

DECENTRALIZATION IN UKRAINE

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

JANUARY 2017



Financial Decentralisation: Local Budgets Have Been Increasing All Over the Year

The resources of local budgets have been increasing all over 2016. Thus, the influx of own resources to the local budgets increased 1.5 times and totalled UAH 147 billion. The addition of revenues comprised 49.3% or + UAH 48.5 billion.

For the said period, the own earnings of the amalgamated territorial communities which were established in 2015 increased more than three times - from UAH 1 billion to UAH 3.3 billion.

The overall budgets of 159 amalgamated territorial communities, inclusive of transfers from the state budget, totalled UAH 7 billion over the year, that is seven times more in comparison with the revenues to the budgets of local councils in 2015, which councils merged in those communities.

"Since the time when the independence of our state was declared, such amount of money was never available at the local level. That is a huge resource for investments in the development of the economy, the creation of new jobs, production of innovative products", - Prime Minister of Ukraine Volodymyr Groisman.

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

International Support for the Reform: Estonia will Implement EUR 5.7 Million Decentralisation Project in Ukraine

On 23 January 2017, it was declared that Ukraine and Estonia would sign a memorandum on the implementation of the EGOV4UKRAINE project ("Support for E-Governance Decentralisation in Ukraine"). The total project value is EUR 5.7 million.

The project will be implemented within the framework of the U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme which started in Ukraine in September of 2016.

The EGOV4UKRAINE project is intended to improve the process of providing administrative services in local communities through the e-governance instruments. It includes the development and implementation of a multipurpose and efficient IT architecture, information systems and engineering solutions for the administrative service centres.

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

Decentralisation of Health Care Services: First Schemes of Hospital Districts have been Submitted to the Government

On 25 January 2017, the Ministry of Health of Ukraine submitted to the central executive authorities for approval the list and composition of the first hospital districts in 12 Oblasts (Regions) and the city of Kyiv.

The process of establishing hospital districts in regions takes into account the principles of decentralisation continuing in Ukraine and it provides for the improvement of the network of health care institutions, with the involvement of local authorities. This improvement takes place in accordance with two principles: availability of medical care for people and appropriate load on the institutions to maintain high professional skills of health care specialists.

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

Establishment of Capable Communities: The First Elections have been Called in 40 More Amalgamated Communities

On 24 January 2017, the Central Election Commission called the first election of heads and members of councils in 40 amalgamated communities. The elections will be held in 15 Oblasts (Regions) of the country.

In general, after those elections, 406 amalgamated territorial communities will be established in Ukraine.

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International Support for the Reform: SKL International will Assist 14 Amalgamated Communities to Establish Administrative Service Centres

On 24 January 2017, the Memorandums of Cooperation were signed between representatives of 14 amalgamated territorial communities and SKL International with respect to the establishment of administrative service centres in those communities.

It is provided for conducting building renovations and equipping the administrative service centres, as well as training relevant specialists and carrying out awareness campaigns on the activities of such centres in those 14 communities. The total amount of funding is EUR 800 million.

In the nearest future, there will be held a competitive selection of 10 more amalgamated communities for providing assistance thereto for the development of administrative service centres in those communities.

SKL International implements the Initial Phase of the U-LEAD Component 2 project "Establishment of Administrative Service Centres and Raising Public Awareness on the Local Self-Government" in terms of the development of administrative service centres, which project is funded by the European Union and the Swedish International Development Cooperation Agency (Sida).

According to the U-LEAD Component 2, it is planned to open not less than 24 administrative service centres in the established amalgamated communities by the end of 2017 and more than 600 centres, by the end of 2020.

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

Sectoral Decentralisation: Regions which are First in Launching the Health Care Reform will Receive Support from International Organisations

On 23 January 2017, the tripartite project "Support for Reforms and Efficient Governance in the Health Care Sector of Ukraine" "Support for Reforms and Efficient Governance in the Health Care Sector of Ukraine" project with the participation of the World Bank, the Swiss Cooperation Office in Ukraine, and the Ministry of Health of Ukraine was presented.

The project will continue for three years. The amount of CHF 2.6 million is set aside for the implementation of the project.

Lviv, Poltava, and other Oblasts (Regions) which are first in launching the health care reform will receive technical and organisational support within the framework of the project.

"The main objective of the project is to assist in implementing reforms at the local level and counteracting corruption during the procurement of medicines and healthcare products", acting Minister of Health Uliana Suprun, a medical doctor.

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

State Support of the Reform: Amalgamated Communities have Spent 95% of the Government Grant for the Development of Infrastructure

On 12 January 2017, the information was received from the Department of Treasury evidencing that the amalgamated territorial communities had spent 95% of the UAH 1 billion government grant allocated by the state for the development of infrastructure.

This proves the ability of the amalgamated territorial communities to independently resolve locally significant issues and their ability to bear responsibility for the decisions made.

The funds of the government grant were used to repair and construct roads, school buildings, kindergartens, health care institutions, for the construction of administrative service centres, sporting facilities, for street lighting, purchase of special-purpose machinery to meet municipal needs, etc.

"Sceptics did not believe that the communities would be able to cope with the implementation of projects and application of funds allocated having no relevant experience. Nevertheless, they did cope with its and proved that they were able to independently conduct the affairs in their territories without instructions from Rayon (District) or Oblast (regional) level. Hence, the reform of local self-government under the principle of decentralisation of powers and resources proves to be efficient", First Deputy Minister of Regional Development, Construction, and Housing and Communal Services of Ukraine Viacheslav Nehoda commented.

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Sectoral Decentralisation: the Concept of Cultural Sector Decentralisation has been Presented

On 20 January 2017, the "Decentralisation: Culture Sector" concept was presented, which concept clearly defines performance indicators for the reform implementation in the industry. In particular, they involve decreased criminality levels in territorial communities; increase in the number of children visiting cultural institutions on a regular basis; creation of new jobs in the cultural sector, etc.

The concept is a progress chart for further advancement in the cultural sector and active participation of regions and communities in the process.

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

Sectoral Decentralisation: The Strategy for Reforming the State Emergency Service of Ukraine has been Approved

All of the 159 amalgamated territorial communities to which the government grant was allocated for the development of infrastructure facilities in the amount of UAH 1 billion received 100% of those funds to their treasury accounts.

The Expert Commission at the Ministry of Regional Development approved 1,383 applications for infrastructure development projects which would be implemented on account of the government grant. The aggregate amount required for the implementation of the approved projects totals approximately UAH 993.8 million (~99.4 % of the total amount of the government grant).

"The Government has fulfilled its obligations to the amalgamated communities regarding the support for their infrastructure. The funds of the government grant were received on a timely basis and in accordance with the schedule, the applications for projects were considered by the expert commission very promptly. Soon, we will have the results of use of the funds of government grant by the amalgamated communities", **First Deputy Minister of Regional Development, Construction and Housing and Communal Services of Ukraine Viacheslav Nehoda.**

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

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