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DEVELOPMENT INITIATIVE FOR ADVOCATING LOCAL
GOVERNANCE IN UKRAINE (DIALOGUE PROJECT)

QUARTERLY REPORT
for the Development Initiative for Advocating
Local Governance in Ukraine (DIALOGUE)
Project
January – March, 2014

TABLE OF CONTENTS

RESUME	5
Chapter 1. KEY ACHIEVEMENTS IN THE REPORTING PERIOD	6
Chapter 2. PROJECT IMPLEMENTATION	8
2.1. Component 1: Legal Framework	8
Activity 2.1.1. Legislation drafting based on local governments legislative needs	8
<i>Local government legislation need assessment</i>	8
<i>and work on local government technical profiles</i>	9
<i>Legislation monitoring</i>	9
Activity 2.1.2. Expert evaluation of conformity of draft legislation to the European Charter of Local Self-Governance	13
Activity 2.1.3. Introduction of institutional tools for local governments to participate in legislation drafting	13
<i>Round table discussions in AUC Regional Offices and meetings of AUC Professional Groups</i>	13
<i>Setting up a network of lawyers to participate in legislation drafting</i>	23
2.2. Component 2: Policy dialogue	25
Activity 2.2.1. Increasing the participation of the AUC member cities in the policy dialogue established by the Association at the national level	25
<i>Dialogue Day: answers to the questions raised</i>	25
<i>Cooperation with central government authorities</i>	25
<i>Participation of Ukraine-wide local government associations in working sessions of the Cabinet of Ministers</i>	30
<i>Parliamentary Inter-Faction Local Government Support Group (local government caucus)</i>	34
<i>Participation in the work of parliamentary committees</i>	35
Activity 2.2.2. Setting up advisory boards at the regional level with participation of AUC Regional Offices and local State Executive agencies at the oblast level	37
<i>Working sessions of Local Government Regional Advisory Boards</i>	37
Activity 2.2.3. Establishing formal and regular coordination mechanisms with other USAID supported activities and other donor organizations	38
<i>Forum of Donor Organisations working in the local government sector</i>	38
<i>Cooperation with other USAID projects and projects supported by other donor organisations</i>	38
2.3. Component 3: Fostering Public Support for Reform	38
Activity 2.3.1. Implementation of the integrated Communication and Branding Strategy of the AUC	38
Activity 2.3.2. Integration of communications into day-to-day operations of the AUC	39
Activity 2.3.3. Production and dissemination of tools for message delivery	39
<i>DIALOGUE Project AUC web-site</i>	39
<i>Electronic and printed media</i>	39
<i>Radio coverage</i>	41
<i>TV coverage</i>	42
<i>«ЗМІСТОВА Україна» TV program series</i>	42

Activity 2.3.4. Fostering media relations	43
<i>Setting up a team of AUC speakers</i>	43
<i>Implementation of mechanisms for regular communication between local governments and media</i>	44
2.4. Component 4: Legal Assistance and Protection	45
Activity 2.4.1. Expanding legal consultation services for navigating various laws and regulations	45
<i>Expert workshops in AUC ROs</i>	45
Activity 2.4.2. Legal protection services	52
<i>Monitoring of cases of harassment of local governments and their officials</i>	52
<i>Scheduling pre-term elections</i>	58
<i>Local Government Lawyer School</i>	58
Chapter 3. IMPLEMENTATION PROBLEMS AND WAYS TO RESOLVE THEM	60
Chapter 4. SUCCESS STORIES	61
Chapter 5. ESTIMATED SCHEDULE FOR THE NEXT QUARTER	66

LIST OF ABBREVIATIONS

AUC – Association of Ukrainian Cities
AUC RO – Regional Office of the Association of Ukrainian Cities
CAS – Center for Administrative Services
CASE – Central Agencies of the State Executive
CGA – Central Government Agency
CJSC – Closed Joint-Stock Company
CMU – Cabinet of Ministers of Ukraine
EU – European Union
HUS – Housing and Utilities Sector
IFG – Inter-Faction Group
LG – Local Government
LGRAB – Local Government Regional Advisory Board
Ltd. – limited
MOH – Ministry of Health Care
NA – News Agency
NJSC – National Joint-Stock Company
OSA – Oblast State Administration
PJSC – Private Joint-Stock Company
RSA – Rayon State Administration
SSR – Soviet Socialist Republic
STU – State Treasury of Ukraine
STVRC – State TV and Radio Company
TVRC – TV and Radio Company
USA – united States of America
USAID – U.S. Agency for International Development
UWLGA – Ukraine-Wide Local Government Association
UWNGO – Ukraine-Wide Non-Governmental Organisation
VRU – Verkhovna Rada of Ukraine
ZhEK – Housing Neighbourhood Maintenance Unit

RESUME

The purpose of the DIALOGUE Project is to promote the environment conducive for local government reforms and to ensure a broad-based support for decentralisation from public servants, civil society organisations and the public at large.

