oblasts – Ivano-Frankivsk, Dnipro, Chernihiv, Kherson, Vinnitsa, and Zhytomyr oblasts.

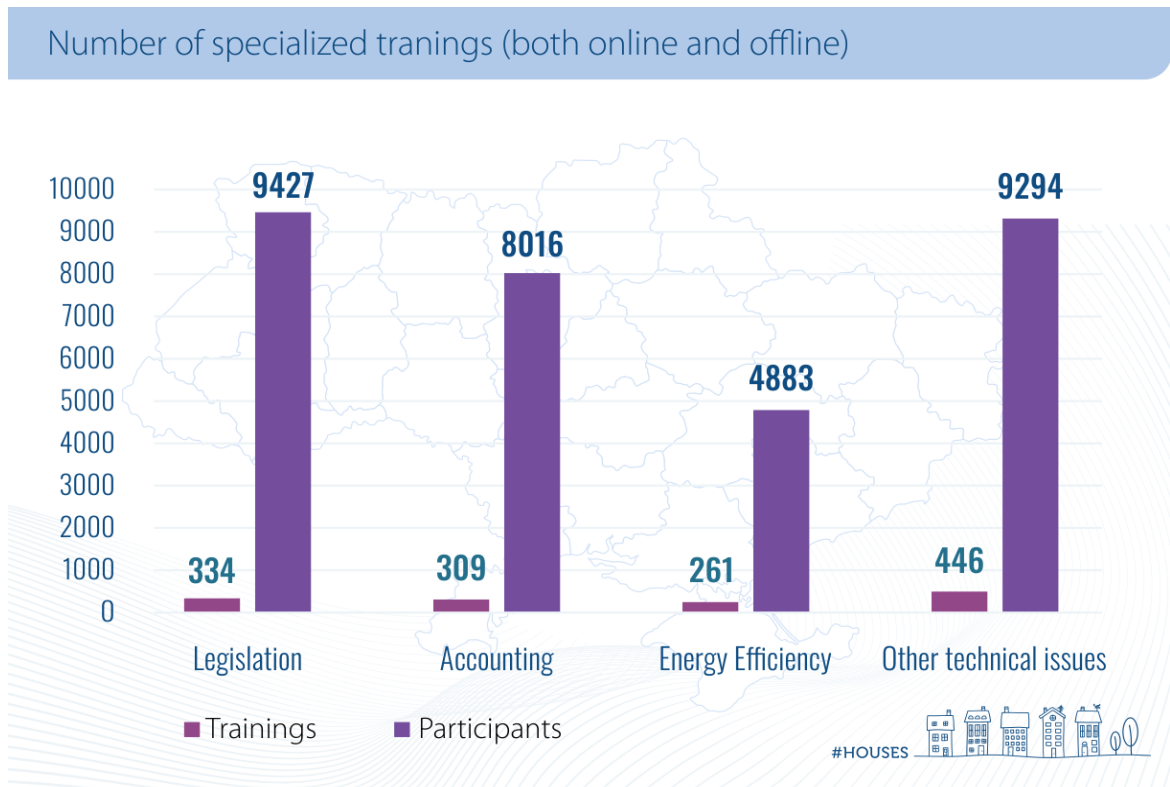
At the *sixth stage* of the training cycle the Project focused on providing information to HOAs on the types of grant packages offered under the EEF's "ENERGODIM" programme, and on how to develop and strengthen their knowledge and understanding of the financing application process.

In close coordination with the IFC team, the Project organised specialized online training sessions and webinars, coupled with targeted consultancy support. These sessions were organized as a cluster of interregional online training sessions and covered several important topics: The new opportunities offered by the "ENERGODIM" grants programme; municipal and state EE and HOA support programmes; and the thermal modernization of buildings. The sessions were supported by virtual exchange tours on the "ENERGODIM" programme, and on the installation of an independent heating system in multi-apartment buildings.

The virtual exchange visits organized during the COVID-19 quarantine restrictions aimed to support knowledge sharing among HOAs of best practices and lessons learned concerning the "ENERGODIM" programme. They became an important motivating and mobilizing instrument not only for homeowners' associations, but also for the local authorities that participated in these tours. As a result, the Project mobilized **660** HOAs to apply for EEF grants, and **425** HOAs to seek funding for their EE project from other financing sources.



Figure 10. Number of specialized training sessions, and numbers of participants



In addition, the Project organized a regular series of events to promote energy efficiency solutions and ways to identify funding for them. The events included: the Kyiv Interregional Forum on EE Communities; the Chernihiv Regional Forum "Enhancing EE and Sustainable Development of Communities"; the HOAs Forum in Cherkasy: "HOAs - the Way to Energy Efficiency and Better Management"; the "V International Investment and Economic Forum: Partnership and Perspectives. Energy Efficient Community" in Ivano-Frankivsk; the Rivne Forum "Great Rivne. Energy Efficiency 2019"; and the online All-Ukrainian XI HOAs Forum "HOAs and Communal Services. Perspectives. Innovations. Challenges".

According to the mid-term survey, **98 percent** of HOA members who participated in project training sessions reported they had obtained new skills as a result. Most training participants (**87 percent**) reported they had gained knowledge about energy efficiency measures:

"The HOUSES project is exactly the platform needed to bring together active and responsible people. We are, in fact, forming a grassroots democracy that could change our entire state. And this is exactly the platform we rely on and for which we are very grateful." – HOA board members, Rivne.

"Excellent. Very satisfied with the meeting. Maximum information, maximum pleasure. Really like that. So, keep going." – HOA board members, Vinnitsia.



Figure 11. Homeowners during unofficial gathering in Kramatorsk, Donetsk Oblast



“Our last forum gathered representatives from energy, heating, and all departments with which HOAs closely cooperate and with whom they have the most problems. It’s very effective to meet with officials of such levels who, indeed, explain in detail how to agree even things like installing a meter. This, I think, is very good. The trainings are very cool. Thank you.” – HOA board members, Sumy”.

2.2.3. Activity 2.3: Dissemination of experience gained by HOAs, best practices, and lessons learned all over Ukraine

From the start of its activities, the Project regularly shared best practices from neighbouring countries and positive results obtained in the course of project implementation. It also recorded HOAs own experiences, and the dissemination of lessons learned became a priority for the Project.

Exchange visits, webinars, informal events, and virtual activities (webinars, virtual tours, Coffee with HOAs, HOA schools, etc.) were organized to support the experience dissemination/sharing process. The Project provided additional visual support using video or targeting printed materials to widely promote best practices and positive experiences collected from HOAs. The 17 information and mobilization videos and numerous printed manuals and information leaflets on HOA-related topics that the Project produced reached – according to partners’ estimates – almost **36,562,700** non-unique viewers of national channel *UA:Pershyi* and 43 regional TV channels.



Support for newly created HOAs, especially in the early years of their formation and start of active functioning, is critically important. Many of the suspended or "dormant" HOAs had been stalled by the difficulties they faced at the beginning of their activities. Thus, the provision of support at this stage is a priority task, which requires the joint efforts of local authorities, specialized NGOs (Resource Centres) and other stakeholders interested in the success of HOAs. Support is also needed from TA projects.

