



The Partnership for the Future of Alchevsk

THE CHALLENGE

The city of Alchevsk historically has been one of the most depressed cities in Ukraine. Improvement of the municipal infrastructure is the highest priority in this city where most of the city's 116,000 residents were literally freezing after the heat supply system collapsed in January 2006. Poor street lighting is another common problem in many Ukrainian cities which can decrease the mobility of residents at night and pose a potential safety risk. Lack of effective local government response to residents/citizens and the efficiency of services affect the competitiveness to attract foreign direct investment to the region.

THE APPROACH

The Partnership for the Future of Alchevsk, an alliance between USAID, the Industrial Union of Donbass Corporation (ISD), and the City Council of Alchevsk, is a comprehensive economic and community development initiative. Through this alliance, partners seek to improve city services and ultimately the life of local residents by investing in development programs. ISD is funding the purchasing of materials and equipment, USAID provides the technical expertise to support development through implementing partners and tested methodologies, and Alchevsk municipal leadership are ensuring that the relevant municipal enterprises perform installation and maintenance of modernized infrastructure. This cross-sector working group presents a new model of cooperation and further provides a prototype for future partnership efforts with municipal government.

PARTNERS

The City Council of Alchevsk,
the Industrial Union of Donbass Corporation



RESULTS

- The Alchevsk Development Fund disbursed more than UAH 47 million (about \$10 M) on various infrastructure and social programs, including strategic planning projects.
- More than 100 city development programs were developed and are being implemented as a result of increased government and community cooperation.
- The City Council has approved a 5-year economic strategy to attract new business and investment from private companies.
- A 20 percent reduction in commercial water loss from the Alchevsk Water Company is expected due to the implementation of a newly created operations reform plan from the partnership.