Project implementation in January – March of 2014 yielded the following outcomes:

- DIALOGUE Project experts performed the monitoring of **57** draft legislation and **190** ordinances and regulatory documents;
- The Project conducted working sessions of **six** AUC Professional Groups and updated **nine** local government technical area profiles;
- The Cabinet of Ministers took into account the AUC position with regard to **one** legislative and regulatory documents;
- The Verkhovna Rada of Ukraine took into account the provisions of **one** draft law;
- DIALOGUE Project experts took part in **17** working sessions of **five** parliamentary committees. This enabled the AUC to defend its position with regard to draft laws initiated by National Deputies;
- The Project conducted **one** working session of the Local Government Regional Advisory Board;
- The «ЗМІСТОВНА Україна» [*city-minded Ukraine*] TV Project is underway and continues to cover local government issues and best practices from cities. The Project aired **three** TV programs;
- The Project conducted **23** expert workshops in AUC ROs;
- The Project provided **164** consultations to local governments and officials;
- The Project published **two** issues of the AUC Herald and **three** issues of Legislation News professional legal publication, and **one** issue of the Legal Consultations and the Sectoral Monitoring; and,
- The Project published the Local Governance in 2013 printed publication.

Chapter 1. KEY ACHIEVEMENTS IN THE REPORTING PERIOD

January 15, the First National TV Channel УТ-1 featured the «ЗМІСТОВНА Україна» [*city-minded Ukraine*] program (about the city of Kozyatyn, Vinnytsya oblast)

January 22, the First National TV Channel УТ-1 featured the «ЗМІСТОВНА Україна» [*city-minded Ukraine*] program (about the city of Boryspil, Kyiv oblast)

January 23, 2014, expert workshop in the Kirovohrad AUC RO, city of Kirovohrad

January 23, 2014, expert workshop in the Kherson AUC RO, city of Kherson

January 24, 2014, expert workshop in the Lviv AUC RO, city of Lviv

January 29, the First National TV Channel УТ-1 featured the «ЗМІСТОВНА Україна» [*city-minded Ukraine*] program (about the working session of the AUC Local Government Lawyers Professional Group, city of Mykolaiv)

Late January, the Project published and disseminated the thirty-seventh issue of the “Legislation News”

Late January, the Project published and disseminated the fortieth issue of the “DIALOGUE Newsletter”

February 05, 2014, expert workshop in the Khmelnytskyi AUC RO, city of Khmelnytskyi

February 05, 2014, expert workshop in the Rivne AUC RO, city of Rivne

February 11, 2014, expert workshop in the Mykolaiv AUC RO, city of Mykolaiv

February 13, 2014, expert workshop in the Luhansk AUC RO, city of Luhansk

February 20-21, 2014, the Project conducted a working session of the AUC Social Protection Professional Group, city of Zaporizhzhya

February 21, 2014, expert workshop in the Crimean AUC RO, city of Simferopol

February 25, 2014, expert workshop in the Cherkasy AUC RO, city of Cherkasy

February 27-28, 2014, the Project conducted a working session of the AUC Land Resources Professional Group, city of Ivano-Frankivsk

February 28, 2014, expert workshop in the Ivano-Frankivsk AUC RO, city of Ivano-Frankivsk

February 28, 2014, expert workshop in the Donetsk AUC RO, city of Donetsk

February 28, 2014, expert workshop in the Volyn AUC RO, city of Lutsk

Late February, the Project prepared and published the “AUC Herald” (Issue # 104)

Late February, the Project published and disseminated the thirty-eighth issue of the “Legislation News”

Late February, the Project published and disseminated the forty-first issue of the “DIALOGUE Newsletter”

Late February, the Project published the Local Governance in 2013 annual publication

March 04, 2014, the Project conducted a working session of the Association of Ukraine City Finance Officers, city of Kyiv