In addition, the Project launched innovative online cluster training sessions and regular activities such as "Coffee with HOAs" (in Mykolaiv, Ivano-Frankivsk, Kherson, Vinnitsa, Zhytomyr oblasts), online schools for HOAs (Zaporizhzhia, Odesa, Donetsk, Dnipro oblasts), the Interregional Academy of Dialogue (initiated in Chernihiv Oblast, but its sessions covered all oblasts), teleconferences for exchanging of experience between HOAs, etc. In 2020-2021 alone, **53** online "Coffee with HOAs" meetings with successful HOA leaders and exchange of experience sessions organized in several oblasts attracted **689** participants.

With the aim of disseminating as much as possible the experiences, best practices and lessons learned across all HOAs and municipalities of Ukraine, the Project supported the *X All-Ukrainian HOAs Forum* in October 2019, and the *XI All-Ukrainian HOAs Forum* in October 2020, both held in Lviv.

It should be underlined that the national community of active HOAs and their associations present at these forums, which together represent **34,468**⁸ individual HOAs, is a power that plays a paramount role in disseminating best practices not only in HOA operations, but also in promoting knowledge of energy efficiency and the EEF "ENERGODIM" grant programme among a large community of members.

For instance, in October 2020, the Project supported the *XI All-Ukrainian HOAs Forum*, (held online due to COVID-19 restrictions) which focused on the energy efficiency of apartment buildings, and attracted an audience of some **58,400** people (including participants who joined via Zoom, Facebook and YouTube) (see *Annex 14*).

The Project also supported municipalities and HOAs by disseminating best practices in the establishment and operation of Revolving Funds to support energy efficiency projects. In November 2019, the Project held an interregional forum to present and promote the existing practices of establishing and operationalizing local Revolving Funds to support the implementation of energy efficiency projects by local HOAs. After this event, **six** new Revolving Funds were launched (in Chernivtsi, Khmelnytsky, Ivano-Frankivsk, Pervomaisk, Yuzhnoukrainsk, and Olshansky) (*Annex 15*).

Considering the critical economic situation HOAs faced due to COVID 19 restrictions, Revolving Funds have become an additional support source for launching first energy efficient actions in general, and in particular for organizing Energy Audits and preparing the technical documentation and calculations needed to apply to the EEF. For instance, in 2020 in Mykolaiv Oblast Revolving Funds provided financial support to 10 HOA projects worth a total of UAH **952,000**.

The Project promoted the idea of Revolving Funds with an information campaign. The topic attracted the interest of numerous stakeholders, including both HOAs and municipalities, as demonstrated by the holding of a second forum devoted to Revolving Funds in 2021.

⁸ Data from Ukrstat as of October 2020 http://www.ukrstat.gov.ua/edrpoj/ukr/EDRPU_2020/ks_opfg/ks_opfg_1020.htm



The positive experience of the functioning of Revolving Funds needs further promotion and support from the Ministry for Communities and Territories Development, and the replication of successfully tested models by municipalities.

Two of the most efficient approaches to disseminating best practices were experience exchange visits and workshops. While the main purpose of the workshops was to support the sharing of knowledge, best practices and lessons learned among HOAs, as well as informing local authorities about the needs of HOAs, the experience exchange visits between cities, communities and HOAs generated new levels of interest and direct involvement of mayors and deputies of local councils in resolving the problems of HOAs.

In total, **2,018** representatives of HOAs and municipalities participated in **210** experience exchange visits organized by the Project.

This activity continued even with the outbreak of the COVID-19 pandemic in March 2020, with the Project adapting the format of its experience exchange activities. In line with the logistical restrictions imposed in response to the pandemic, the Project transformed its experience exchange visits into “virtual tours” – a new way to deliver experience-sharing activities. The most popular were the three “virtual tours” of successfully implemented energy efficiency projects in the cities of Zaporizhzhia and Mykolaiv, which attracted representatives of HOAs from all regions of Ukraine.

The success stories and lessons learned from the Project with regard to energy efficiency in the housing and communal sector also have the potential to contribute to the overall reform of Ukraine’s energy sector.

2.2.4. Activity 2.4: Feedback from supported HOAs: lessons learned; problems encountered during Project implementation

With the aim of monitoring HOAs’ needs and progress, the Project continually analysed feedback from supported HOAs on issues faced in their operational activities and in preparing to apply for external funding for their micro-projects for improved energy efficiency – including issues related to the functioning of the EEf. The issues raised by the Project’s beneficiaries were communicated to the relevant stakeholders, as well as being communicated to partners at regular coordination meetings. Most of the issues identified were directly or indirectly related to external factors arising from the COVID-19 pandemic.

As previously mentioned, the pandemic had a serious impact on the Project’s beneficiaries, both in terms of their regular operations, as well as undermining both the willingness of HOAs to proceed with EE issues, and the capacity of local authorities to provide support to HOAs. A summary of the challenges faced by HOAs is provided below in section 2.4.

The feedback from supported HOAs showed that they have the potential to play a leading role not only in improving the energy efficiency of buildings and moving forward the reform of the housing sector, but also in countering the consequences of the pandemic, by supporting vulnerable residents, demonstrating the best practices of social solidarity, and sharing experience. Thus, HOAs have become powerful drivers of both reform and the response to the COVID-19 crisis.



2.3. Establishing partnerships and stakeholder engagement

At the initial stage of Project implementation, key partnerships were established at the national and sub-national levels. During implementation, the Project continued to cooperate at the national level with all partners and beneficiaries, including the Delegation of the European Union, the International Finance Corporation, the Energy Efficiency Fund, GIZ and the Ministry for Communities and Territories Development.

The ministry provided support for the Project's provided recommendations on the best ways to achieve the Project's targets, as well as supporting the Project by participating in its regional events and nationwide events, such as specialised training in Yuzhnoukrainsk, Mykolaiv Oblast (July 2019), and the online All-Ukrainian Forum on Communal Services (July 2020). At the forum, the ministry provided further information on specific issues related to new legislation, and contributed to the organization of the online All-Ukrainian Forum for HOAs.

The ministry supported the Project in disseminating relevant information – eight videos on best practices for HOAs were delivered to regional administrations for further broadcasting through local TV channels; and information and links to the online training course for HOAs "*HOA- the ABC for Success*" were placed on the ministry's website. During the COVID-19 quarantine, dialogue between the Project and the ministry intensified, with regular online meetings conducted in addition to the regular provision to the ministry of updates on Project implementation.

During the implementation period, the Project maintained and strengthened effective cooperation with the EEF, with EEF representatives participating in Project events, including numerous webinars and forums. In return, the Project supported the EEF in the organization of **28** Road Shows to support the launch of its "ENERGODIM" programme, and the dissemination of information about it. The Project also facilitated the signing of MOUs with **60** partner municipalities.

To support the EEF, the Project provides consultations to HOAs and HBCs on opportunities to participate in the EEF's ENERODIM grant programme, supporting the dissemination of information on the "ENERGODIM" grant programme through social networks and a specialized group on the Viber messenger service. A tailored information campaign, including printed materials, motivational videos and a series of specialized seminars, was developed to provide more information to HBCs on their opportunities to establish an HOA and then apply to the EEF.

