

DECENTRALIZATION IN UKRAINE

This monthly newsletter is a brief overview of Ukrainian authorities' work on implementation of Reform #1 in Ukraine

JULY 2017



The Earned Revenues of Local Budgets are Increasing

For the first six months of 2017, UAH 87 billion was paid to the general fund of local budgets, which amount totals 53.6% of the annual plans approved by local councils.

The addition of revenues, in comparison with the same period of the previous year, totalled 34 % or UAH 22 billion.

Experts call the financial decentralisation as the major factor for increased revenues of local budgets.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

Budgets of the Amalgamated Communities are Growing

Over the first six months of 2017, the 207 amalgamated communities which were established in 2016 and, therefore, transferred to direct inter-budgetary relations with the state budget only in this year have received three times more own resources. Prior to the amalgamation, that is, over the period from January to June 2016, that indicator totalled UAH 626 million, today it totals UAH 2 billion.

The 159 amalgamated communities which have been operating under the new budgetary and financial conditions for two years have increased earned revenues by 41% (+ UAH 549 million). This indicator is higher than average in Ukraine (34%).

Consequently, the earned revenues of local budgets of the 366 amalgamated territorial communities, in general, have increased almost by twice and totalled UAH 3.9 billion (+ UAH 1.9 billion).

Inclusive of inter-budget transfers from the state budget, the revenues of the general fund of local budgets of the 366 amalgamated territorial communities totalled UAH 9 billion.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

163 Amalgamated Communities are Prepared for the First Election

As of 28 July 2017, applications for calling the first elections of chairpersons and members of local councils in 163 amalgamated territorial communities (ATCs) composed of 722 former local councils, are pending for consideration by the Central Elections Commission, which applications have been filed by Oblast State Administrations.

Altogether, 253 amalgamated communities are at the final stages of their formation: 163 ATCs are awaiting the decision of the Central Elections Commission, while Oblast State Administrations are preparing applications with respect to 9 ATCs, which applications are to be filed with the Central Elections Commission; 53 ATCs are in the process of making their final decisions on the amalgamation; 28 ATCs awaiting the opinion of Oblast State Administrations.

As is known, altogether, 413 amalgamated territorial communities have been established in Ukraine over the period of 2015 to 2017, which communities are composed of 1971 former local councils.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

The State has Provided Funds for Holding Local Elections in the Amalgamated Communities

On 12 July 2017, the law providing for the allocation of funds for holding elections in the amalgamated communities became effective.

Pursuant to the law, the government grant from the state budget to local budgets for holding elections of members of local councils and mayors and heads of villages, settlements, and cities was increased by UAH 272.3 million.

The law ensures a proper preparation process and holding of the first elections in the amalgamated territorial communities, as well as the off-year local elections for the account of funds of the relevant government grant.

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The Amalgamated Communities Already Have More than 320 Infrastructure Projects which will be Implemented for the Account of Government Grant

As of 26 July 2017, the Commission at the Ministry of Regional Development approved more than 320 applications for infrastructure development projects in the ATCs, in the total amount of approximately UAH 300 million. Those projects will be implemented for the account of the respective government grant.

In general, the 2017 State Budget provides for a government grant in the amount of UAH 1.5 billion for the development of infrastructure in the ATCs. Those funds have been distributed among 366 amalgamated communities established in 2015-2016.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

767 Projects will be Financed from the State Fund for Regional Development in 2017

On 12 July 2017, the Government approved one more list of investment programmes and projects to be financed in the current year for the account of resources from the State Fund for Regional Development, in the total amount of UAH 2.6 billion.

In general, 767 projects amounting to nearly UAH 3.4 billion have already been approved within the framework of the State Fund for Regional Development. 531 of those facilities will be completed and put into operation by the end of the current year.

The total amount of financing of the State Fund for Regional Development for 2017 is UAH 3.5 billion.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

The Government has Already Approved the List of Hospital Districts in 16 Oblasts

On 12 July 2017, the Government approved the boundaries and composition of hospital districts in additional three Oblasts of Ukraine: Ivano-Frankivsk, Kirovohrad, and Cherkasy.

Thus, the hospital districts have been established in 16 regions.

Draft decrees with respect to the remaining 9 Oblasts are now being prepared by Oblast State Administrations.

The establishment of hospital districts takes place within the framework of the health care decentralisation by amalgamating health care institutions providing secondary care into a uniform system.

SOURCE: [DECENTRALIZATION OF POWER WEB-SITE](#)

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Press center of Government Initiative "[Decentralization of Power](#)"

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