March 12, 2014, expert workshop in the Kharkiv AUC RO, city of Kharkiv

March 12, 2014, the Project conducted a working session of the Dnipropetrovsk Oblast Local Government Regional Advisory Board and the regional press-club, city of Dnipropetrovsk

March 13, 2014, the Project conducted a working session of the AUC Health Care Professional Group, city of Kyiv

March 13, 2014, expert workshop in the Ternopil AUC RO, city of Ternopil

March 18, 2014, expert workshop in the Vinnytsya AUC RO, city of Vinnytsya

March 20, 2014, expert workshop in the Chernihiv AUC RO, city of Chernihiv

March 21, 2014, expert workshop in the Kyiv AUC RO, city of Kyiv

March 21, 2014, expert workshop in the Rivne AUC RO, city of Rivne

March 25, 2014, expert workshop in the Dnipropetrovsk AUC RO, city of Dnipropetrovsk

March 26, 2014, expert workshop in the Zakarpattya AUC RO, city of Uzhgorod

March 27, 2014, expert workshop in the Sumy AUC RO, city of Sumy

March 27-28, 2014, the Project conducted a working session of the AUC Housing and Municipal Utilities Professional Group, city of Dnipropetrovsk

March 27-28, 2014, the Project conducted a working session of the AUC Public Education Professional Group, city of Khmelnytskyi

March 28, 2014, expert workshop in the Odesa AUC RO, city of Odesa

March 28, 2014, expert workshop in the Zhytomyr AUC RO, city of Zhytomyr

Late March, the Project prepared and published the “AUC Herald” (Issue # 105)

Late March, the Project published and disseminated the thirty-ninth issue of the “Legislation News”

Late March, the Project published and disseminated the forty-second issue of the “DIALOGUE Newsletter”

Late March, the Project prepared and disseminated the fifteenth issue of the “Legal Consultations”

Chapter 2. PROJECT IMPLEMENTATION

2.1. Component 1: Legal Framework

Activity 2.1.1. Legislation drafting based on local governments legislative needs

*The Project worked on 57 draft laws and other legal and regulatory documents, 31 laws and regulations were sent for AUC concurrence including 24 concurred without reservations, 5 with reservations, with 2 not concurred with. **One** piece of local government enhancing legislation was approved and came into force.*

Since its inception, the Project worked on 616 draft laws and other legal and regulatory documents, and enabled the AUC to participate in the concurrence of 238 draft legislation and regulations (including 149 documents concurred without reservations, 57 concurred with reservations, 32 not concurred with, and 16 draft laws were prepared). 40 pieces of local government-enhancing legislation came into effect.

Local government legislation need assessment and work on local government technical profiles

In the course of the reporting period, the Project supplemented the Current Legislative Framework chapters with the titles and detailed information on 15 new regulatory and legal documents including three laws, one resolution of the Verkhovna Rada of Ukraine, five resolutions of the Cabinet of Ministers of Ukraine, as well as six instructions of technical ministries. Four outdated code and three instructions of the State Committee on Land Resources and one instruction of the Ministry of Justice were removed from the profiles as void.

Based on the findings of monitoring local government problem issues, the Project did not find out any new problem issues in the corresponding local self-governance technical areas. At the same time, in some technical area profiles (see the table) the number of names of problem issues increased due to their better formulation based on the outcomes of working sessions of the corresponding AUC professional groups.

During the quarter, due to its political peculiarities, the problem issues mentioned in the profiles were not resolved. At the same time, the number of problem issues in certain profiles (see the table) decreased, because they became not important.

Technical area profiles	As of the beginning of the reporting period	Added	Resolved	As of the end of the reporting period
Housing and utilities sector	59	0	12	47
Land relations	26	0	7	19
Organisational and legal foundations of local self-governance	33	0	0	33
Local elections	23	0	0	23
Social protection	39	2	18	23
Health care	29	3	10	22
Public education	26	4	7	23
Culture	29	0	4	25

Project experts updated the Overview and Statistics Chapter in the Local Budgets and Financial Foundations of Local Governance Technical Area Profile in the parts dealing with the financial support for the implementation of the delegated authority, withdrawal of local government discretionary funds to for such purposes, and comparison of budget sufficiency of local governments in Ukraine and EU.