One of the most important partners for the Project is the International Finance Corporation – an implementing partner of the EE4U programme. The Project also cooperates with the IFC on linking the regional activities of UNDP and IFC coordinators. It was agreed that in the regions, the coordinators of both UNDP and the IFC would participate in information sessions at the local level to cover the aspects related to their mandates. Representatives of UNDP and IFC were always invited to project events to present their respective projects to the final beneficiaries. In this context, professional cooperation was noted between all Project CDAs and Regional Consultants of the IFC.

A joint working group (WG) was established in April 2020, consisting of the Project and its partners – the IFC and the EEF – with the purpose of coordinating all joint activities related to online training and capacity development for HOAs. The WG actively worked on agreeing and developing topics and schedules for online training sessions for HOAs and municipalities, with the aim of addressing all essential and critical issues jointly.



Finally, the Donors' Coordination Meeting, held on a biweekly basis at the premises of the IFC and online since March 2020, served as a coordination mechanism between all partners of the EE4U programme, including UNDP, IFC, GIZ, the Ministry of Communities and Territories Development, and the EEF.

At the regional level, UNDP worked on the basis of its pre-established partnerships with all oblast state administrations and councils under previously signed Memorandums of Understanding for Sustainable Development, which are relevant to the proposed interventions and the expected results of the Project. UNDP CDAs ensured that the regional (oblast) authorities were properly informed about the Project, advocated for its support as stipulated in the MOUs, and regularly invited authorities to participate in key project events.

At the local level, the Project closely cooperated with municipal councils and rayon (district)/ATC councils to ensure the successful mobilization of homeowners and their institutionalization into associations. Coordination was sustained through ongoing consultations with local authorities, and their involvement in capacity-building events. Representatives of local authorities were always invited to training sessions and exchange visits organized at the local level.

Interest in, and support for the Project was expressed by 332 municipalities and rayon (district)/ATC councils. Some had already developed, approved, and provided financing to local programmes to support HOAs that wanted to implement EE activities and that wished to apply to the EEF. These local programmes stimulate the mobilization of HOAs in their respective regions, and could be further aligned with EEF's grant programme to generate the maximum positive momentum.

2.4. Challenges and risks

Since the Project start in October 2018, two major electoral campaigns have been held in Ukraine, which indirectly impacted Project implementation – the Project launch in some regions was postponed for several months. The two-round presidential election was held in March-April 2019, and then early parliamentary elections were held in July 2019.

The Project re-established its partnership with the new Cabinet of Ministers and the new leadership at the oblast level to reconfirm their mutual commitment to contribute to the national energy reform agenda, which would allow the Project to proceed with its activities smoothly.

The Project collected and analysed feedback from the CDAs, HOAs, and local authorities on a regular basis to track challenges and risks that might have emerged.

The risk of the insufficient motivation of homeowners to organize themselves and establish homeowners' associations was considered a serious threat to achieving the set targets.

Even though Ukraine's housing stock is privatized at the level of 93.7 percent, the responsibility for the management and maintenance of communal parts of multi-apartment buildings has been, so far, shared between old-style and often ineffective municipal housing services organizations (ZHEK), housing/building cooperatives (HBCs), and private homeowners. Under this management system, major repairs, including those focused on energy efficiency, are not usually foreseen/planned. Moreover, co-owners have generally had limited awareness of their responsibilities, and are often not willing or able to deal with and contribute



to the financing of complex technical interventions. Attitudes and expectations often lag behind the legal and policy framework.

Notably, homeowners residing in multi-apartment buildings do not feel responsible for their buildings, considering the municipal communal service (ZHEK) as the only organization responsible for the maintenance of the entire housing sector.

To address the risk, the Project provided residents of multi-apartment buildings with clear and understandable information on housing reform and knowledge about building management.

Throughout its implementation, the Project monitored and assessed changes in the training needs of FGs/HDCs/HOAs. Based on the results of the training needs assessment, the Project enhanced its training curriculum and delivered additional and specialised training sessions.

Additionally, the Project strengthened its communications campaign and launched exchange visits, and recorded success stories and best practices from neighbouring countries that were applicable to the national context.

It was of crucial importance for UNDP that the Energy Efficiency Fund remained operational. To address this risk, at the beginning of the Project UNDP ensured there was an ongoing dialogue between the EEF and the Project team in order to be duly informed about the fund's operations and granting of loans.

Another risk was related specifically to the EEF's ENERGOPDIM grant programme. The EEF's ENERGOPDIM grant programme for the residential sector was officially launched in September 2019. The success and pace of implementation of the EEF's grant programme, which have gradually increased over time, had a significant impact on number of HOAs willing to apply for EEF grants.

The Project, in the case that the 'ENERGOPDIM' grant programme faced problems with grant applications, worked with the IFC to ensure that it would be able to provide HOAs with information about additional funding opportunities so as to maintain the motivation of HOAs and achieve the Project's targets. In parallel, the Project communicated with local authorities on the development of HOA support programmes. The Project monitored the situation in close cooperation with IFC, and re-evaluated risks on a regular basis.

Another risk was that low-income homeowners would consider EE grants to be too financially risky, or not feasible. Moreover, housing and utilities subsidies might desensitise the population to the need for energy efficiency measures. The grant policy approved by the Coordination Council (2020) foresees that the EEF will provide additional top-ups for subsidy recipients. To address the risk, the Project from its side initiated a dialogue with the local authorities in the target communities with the aim of finding joint solutions for these groups of beneficiaries.

The Project ensured that the information and messages provided were fully relevant to this target group, and contained sufficient information. In addition, throughout its implementation, the Project maintained socio-economic and gender sex-disaggregated records of participation in project activities, thus identifying areas where greater attention was required to assure equitable participation.

From March 2020 new challenges arose with the COVID-19 pandemic – both for the Project and its final beneficiaries and stakeholders.



Figure 12. Distribution of awareness posters during the COVID-19 outbreak



The risk of coronavirus infection to Project staff both in the central and local offices was immediately mitigated by changing working arrangements and switching to remote working. Still, the risk has gradually increased over time as the disease has spread. All relevant information and training were provided to ensure the good physical and mental health of the staff, including webinars facilitated by highly qualified WHO specialists on infection risk mitigation, and webinars on stress management facilitated by the UNDSS Stress Counsellor.

There was a risk of a significant slowdown or complete halt of the Project's activities in the regions due to restrictive measures and/or existing legislative limitations (e.g., the formal procedures for establishing HOAs and making management decisions through in-person homeowner voting). This risk was partly mitigated by applying alternative, but still legitimate ways of making joint decisions (based on a prior analysis of legislation and testing in practice).

Additional mitigation measures were developed to minimize the impact of the COVID-19 restrictions and allow the implementation of the planned activities under an alternative setup, ensuring the attainment of the set targets. In particular, the Project had to reorganize its activities due to widespread restrictions on mass gatherings and travel. Project activities, including consultations provided to its final beneficiaries and training delivered by CDAs, switched to an online format using digital tools. The Project intensified remote individual consultations (using various telecommunication means), online meetings with HOAs leaders, on demand webinars, webinars with invited experts on critical issues, and virtual experience exchange visits to HOAs that have successfully implemented EE solutions.



