

DECENTRALIZATION IN UKRAINE: 2015-2018

REFORM

Ukraine NOW

DECENTRALIZATION: AUC ROLE



- Participation in drafting legislation, dialogue with central authorities
- Informational, advisory, and educational support for the local reform process through the central office and regional offices (in 2015 a memorandum on cooperation between the Ministry of Regional Development and the AUC on the establishment of reform offices in each oblast signed)
- Supporting the reform promotion and information campaign in the media
- 40% of amalgamated territorial communities are members of the AUC and the number is constantly increasing.



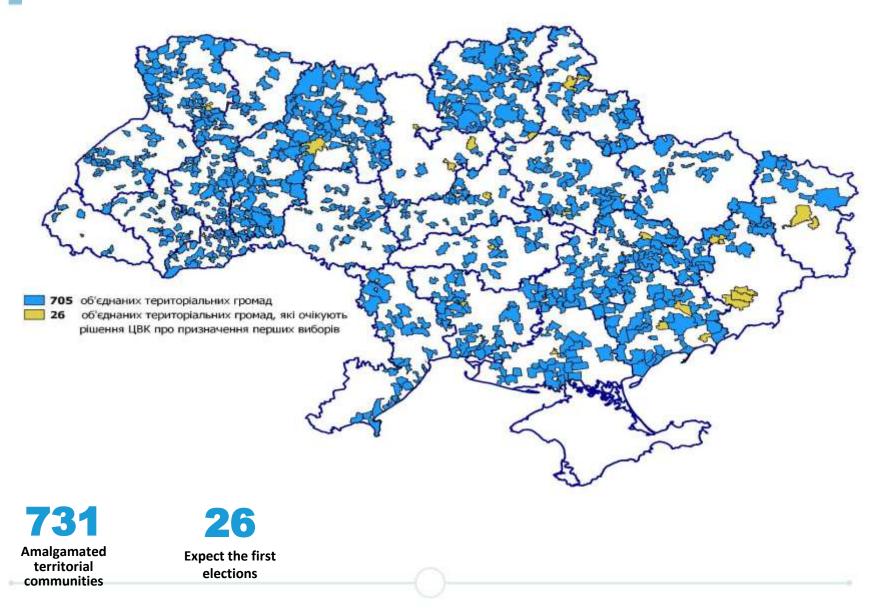
DECENTRALIZATION: General trends over the past 3 years

- 705 amalgamated territorial communities. The number is constantly increasing
- Sectoral reforms in health care (primary level), education (secondary and vocational), social protection (monetization of privileges, housing subsidies)
- Significant state financial support (education, health care, regional development, infrastructure subvention)

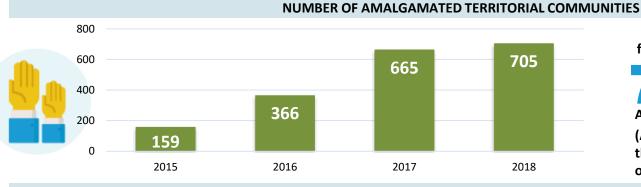




As of 10/5/2018



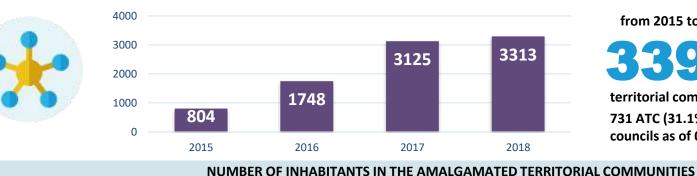
CREATION DYNAMICS OF AMALGAMATED TERRITORIAL COMMUNITIES



from 2015 to 2018 created

Amalgamated territorial communities (Among them 26 – Expect the decision of the Central Election Commission on purpose of the first elections)

NUMBER OF TERRITORIAL COMMUNITIES WHICH WHERE VOLUNTARILY AMALGAMATED



from 2015 to 2018

99

territorial communities have amalgamated 731 ATC (31.1% of the total number of bases councils as of 01.01.2015)