Over the reporting period, the Project arranged discussions of the corresponding technical area profiles at working sessions of AUC professional groups:

Technical Area Profile	Location	Date
Social Protection	city of Zaporizzhya	February 21-22
Land Relations	city of Ivan-Frankivsk	February 27-28
Local Budgets and Financial Foundations of Local Self-Governance	city of Kyiv	March 04
Health care	city of Kyiv	March 13
Housing and Municipal Utilities	city of Dnipropetrovsk	March 27-28,
Public Education	City of Khmelnytskyi	March 27-28

In early March, in its greeting to ministries with their appointment, the AUC addressed them with a request to conduct discussions of local government technical area profiles prepared within the framework of the DIALOGUE Project and to organise such discussions for their working groups with participation of AUC Professional Group members and ministry officials. As of late March, this initiative was supported by L. Denysova, Minister of Labour and Social Protection, and V. Hroysman, Vice Prime Minister of Ukraine.

Legislation monitoring

Working within the local government related legislation monitoring Project Component, the Project experts took part in legislation drafting and preparation of proposals and suggestions to 57 draft pieces of legislation.

DIALOGUE Project experts were involved in the AUC concurrence procedure with regard to 31 draft legislation and other legal and regulatory documents sent for concurrence / proposals or comments to the AUC by the

- Ministry of Regional Development, Construction, Housing and Utilities of Ukraine – **21**;
- Ministry of Finance of Ukraine – **1**;
- Ministry of Revenues and Collections of Ukraine – **1**;
- Ministry of Agrarian Policy and Food of Ukraine – **1**;
- Ministry of Economic Development and Trade of Ukraine – **1**;
- Ministry of Infrastructure of Ukraine – **1**;
- Ministry of Labour and Social Policy of Ukraine – **2**;
- National Agency of Civil Service of Ukraine – **2**;
- National Service for Archives of Ukraine – **1**.

24 of these pieces of legislation were concurred without reservations, **five** – with reservations, and **two** – not concurred with, and the Project sent the proposals how to integrate local government interests back to the authors. The AUC has been engaged in the continuous active cooperation with the Ministry of Regional Development, Construction, Housing and Utilities of Ukraine in terms of concurring with regulatory and legal documents drafted by the Ministry. At

the same time, one should mention that the increased number of draft regulatory and legal documents sent by the Ministry of Regional Development to the AUC for concurrence in the reporting period is explained, first of all, by the change of the leadership of the Ministry and the necessity of re-signing of documents accompanying draft regulations and laws.

The AUC continued its active cooperation with the ad-hoc Verkhovna Rada of Ukraine Committee on State Building and Local Self-Governance. The Committee was constantly requesting official AUC information and its position with regard to the draft laws the Committee discusses at its meetings and published it in the information materials handed to National Deputies (Committee members) and other meeting participants.

Local governments received draft regulatory and legal documents for feedback on how they reflect their interests.

During the reporting period, the Verkhovna Rada of Ukraine and the Cabinet of Ministers approved the following legal and regulatory documents with significant impact on local self-governance:

- **Law of Ukraine “In the National Budget of Ukraine for 2014”** of January 16, 2014. The document reflects the proposals of the DIALOGUE Project concerning improvements for the budget sufficiency of territorial communities. Due to the efforts of DIALOGUE Project experts, during the discussions of the National Budget for 2014 in the Verkhovna Rada of Ukraine, the AUC managed to reduce the shortage of local budget funds for the implementation of the delegated authority by 1.3 billion UAH and to increase the financial support to the housing and utilities sector by 3.8 billion UAH.
- **Resolution of the Cabinet of Ministers of Ukraine #30 of January 29 January, 2014.** The document approved the mechanisms and conditions for granting in 2014 a subvention from the National Budget to local budgets to compensate for the difference in tariffs for heating, centralised water supply and sewerage services produced, transported and supplied to citizens arising from the difference between the actual cost of heating energy and tariffs for centralised water supply and sewerage services approved and/or endorsed by state executive authorities or local governments. In accordance with the document, the amount of the financial resources to be channelled to local budgets to repay the difference in tariffs was increased by 3.8 billion UAH through the issuance of T-bills.
- **Law of Ukraine ‘On Introducing Amendments to the Law of Ukraine “On the National Budget of Ukraine for 2014”** (Draft # 4464 of March 17, 2014). The document allocates 2.233 billion UAH (32.5%) of local government funds to the Reserve Fund to be spent for the needs of Ukrainian Military Forces, and 4,649 billion UAH (67.6%) of funds of other National Budget spending units.
- **Law of Ukraine “ON Introducing Amendments to the Law of Ukraine “On the National Budget of Ukraine for 2014”** (Draft # 4575 of March 27, 2014). The document takes into account the following DIALOGUE Project proposals: 1) the Ministry of Finance forecast of assigned local budget revenues was reduced by 9 billion UAH (from 74.1 billion UAH to 65.1 billion UAH); 2) the growth rate constitutes 2.9% of the 2013 revenues instead of the planned 9.4%; 3) the amount of withdrawals from local budgets to the National Budget was reduced by 733 million UAH; and, 4) subventions for communally-owned road network were increased by almost 250 million UAH (by 11%). In fact, this means the reduction of the expenditures that were not backed up with financial resources since the adoption of the State Budget for 2014. This move was also expected to partially reduce the hidden shortfall of local budgets.
- **Law of Ukraine “On Preventing the Financial Breakdown and Providing the Conditions for Economic Growth in Ukraine”** (Draft # 4576 of March 27, 2014) prepared by the Cabinet of Ministers. The Law envisions taxation of the whole floor space of real property (rather than only the residential floor space as was envisioned by the current version of the Tax