Another identified risk is related to the fact (confirmed by the findings of the joint UNDP/FAO/UN Women survey of HH conducted in May-June 2020⁹) that under the current situation and existing trends the incomes and savings of Ukrainian households are set to further decrease, meaning not only low-income homeowners but also homeowners previously interested in applying to the EEF may not now prioritise investments in the EE of their houses. To address the risk, the Project initiated a dialogue with local authorities in target communities with the aim of identifying solutions for these groups of beneficiaries.

The key challenges to the HOAs identified by the Project and provided as feedback from supported HOAs can be generalized and grouped as follows:

- A number of HOAs expressed interest in applying for grants from the EEF, but suspended their decision due to:
 - The long application assessment period – of both the banks and the EEF;
 - Too many variants of, and changes to, the EEF “ENERGODIM” Programme;
 - The EEF has already received 500 applications, and HOAs wish to know the number of applications accepted for funding so as to evaluate their chances of obtaining a higher percentage grant;
 - The cancellation of the compensation for Project Managers services by EEF within “ENERGODIM” programme decreased trust and raised doubts among HOAs;
 - High interest rates on loans offered by Ukrainian banks (18 percent +);
 - Insufficient coverage by local branches of the EEF’s partner banks;
 - Significant changes in the income of homeowners due to the COVID-19 crisis, making them unable to take out and repay loans;
 - A growing need for support from local resources (municipal programmes), while at the same time the support programmes for HOAs were underfinanced due to the COVID-19 crisis and local elections;
 - The existing municipal programmes for supporting EE are underfinanced due to the COVID-19 crisis and its impact on the fiscal system;
 - Some regions faced difficulties in getting their energy certificates issued, partially due to unavailability of specialists or the long timeframes for processing the documentation;
 - In a number of cases – in particular for old apartment buildings – there was a lack of a full documentation package, which caused problems in obtaining energy certificates;
 - Some heat supplying enterprises are not adequately prepared to conduct the energy modernization of buildings and slowed down the process of energy retrofitting;
- Difficulties in accessing information about co-owners in the registers of technical inventory bureaus.
- Private/municipal management companies owned by local government representatives still pose a serious obstacle to establishing a HOA. Their owners have no interest in changing the management of multi-apartment buildings, and try to prevent homeowners from establishing HOAs, arguing that there will be higher communal bills and a lower quality of services provided;
- Managing companies’ (ZhEKs, managers of multi-apartment buildings according to Article 9 of Law of Ukraine No. 417) interference in the operation of multi-apartment buildings without the consent of the homeowners;

⁹ See https://www.ua.undp.org/content/ukraine/en/home/library/democratic_governance/covid-19-in-ukraine--impact-on-households-and-businesses.html



- A lack of information for municipalities on the latest changes in the legislation covering the management of multi-apartment buildings;
- A lack of initiative and support from local governments, the owners of non-privatized apartments – the absence of an authorized person responsible for non-privatized apartments;
- “Abandoned” apartments, both privatized and communal, especially in the eastern regions. The problem requires a comprehensive systematized legal solution for the state. The abandoned apartments are effectively left without maintenance due to failures to locate their legal owners, thus the establishment of an HOA is a challenge.
- Former special housing fund monocities (settlements with a single main employer) and former military settlements need the involvement of the respective ministers to obtain technical documentation to be written off the ministry balance;
- Most of the regional/municipal programmes for supporting HOAs and the EE ended in 2020, and their continuation in 2021 and further depended on the policies of the newly elected representatives of local governments.

Some specific challenges are faced by pre-existing, but poorly functioning HOAs:

- A lack of necessary knowledge about HOA activity and management at the level of the head of the HOA;
- The establishment of some HOAs was not in line with legislative requirements¹⁰.
- Issues in contracts with monopolists (gas and energy resource suppliers) for purchasing energy for communal premises¹¹;

And some specific challenges are faced at the stage of registration of new HOAs:

- The lack among state registrars of a common approach to the registration of HOAs¹²;
- Despite the possibility of extraterritorial registration in big cities (like Kyiv/Kharkiv), district registration offices refuse to register HOAs from other districts.

2.5. Communications strategy and communications activities

Throughout the project implementation cycle, all communications endeavors were conducted in line with the Project’s Communications Strategy (*Annex 16*) and annual Communications Plans. Key communications activities were focused on the following objectives, as defined in Communications Strategy and annual Communications Plans:

- raising the awareness of target groups and other interested parties of the rights of co-owners of multi-apartment buildings, and ways of protecting these rights according to Ukrainian legislation;

10 Violations noticed in Kharkiv Oblast: A HOA consisting of 50 apartment buildings was registered in Merefa, one HOA consisting of 17 apartment buildings was registered in Volchansk, one HOA consisting of 49 multi-family buildings was registered in the settlement of Vodolaga, two condominiums with 5 and 9 houses in each were registered in Malynivka.

11 Oblenergo made to install metering device for the building and cover the difference between individual flat meters and the general meter for the building.

12 Different districts in Kyiv have different requirements for registering newly established HOAs. The same situation is observed in Kharkiv region.



- providing existing HOAs and initiative groups with information about Energy Efficiency Fund programmes and funding mechanisms;
- establishing effective communications between the Project, the Energy Efficiency Fund, partner projects, national and local authorities, local self-government bodies, and other stakeholders to increase the number of HOAs and boost their involvement in energy efficiency programmes.

Given the involvement of partner projects, the Project's communications progressed well, eventually resulting in a spill-over effect. Not only homeowners were covered by the Project's communications efforts – nationwide audiences were reached as well. Moreover, the Project covered various flow-on activities derived from regional peculiarities, varying from caring for the mental-wellbeing of homeowners, to COVID-19 safety measures.

The broadest communications interventions were conducted through the medium of TV broadcasting and social media. Nonetheless, traditional communications platforms were also employed. Articles, press releases, interviews, press conferences, and blogposts have been produced constantly since the start of the Project. Additionally, **21** videos covering energy efficiency and homeowners' topics were developed (*Annex 17*). Thus, through the above-mentioned communication tools, the Project has reached **more than 1.4 million people** throughout Ukraine's 24 oblasts.

Regional communications activities

Based on an analysis undertaken by the Project, information in communications and the media environment related to EE topics is chaotic and unreliable. The main sources of information in this area are interpersonal communications, communal enterprises and local councils, and these often deliver conflicting messages.

Considering this analysis, and the demand for local/regional journalists to provide detailed, reliable, verified information, and to improve their knowledge of HOA and EE issues, the Project launched a series of tailored inter-regional seminars.

Understanding the key role of the journalists in awareness-raising activities, the Project in 2019 launched workshops for journalists on writing about topics related to housing sector reform (including HOA issues) in Kherson, Mykolaiv, Odesa and Zaporizhzhia oblasts (*Annex 18*). This activity resulted in the airing of a radio programme and a related article.