CREATION DYNAMICS OF AMALGAMATED TERRITORIAL COMMUNITIES

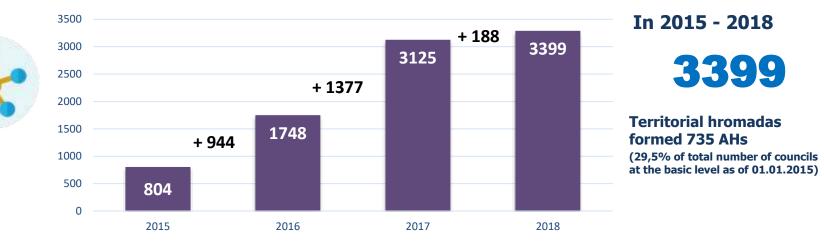




The average population of one ATC



DYNAMICS OF AH FORMATION



NUMBER OF TERRITORIAL HROMADAS WHICH FORMED AMALGAMATED HROMADAS

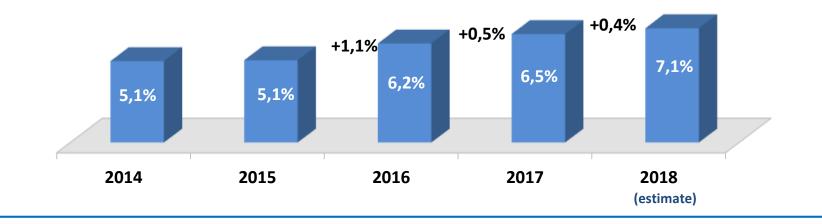
NUMBER OF NON-AMALGAMATED HROMADAS



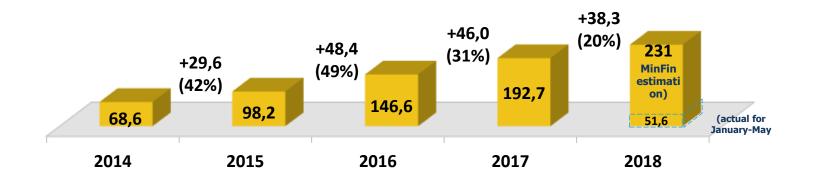
7540

Territorial hromadas remain nonamalgamated (70,5% of total number of councils at the basic level as of 01.01.2015)

LOCAL BUDGET OWN REVENUE (GENERAL FUND) SHARE IN GDP, 2014-2018, %



LOCAL BUDGETS OWN REVENUES, BLN. UAH



STATE FINANCIAL SUPPORT DYNAMICS OF STATE FINANCIAL SUPPORT OF HROMADA DEVELOPMENT AND INFRASTRUCTURE BUILDUP

In 2018 as compared to 2014 state support of hromada development and their infrastructure buildup has increased

by **39** times

In addition, subvention for construction, reconstruction, repair and maintenance of local public roads amounting to **UAH 11,5 bln** is envisaged for 2018

0,5

0 5

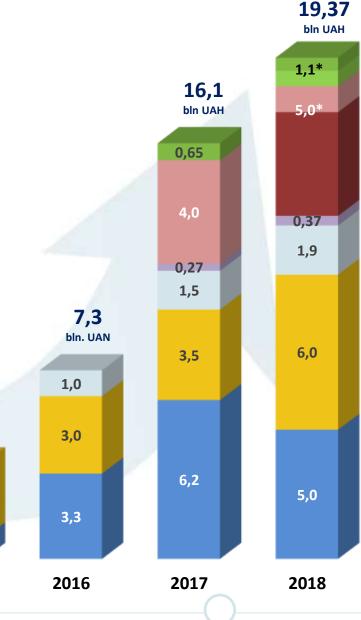
2014

3,7

2,9

0.8

2015



Funds for support of sectoral regional policy (*incl. 0,6 bln UAH – carry-over from 2017

Subvention for rural healthcare development (*incl. 4 bln UAH – carryover from 2017)

Funds for construction of football fields

Subvention for infrastructure of amalgamated hromadas

State Fund for Regional Development

 Subvention for social and economic development

DECENTRALIZATION: CHALLENGES

- amendments to the Constitution have not yet been adopted (they would make the process of decentralization irreversible)
- the conflict in the East of Ukraine (distraction of financial resources, influence on political decisions, political difficulties of the process of communities amalgamation in close-to-conflict-zones)
- delegation of authority to local municipalities without financial resources
- necessity to complete voluntary amalgamation
- the fixed budget of support for the infrastructure development of the amalgamated communities does not take into account the growth of the number of ATCs (the more ATCs created the less support they will receive).
- opposition by some officials, who may lose their authority



DECENTRALIZATION: PERSPECTIVES

Sectoral Decentralization

- Medical reform (hospital districts, autonomy of medical establishments, clinical protocols)
- Education reform (new standards of education services, hub schools)
- Monetization of social privileges (public transport travel privilege, transparent offices, common registry of social support)

Enlargement of land control authorities

- Enlargement of jurisdiction in the territory out of the community border (land, planning)
- Transferring land to community property on the basis of the urbanplanning documentation
- Effective state and public control



THANK YOU!