Code) with the property tax. Such amendments are in line with the draft law prepared by DIALOGUE Project experts and will ensure increased tax collections to local budgets.

Due to the well-coordinated cooperation between experts and the Verkhovna Rada committees and state executive authorities, and due to high quality of expert proposals and comments it was possible to attain positive intermediate results in the legislative work in the reporting period:

➤ On January 15, 2014, during the working session of the Verkhovna Rada of Ukraine Committee on Construction, Urban Development, Housing, Utilities and Regional Policy, National Deputies supported the **draft Law of Ukraine “On Introducing Amendments to the Tax Code of Ukraine (concerning the exemption of transactions on utility payments of physical participants)”** (# 3521, National Deputy M. Rudkovskiyi). The draft law has a suggestion to exempt the payments for housing and municipal utility services from VAT taxation. DIALOGUE Project experts supported this draft law, because it is in line with local government interests. They also repeatedly addressed the Cabinet of Ministers and the parliament about the need to introduce the simplified taxation system for municipal utility companies and to exempt the companies providing municipal utility services from the VAT tax.

➤ The Verkhovna Rada of Ukraine registered the **draft Law of Ukraine “On Introducing Amendments to Article 19 of the Law of Ukraine “On the National Budget of Ukraine for 2014” Concerning Writing off the Debts on Mid-Term Loans Received by Local Governments”** (# 4043 of January 28, 2014). The purpose of the draft law is to provide additional guarantees for the stable payment of salaries to public sector employees, full-fledged and proper maintenance of infrastructure in the housing and utilities sector, and regular and capital repairs of the housing stock. The draft law provides for the mechanism for writing off debts on mid-term loans local governments received in 2013 for the amount of under-collected local budget revenues in the corresponding period. The corresponding right was granted to the Ministry of Finance of Ukraine. DIALOGUE Project experts repeatedly appealed to the Cabinet of Ministers and the parliament concerning the need to address this problem issue.

➤ On February 27, 2014, the Cabinet of Ministers **recalled the draft Law of Ukraine “On Introducing Amendments to Article 91 of the Budget Code of Ukraine Concerning the On-the-Job Training of Local Government Officials”** (# 3323 of September 26, 2013, CMU). The draft document was prepared by the National Agency of Ukraine for Civil Service. The draft Law has a suggestion to include the expenditures on the on-the-job training of local government officials to the local budget expenditures not included in the calculation of inter-budget transfers. However, taking into consideration the fact that local governments are maintained through the expenditures included in the calculation of the amount of inter-budget transfers, it would be logical to include the expenditures on the on-the-job training of local government officials to such expenditures as well and to make the corresponding clarifications in Articles 88, 89, and 90 of the Budget Code of Ukraine. Such an approach is consistent with the provisions of Article 6 of the Law of Ukraine “On Service in Local Governments”, whereby the organizational support for training and on-the-job training of staff for service in local governments has been identified as one of the key priorities of the state policy towards the service in local governments. DIALOGUE Project experts opposed the bill at the stage of its preparation and the AUC did not provide its official concurrence for the draft document.