The main challenge noted during the first workshop for journalists was the insufficient interest of the media in HOA activities, which was not of high public interest in the country that time.

Thus, a second phase of training on awareness-raising among journalists and the mass media was conducted. The training was dedicated to HOAs as the most efficient way to achieve energy efficiency and improve living conditions in multi-apartment buildings. The training sessions addressed complex concepts and dispelled common myths (*Annex 19*). To raise journalists' interest, training sessions were organized as back-to-back events with three energy efficiency forums in Vinnitsa, Ivano-Frankivsk, and Chernihiv. Journalists had the opportunity to interview the heads of HOAs, city officials, and housing and energy experts, which allowed practical activities to be included in the training.



It should be noted that the more active the regional development coordinators were on the ground, the more interest was observed from the media.

To motivate the population and explain the advantages of HOAs, the Project prepared motivational videos on various topics, including the history of HOAs in small- and medium-sized buildings (Zhytomyr, Cherkasy oblasts, Kyiv city), success stories about HOAs that implemented energy-efficient solutions, and the benefits for local authorities (*Annex 20*).

The Project also quickly adapted to the lockdown restrictions by shifting most of its activities online, thus continuing its progress in 2020 and 2021. The regional development coordinators organized a series of online events such as exchange tours and “coffee breaks” with HOAs. Many activities were built on the successful practice of holding monthly webinars with energy efficiency experts.

Success stories

Starting from 2020, the Project collected the HOAs success stories through the network of its CDAs. 21 such stories were converted into either Facebook posts or videos, or success stories for social platforms and online media. Human-centred stories highlighted the role of Project beneficiaries, HOAs chair persons, and functional groups in mobilizing their communities and homeowners to set up new practices. The project unpacked and voiced various crucial topics from [women-led HOAs](#) to [the role of people with disabilities in HOAs' life](#).

Video production and TV broadcasting

Arising from the communications plans and strategies, a set of videos were developed for both social media and TV broadcasting. While most of these videos were circulated mainly through Facebook and YouTube, a series of eight videos were broadcast on UA:Persnyi and 44 regional channels (including 24 branches of UA:Persnyi), starting from October 2019 and running until December 2020 (*Annex 21*). The series was aired at least twice each week. Based on the information provided by the video production company, the Project can presume that the total amount of non-unique contacts made within TV programmes was about 36,556,000 – this refers to viewers who saw the products for at least one second. However, given the lack of comprehensive measurement tools and services, as well as the fact that most regional TV channels are mostly unable to calculate their audience, the Project cannot claim these numbers as official. The videos were shared with the ministry for further placement on oblast administrations’ websites and broadcasting through local TV channels.

Publications

The development of published materials is critical in achieving success in a project like HOUSES. Thus, the Project developed a series of publications (*Annex 22*), namely:

- the Manual on HOA establishment and management – two revised editions
- the Manual on Accounting for HOAs – two revised editions
- the Manual on the Life Cycle of a Building for HOAs
- the Calendar of Technical Maintenance of a building



- a “HOAs in Housing Building Cooperatives” leaflet
- a publication on basic laws for HOAs
- HOA informational posters
- a HOUSES Project leaflet

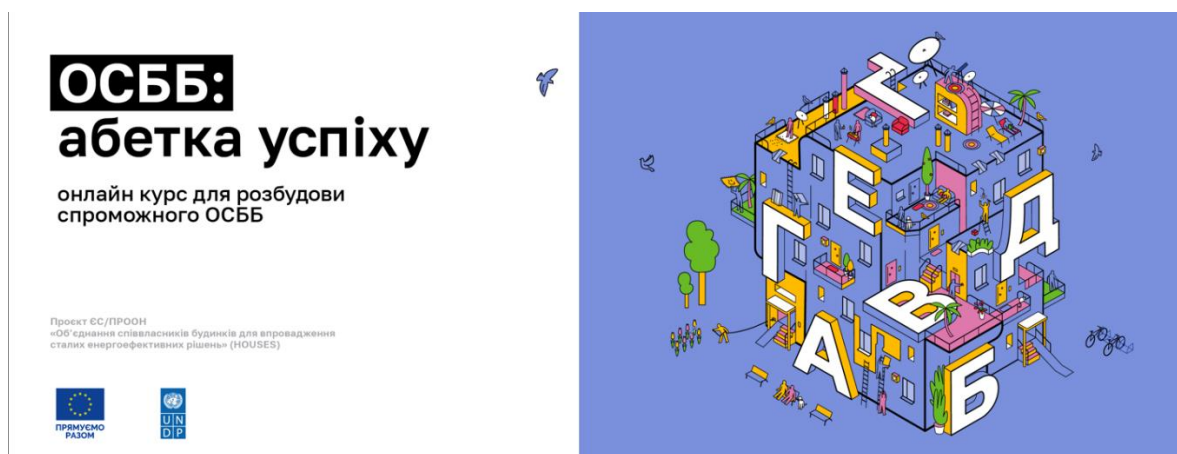
The Project’s communications staff regularly participated in training sessions and workshops organized by the EU Delegation to Ukraine on the various aspects of using the platform. All publications are available at the EU DIGITOOL resource and at <http://houses.in.ua>.

Project landing page

The Project established an early web presence by creating a landing page *houses.in.ua*. The landing page was created in such a way as to give prompt information and encourage homeowners to register to participate in the Project. The landing page also acted as a repository for most of the Project information materials and communications products. Starting from summer 2020 the landing page was updated, which attracted **2,400** new users.

E-learning courses

Figure 13. Cover photo of the “HOAs: The ABCs of success” course



The Project designed a series of online courses for anyone who is thinking about setting up a Homeowners Association to manage their multi-apartment building more effectively. An umbrella course series, called “HOAs: The ABCs of success” was launched on the PROMETHEUS educational platform. The series consist of three courses – “[Setting-up and starting a HOA](#)”, “[Accounting for HOAs](#)”, and “[Technical Recommendations on Multi-apartment Building Maintenance for HOAs](#).” Around, **4,752** participants have registered to take the online courses and 555 of them have received certificates of completion for at least one of the courses.



2.5.1. Visibility

During the Project implementation period, outreach activities embraced a wide range of visibility activities, including producing publications, making presentations, posting in social media, submitting articles, and others. All outreach and communications activities were developed in line with the Joint Visibility Guidelines for EC-UN actions in the field¹³ and with the due submission of materials via the DIGITOOOL platform.