➤ On February 28, 2014, the Cabinet of Ministers **recalled the draft Law of Ukraine “On Introducing Amendments to Article 103-1 of the Budget Code of Ukraine” (concerning the distribution of the subvention related to the road network in populated areas)**. The draft document was prepared by the State Agency for Automobile Roads and was submitted to the parliament by the cabinet of Ministers (# 3418 of October 11, 2013). The draft law had a suggestion to distribute the subvention to local budgets for construction, reconstruction, repairs and maintenance of communally-owned streets and roads in populated areas only between the budget of the Autonomous Republic of Crimea, oblast budgets and the budgets of the cities of Kyiv and Sevastopol. If implemented, the bill would strip off local governments at the lowest

level of the instrument for providing the financial support to the communally-owned road network.

➤ The working session of the Cabinet of Ministers of Ukraine approved the **draft Law of Ukraine “On Introducing Amendments to Certain Ukrainian Legislation Concerning the Regulation of Urban Development Activities and State Architectural and Construction Control”**. The document was prepared by the working group established by V. Hroysman, Vice Prime Minister of Ukraine and the Ministry of Regional Development, Construction, Housing and Municipal Utilities of Ukraine. The draft law, in particular, provides for the opportunity to exercise state architectural and construction control and issuance of construction permits at the local level. The Approval of this Law will provide opportunities to improve urban development activities and increase the role of local state executive authorities and local governments in comprehensive development of their respective territories for the interests of territorial communities. DIALOGUE Project experts were involved in the preparation of the draft Law and the AUC concurred with the document in the due manner.

➤ The Cabinet of Ministers of Ukraine **approved the draft laws of Ukraine**, prepared by the working group at the Ministry of Regional Development, Construction, Housing and Municipal Utilities of Ukraine on local government reform and territorial arrangement of government institutions. These include: the Law **“On Cooperation of Territorial Communities”** outlining the organisational and legal framework for the cooperation of territorial communities; principles and mechanisms of their cooperation; support from the state, financial support; and, reasons and peculiarities for stopping such cooperation; and the Law **“On the Right of Territorial Communities for Consolidation”**, outlining the main conditions for consolidation of territorial communities, mechanisms to initiate it and to establish the consolidated territorial community and mechanisms for activities of local governments in the consolidated territorial community until the election of new local government. The AUC concurred with the draft laws in the due manner.

➤ On February 27, 2014, the Verkhovna Rada of Ukraine registered the **draft Law of Ukraine “On the Concept of Local Government Reform and Reform of the Territorial Arrangement of Government Institutions in Ukraine”**. The draft document was submitted by National Deputies V. Polochzninov (Batkivschyna faction) and A. Pavelko (non-affiliated) (Registration # 4313). The draft Concept is in line with the document the Ministry of Regional Development prepared in 2012 with the active participation of DIALOGUE Project experts. In March of 2013, the AUC Board made a decision to support the draft Concept. At the same time, the Main Scientific and Expert Department of the Verkhovna Rada of Ukraine states that the Concept can not be approved as a law. In this regard, one can expect the approval of the Concept by the Resolution of the Cabinet of Ministers with the subsequent decision on how to legitimise it.

➤ On March 11, 2014, the Verkhovna Rada of approved in the first reading and made a decision to expedite the preparation for the second reading of the **draft Law of Ukraine “On Introducing Amendments to the Law of Ukraine “On Elections of Deputies of the Verkhovna Rada of the Autonomous Republic of Crimea, Members of Local Councils and Village, Town and City Mayors” (concerning the technical and legal improvements of the elections)** (Registration # 2664 of April 01, 2013). The document was submitted by National Deputy of Ukraine R. Knyazevych. The draft document provides for significant improvements and detailed procedures to ensure fair and transparent elections in the context of the formation of electing commissions, voter lists, vote counting, rights of observers and media representatives, etc. In particular, the document provides for self-nomination of candidates for council members and mayors, with city rayon election commissions being established regardless of whether there are rayons in the city. The document provides for the placement of lists of candidates from political parties and of the names of council member candidates on the ballot in the order determined by a draw, eliminating the possibility of discriminatory impact of election commissions on the order of candidates in the ballots. At the same time, DIALOGUE Project experts addressed the ad-hoc parliamentary Committee on State Building and Local Self-

Governance with proposals and comments to the draft document. On March 26, 2014, the Committee recommended the Verkhovna Rada of Ukraine to approve the law in the second reading and as a whole.