Figure 14. Homeowner with the project informational desk



A number of informative infographics/outreach materials were prepared and were either included in publications or were formatted as outdoor posters. All of the products were developed in line with the Joint Visibility Guidelines for EC-UN actions in the field, and coordinated with Project partners the EEf and IFC. A sample of them are listed below and provided in *Annex 23*:

- infographics “How to establish an HOA”
- leaflet “How to establish an HOA”

¹³ <https://ec.europa.eu/europeaid/node/45481>

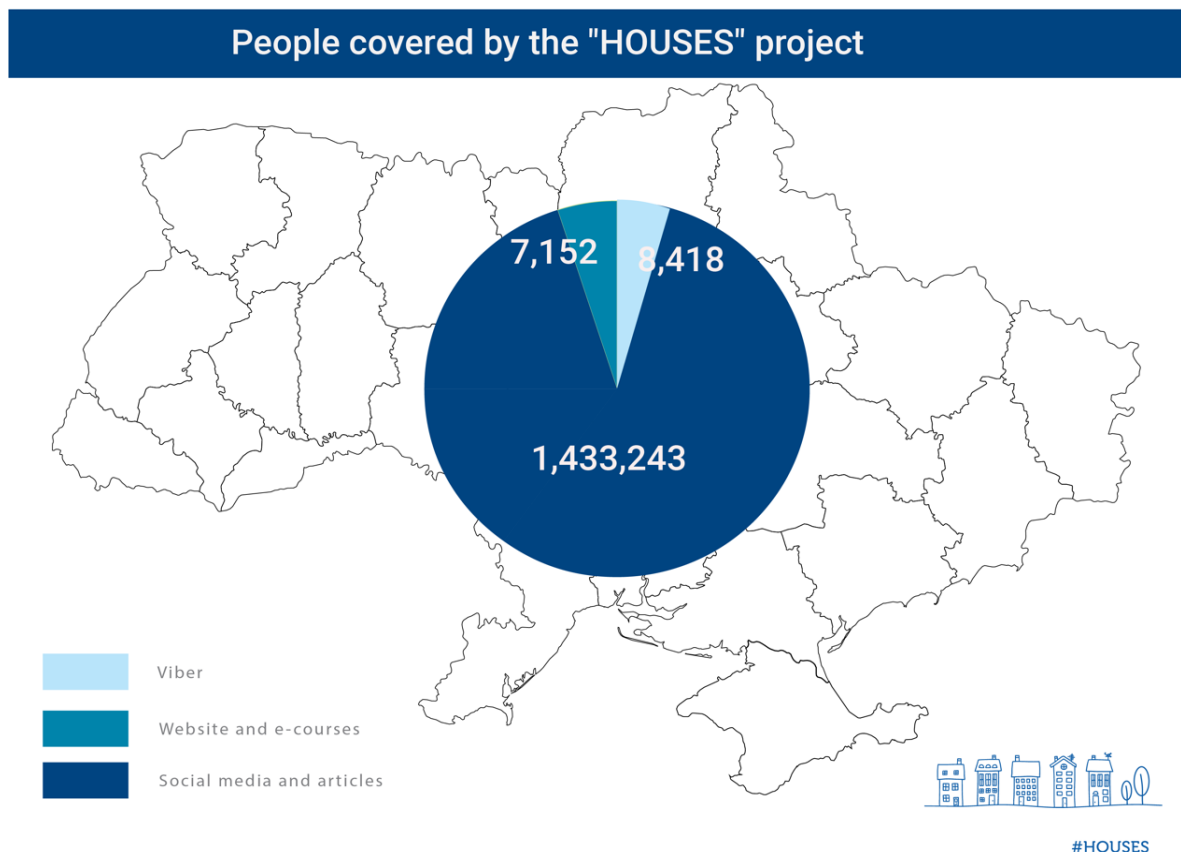


- infographics “How to create a HOA during quarantine, in six easy steps”
- infographics “Homeowners’ meetings during the quarantine, and written questions”
- infographics “How to support homeowners during the COVID-19 pandemic”
- infographics “What do I do if cases of COVID-19 are identified in my building?”
- visibility materials for online HOA forums
- visibility materials for All-Ukrainian HOA forums
- visibility materials for EU Sustainable Energy Week.

2.5.2. Media outlets

Most of the media coverage produced during the reporting period was related to upcoming opportunities and events organised as part of the HOUSES project. Specifically, 26 national media and 358 regional media publications related to the Project were observed during the period of October 2018 to July 2021. Overall, the cumulative number of items of positive media coverage on the Project and HOA energy efficiency solutions/energy savings amounts to **1,350** (Annex 24).

Figure 15. People reached by HOUSES project communications





2.5.3. Social media coverage

Social media items were posted on a regular basis throughout the project implementation cycle. With the outbreak of the pandemic, the Project rebooted its social media activities. A vast amount of information on the EU/UNDP “HOUSES” project was communicated via Facebook, Twitter, and YouTube. Overall, **1,433,243** people were reached on social media and electronic media. The 24 Ukrainian oblasts’ regional development coordinators established a solid communications relationship with homeowners and local activists via numerous Viber messenger groups. The overall reach of people thanks to Viber, [which remains a go-to messenger in Ukraine](#), amounts to least to **8,418** (*Annex 24*).



3. COVID-19 RESPONSE



As mentioned above, the Project had to adapt its mode of operations in order to respect COVID-19 related restrictions, while still continuing its work.

The following specific measures were introduced by the Project:

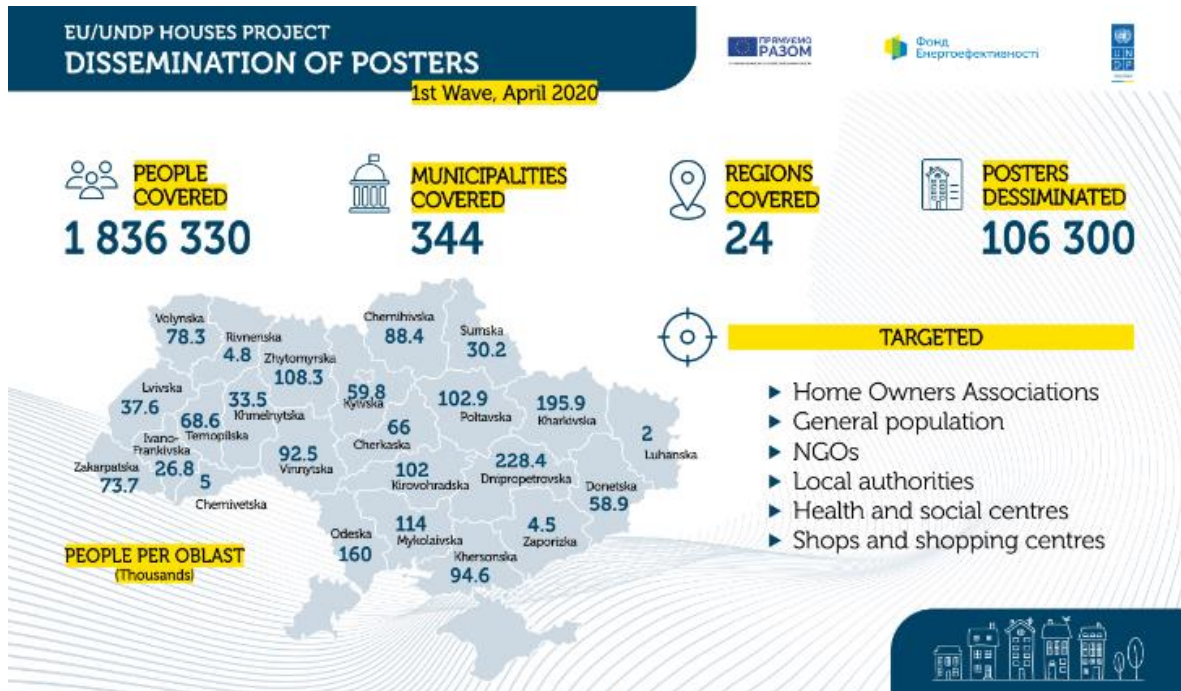
- The Project office in Kyiv and all 24 regional coordinators (RCs) switched to remote working, and continue to perform their duties as effectively as possible under the current restrictions;
- The Project purchased additional IT equipment in line with approved budgetary allocations to support remote working in the regions during the COVID-19 pandemic;
- The Project ensured there was daily Health Status Monitoring and other security measures as per UNDP internal regulations.

In addition to its regular activities, the Project actively supported HOAs and partner municipalities by providing them with relevant information from reliable sources (the World Health Organization (WHO), the United Nations International Children’s Emergency Fund (UNICEF), etc.) on effective protective measures for multi-apartment buildings (e.g., informing the population, proper and timely disinfection, virus-related risk mitigation measures).



Based on this information, the Project prepared and printed 106,300 copies of the poster “How to protect yourself from the coronavirus.” The posters were sent to all regions of Ukraine, where they were provided to condominiums, local self-government bodies, regional administrations and other institutions. A total of 344 municipalities were covered, with about 1.8 million people being reached in April 2020.

Figure 16. Geographical coverage of the Project’s COVID-19 information campaign (first phase)



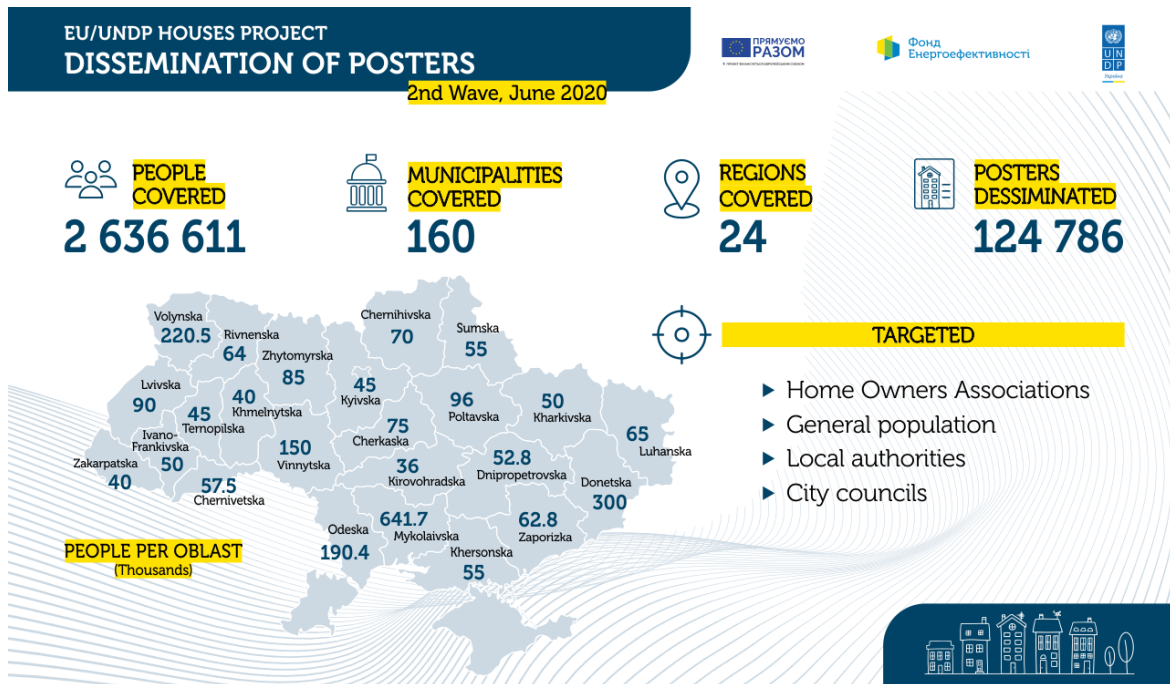
Based on a further assessment of HOA residents’ needs in the time of the pandemic, two types of posters were developed with recommendations on how to ensure a better local response to COVID-19:

- How to ensure residents’ safety if there is an infected person in a multi-apartment building;
- How to ensure awareness of, and support for vulnerable people in your multi-apartment building.

150,000 copies of these posters were printed and disseminated in 24 oblasts for placing in multi-apartment buildings in 160 municipalities. The communications reached approximately 2.6 million people (2,636,611).



Figure 17. Geographical coverage by the Project's COVID-19 information campaign (second phase)



Understanding the way COVID-19 impacts residents of HOAs, especially its effect on the psychological state of children, the Project developed children's comics to highlight safety measures that could be taken at home during the COVID-19 pandemic.

The Project also developed an illustrated storyboard (*Annex 25*) aimed at providing tips to parents about how to support children during the lockdown, as well as how to share household responsibilities among homeowners in multi-apartment buildings.

The Project continued to identify and disseminate best practices on risk-reduction and social solidarity. Four videos on HOAs' responses to COVID-19 were prepared and disseminated in social media and on municipalities' websites, with an overall reach of some 60,000 beneficiaries¹⁴. In addition to sharing materials developed by UN agencies, the Project supported joint communications on COVID-19 prevention with partners.

In response to requests from HOAs, the Project organized two webinars entitled "COVID-19 – legal and psychological aspects of the situation," and "Risk mitigation for Ukrainian Homeowners' Associations." Experts from the Centre for Public Health of the Ministry of Health, the WHO, and the United Nations Department for Safety and Security (UNDSS) provided information on safety measures during the COVID-19 pandemic, especially in the case of there being an infected person in a building.

14 Links to the videos: [ОСББ в умовах карантину: досвід Херсона](#), [ОСББ в умовах карантину: досвід Рівного](#), [ОСББ в умовах карантину: досвід Тернополя](#), [ОСББ в умовах карантину: досвід Сум](#)



4. SUSTAINABILITY OF PROJECT RESULTS



The Project is built on the principle of sustainability, through building the capacity of homeowners' associations so that they can play an effective role not only in the management of their housing blocks, but also in ensuring their long-term energy efficiency and reducing energy consumption costs. Hence, the Project development approach and effective dissemination of results must trigger further mobilization of homeowners and their participation in energy efficiency programmes. To ensure the sustainability of results achieved within the Project intervention and the further dissemination of its results, the following important activities were undertaken by the Project:

- The Project focused on building strong local partnerships between HOAs and local authorities/local councils. A regular policy dialogue on HOAs with local authorities improves and simplifies the creation and operation of HOAs. Thus, the Project actively involved local authorities in all capacity-building activities organized for HOAs and communications with HOAs, encouraging and motivating



local authorities to provide support to HOAs – including via municipal programmes for supporting HOAs and EE.