➤ The National Agency of Ukraine on Civil Service took into consideration proposals of DIALOGUE Project experts to the **draft Law of Ukraine “On Introducing Amendments to Article 12 of the Law of Ukraine “On the Framework for Prevention and Fighting Corruption”**. The draft document was submitted to the AUC for concurrence. DIALOGUE Project experts made a suggestion not to include local council members to the list of participants subject for mandatory placement of their declarations on the unified web-portal, because such a move with regard to exclusively all categories of local council members would be premature and in view of the complexity of dealing with such huge amount of data over the short time they are submitted. Since the comments were taken into account, the draft document was concurred with.

In the reporting period, the Project concentrated on the preparation of the legislation to meet the needs of local governments:

The Project started to work on the following draft laws, as requested by cities:

- draft Law of Ukraine “On Introducing Amendments to the Law of Ukraine “On Local Self-Governance in Ukraine” (concerning streamlining the legal regulation of the status of the deputy village, town and city mayors);
- draft Law of Ukraine “On Introducing Amendments to the Law of Ukraine ‘On Government Procurement’”;
- draft Law of Ukraine “On Introducing Amendments to the Law of Ukraine ‘On Advertisement’ (concerning the clarifications on the application of the Law and improving some of its provisions); and,
- draft Law of Ukraine “On Introducing Amendments to the Budget Code of Ukraine”.

Since its inception, the DIALOGUE Project has prepared 16 pieces of draft legislation upon request of local governments.

Activity 2.1.2. Expert evaluation of conformity of draft legislation to the European Charter of Local Self-Governance

The Project did not conduct expert evaluation of draft legislation in the reporting period.

Activity 2.1.3. Introduction of institutional tools for local governments to participate in legislation drafting

Round table discussions in AUC Regional Offices and meetings of AUC Professional Groups

Working session of the AUC Social Protection Professional Group

City of Zaporizhzhia, February 21-22, 2014

The event was attended by 16 representatives of departments for labour and social protection and heads of territorial centers for social services from the cities of: Berdyansk, Zaporizhzhya, Donetsk, Enerhodar, Kyiv, Konotop, Kryvyi Rih, Luhansk, Lutsk, Melitopol, and Khmelnytskyi participated in the event. Eight regions of Ukraine were represented at the meeting.

The main issues for the discussion included the following:

Draft regulatory and legal documents with a potential impact on local governments, in particular:

- Draft Instruction of the Ministry of Labour and Social Policy “On Approving the document to approve the Format of the Act to Inspect the Financial and Household Conditions of the Person Who Needs social Protection Services with the Differentiated Payment”;

Following the discussion, the participants raised no concerns about the approval of the draft Instruction, however they emphasised the necessity to elaborate it and provide for the opportunity for specialists who work in city (town) departments for social protection to access information and search systems keeping records of income, property, and marital status of those who receive services and state social welfare, as well as to regulate the issue of accountability of persons for intended provision of false information about their income, as this has a significant effect on the size of the service or welfare or the right receive it. The participants unanimously supported the proposal to address the Ministry of Social Policy with the corresponding suggestions.

- Draft Law “on Social Work and Services”;
The draft Law has a suggestion to regulate organisational and legal aspects of the system of provision of social services; outline the scope of authority of local governments and state executive agencies in the sphere of social work and social services; mechanisms for the provision of social services, types of social services, kinds of social works; the right and guarantees of citizens while performing social work and providing social services, etc. Following the discussion of the draft law, the experts supported the idea to elaborate it.

- Draft Law “On Introducing Amendments to the Law of Ukraine “On State Social Standards and State Social Guarantees” (Registration # 3846);

The draft law envisions the introduction of the term of “national standard of social services”, clarification of the terminology and the notions of national standards in such sectors as health care, public education, physical culture and sports, transportation, and social protection.

Based on the discussion of the draft law, the participants came up with a suggestion to have the Executive Board send to the committees of the Verkhovna Rada of Ukraine their proposals to the draft law and to include the financial component to the notion of national standards of social services.

- Draft Law “On Introducing Amendments to Certain Ukrainian Legislation Concerning the Increased Social Protection of the Disabled and Ensuring Their Rights for the Direct Access to Transportation Services” (Registration # 3232).

The draft Law envisions vesting executive agencies of village, town, and city councils with additional self-governance authority, namely:

- in the sphere of housing and utility services:
 - o keeping records of the disabled people with skeletal diseases;
 - o providing the required number of transportation vehicles properly equipped to transport the disabled; and,
 - o ensuring accessibility and tailoring of the public transportation infrastructure, as well as routs infrastructure of the urban public transportation system to particular needs of the disabled.
- in the sphere of social protection of the population:
 - o establishing specialised urban public transportation units to provide privileged passenger services to the disabled and groups of citizens with limited movement capabilities.