- The Project took a practical and targeted approach to HOA development in as much as it aimed to prepare them to obtain financing for their projects. Thus prepared, these HOAs not only have access to EEF grants, but also can apply for other types of improvement funding. The utility of this approach is confirmed by the number of HOAs that applied both for EEF and for other sources of funding.
- Newly created HOAs and future Functional Groups who did not go through the Project interventions will require ongoing support in their initial journey, to give them confidence and experience. The Project within its Exit Strategy prepared representatives of specialized municipal departments, associations of HOAs and Resource Centres to assist existing and newly created HOAs and FGs in the future. Although these resources are not able to fully replicate the extensive “catalyst booster” provided by Project’s CDAs, they will support both newly created and pre-existing HOAs in their next steps of institutional development and consultancy support.
- The Project also promoted the establishment of sustainable horizontal links at the level of HOAs and local authorities through face-to-face experience sharing across Ukraine, through exchange visits and web-conferencing.
- The high level of demand for training on the legal aspects of operating HOAs shows that HOAs’ needs for professional legal support are increasing. To ensure further support is available in this area, the Project established cooperation with the Coordination Centre of the Ministry of Justice, which coordinates the activities of an extensive network of free legal aid (FLA) offices, which are present in 10,000 locations, including ATCs, small settlements and villages. The almost 1,200 lawyers and 8,000 advocates participating in the network are involved in the provision of free primary and secondary legal aid. The Project organized a series of tailored training sessions for professional lawyers from the network, raising awareness among lawyers about HOAs, and increasing the quality of services they can deliver to HOAs in the future.
- To respond to the needs of HOAs and ensure the sustainability of Project results, the Project developed a comprehensive series of online training course for HOAs “*HOA - the ABC of Success*”, consisting of three courses – “*Setting up and starting an HOA*”, “*Accounting for HOAs*”, and “*Technical Recommendations on Multi-apartment Building Maintenance for HOAs*”, which cover the three most essential and demanding topics, i.e. the legal basis of HOA creation and operation, accounting, and the maintenance of multi-apartment buildings.
- Understanding that materials prepared by the Project, i.e., manuals, information materials, infographics, posters, videos, etc. will serve as a source of reliable information for HOAs/HBCs and Functional Groups, the Project placed them on an online resource and shared this with its partners from the IFC and EEF.



5. LESSONS LEARNED



During Project implementation the following important observations were made, which it is recommended are taken into consideration when planning future effective activities to support the creation and capacity development of HOAs, as well as stimulate their active participation in the EEF programmes:

1. Homeowners' awareness of their rights and responsibilities in relation to their status as co-owners of a multi-apartment building, as well as their understanding of existing options for the management of their property within the existing legislative framework, pre-determine their success in establishing a new HOA. Consequently, widespread dissemination of this information among homeowners creates a supportive environment and eases the process of establishing an HOA for active homeowners who have formed initiative groups. From a practical point of view, this means that massive outreach campaigns targeting not only the co-owners themselves but also other groups that might be influential make a lot of sense and should be planned for the future.
2. Support for the newly created HOAs, especially in the early years of their formation and the beginning of their active functioning, is critically important. Many of the suspended or "dormant" HOAs could not cope with the difficulties they faced at the beginning of their activities. Thus, the provision of support (in-depth learning opportunities and mentoring) at this stage is a primary task, which requires the joint efforts of local authorities, specialized NGOs (Resource Centres) and other stakeholders interested in the success of HOAs and in need of support from TA projects.



3. Support from local authorities for the establishment and operations of HOAs, as well as for the initiatives they create to improve the energy efficiency of the housing stock, is critical and will produce the best results. In the current situation of decreasing incomes and limited financial capacities of the majority of households to invest in energy efficiency projects, such assistance is key to the success of energy efficiency reforms in Ukraine. Therefore, local authorities, including the leadership of municipalities, heads and leading specialists of the responsible departments, deputies of local councils, etc., should be encouraged and motivated to provide support to HOAs. Through holding competitions on best practices and by facilitating experience exchanges among cities and communities, additional impetus can be generated for the city mayors and the deputies of local councils to pay attention to the problems of HOAs and help in resolving them.

4. The all-Ukrainian community of active HOAs and their associations is a powerful engine that could play an outstanding role in popularising the ideas of energy efficiency, as well as promoting the products of the EEF among its potential beneficiaries. Continued support for the All-Ukrainian Forum of HOAs, active participation in its work and maintaining the established partnerships with this active community will help the EEF overcome the barrier of hesitation and reach the maximum number of HOAs. Involving them in the process of developing new products of the Fund and obtaining HOAs' feedback will help to bring these products closer to the needs of HOAs, while remaining effective in ensuring the best results in energy saving and reducing greenhouse gas emissions.

5. Local energy efficiency support centres in some cases become multifunctional platforms for capacity development of HOAs, as well as centres of expertise. The popularization of modern EE solutions, access to technologies and supplier catalogues, as well as the opportunity to get expert advice are important factors in introducing EE ideas into the HOA environment at the local level. Such positive practices should be identified and promoted throughout the country. Exchanges of experience between cities and individual energy efficiency support centres are also very helpful.

6. The municipal programmes for supporting HOAs are important sources of affordable co-financing for EE initiatives. In the context of the multi-factor crisis caused by the COVID-19 pandemic, the priorities of local authorities are shifting from EE as their attention is focused on other pressing issues. Therefore, it is important to prevent the suspension and/or underfunding of such programmes by attracting attention to them, encouraging the local authorities to allocate sufficient funding in their budgets and align their local programmes with the EEF's grant programme.

7. Revolving Funds (RFs) established at the local level with support from local authorities could play a significant positive role in accelerating the processes of the thermo-modernization of the multi-apartment housing stock. The positive experiences of the functioning of RFs are worth sharing, as is replicating successfully tested models in cities and settlements across the country. UNDP's experience shows that the best results are achieved through forming multi-stakeholder cross-sectoral partnerships, as well as through pooling the resources of several local communities, which can form joint RFs.

8. The further development of the energy auditing services market in Ukraine is critical for the successful implementation of energy efficiency reforms in general, and for the increased participation of HOAs in the EEF's programmes. It is important to improve the quality of the services provided (i.e., the qualifications of energy auditors), and at the same time ensure there is fair and transparent competition on the market. The creation of online marketplaces for services provided to HOAs – and energy auditing services in particular – could significantly improve the take up of such services by HOAs, especially those located in small towns and settlements.



9. HOAs play an essential role in countering the spread of the coronavirus and addressing the impact of the COVID-19 pandemic on communities. Their active leadership, as well as their ability to swiftly disseminate important information, mobilize resources and find innovative solutions to ensure the safety of residents of multi-apartment buildings, as well as their support for people from vulnerable groups living in their houses and neighbourhoods, make them a unique force for combating the pandemic.

10. Continuous communications at all levels are essential for the success of HOAs in establishing operations and applying EE solutions. This observation is equally applicable to:

- a) communications between the local authorities and homeowners, which result not only in increasing the number of established HOAs, but also in increasing the number of EE projects initiated by HOAs;
- b) horizontal communications: communications between HOAs of one city or settlements and with HOAs from other cities and settlements. Such communications allow best practices and most the efficient EE solutions to be shared and replicated;
- c) communications between representatives of the local authorities (i.e., between specialists responsible for supporting HOAs and introducing EE into the housing sector and representatives of local councils) helps them learn best practices in how to support HOAs through their local programmes.