The event participants decided not to support the draft law in the part dealing with vesting local governments with additional exclusive local government authority. They tasked the Executive Board of the AUC to send the corresponding appeals to chairmen of ad-hoc

Committees of the Verkhovna Rada of Ukraine with a proposal to have the draft document envision vesting local governments with the delegated authority rather than with the exclusive local government one.

- draft Law “On Introducing Amendments to the Budget Code of Ukraine (concerning the promotion of the environment to optimise the network of establishments and institutions providing social and rehabilitation services) (Registration # 3419, CMU). The departmental heads who were present at the event supported the draft law as it envisions the financial support to establishments and institutions providing social and rehabilitation services (both communally-owned institutions and non-governmental organisations) through the funds of subventions from the National Budget. The draft Law envisions amendments to Articles 89 and 90 of the Budget Code of Ukraine.

- draft Law “On Introducing Amendments to Certain Ukrainian Legislation Concerning the Information about the Family Composition” (Registration # 3857, CMU), The document envisions solutions to the problem issue related to issuing a certificate of family membership to receive allowances.

This problem issue arose at the beginning of 2013 when the new State Migration Service was vested with the authority to keep records of places of residence of physical persons, but, at the same time, it was not vested with the authority to issue certificates of family composition. Such a certificate is one of the mandatory documents for getting various kinds of allowances as envisioned by laws and resolutions of the Cabinet of Ministers.

The event participants supported the approval of the draft law, however, they pointed their attention to the necessity to regulate the mechanism of relations between the State Migration Service and social protection agencies in the context of exchanging information about the registration of physical persons. Currently, the mechanism for such relations has not been identified.

In the course of the event, V. Karabutova, AUC expert presented the findings of the research aimed at defining the model social protection agency, as well as the Social Protection Technical Area Profile. Following the discussions of the Technical Area Profile, the participants came up with their proposed amendments to exclude some organisational and legal problem issues, which have already been resolved or will be resolved by the proposed draft regulatory and legal documents prepared by the Ministry of Labour and Social Policy or by the documents under consideration in parliamentary committees.

Working session of the AUC Land Relation Professional Group

city of Ivano-Frankivsk, February 28-29, 2014

The working session was attended by representatives of the cities of Vinnytsya, Volodymyr-Volynskyi, Halych, Dolyna, Ivano-Frankivsk, Kremenchuk, Lviv, Ternopil, Uzhgorod, Khmelnytskyi, and Cherkasy (11 cities representing 9 oblasts), as well as of the Center for State Land Cadastre and the Ivano-Frankivsk office of the State Committee for Land Resources.

The event participants discussed the Land Relations Technical Area Profile. This document has concentrated all key local government problem issues they face while implementing their authority in the sphere of land relations. The corresponding Technical Area Profile has been amended over the last three years based on findings of surveys conducted in cities, discussions during annual Municipal Forums, legislation development need assessment, and overview of the current legislation.

The event participants discussed the key issues in the sector in the following sub-areas:

- 1) Improvements of the financial foundations of local governments through better administration of land fee payments. In particular:
 - a. excluding the possibility to avoid land fee payments for land parcels (parcels without properly registered property rights, parcels permanently used for commercial purposes, etc.);
 - b. application of the particularities of privileged taxation mechanisms for leasing land plots; and,
 - c. changes in the amount of the land lease payments in the context of the new pecuniary valuation of lands.
- 2) Potential difficulties of the registration of land parcels, in particular:
 - a. land parcels located under apartment blocks housing the premises used for commercial purposes;
 - b. land parcels located under the commercial purpose buildings where open-air spaces;
- 3) Increased capacity of local governments to implement their authority in the sphere of land relations, in particular:
 - a. promotion of the proper legal framework for the local government control over the use and protection of lands;
 - b. rolling out the local government authority on the land plots located beyond the limits of populated areas;
- 4) Simplified mechanisms for land sales (auctions), in particular:
 - a. the need to streamline the mechanisms for allocating land plots to increase the total area of the business;
 - b. resolve the issue of the unrealistic requirement to hold the land auction, sign the land purchase agreement, and to register it with the notary's office in one day; and,
 - c. the need to simplify the mechanisms to select the land sales coordinator.

The event participants also suggested their proposals on how to resolve these issues. The participants also decided to exclude from the Land Management Technical Area Profile some of the questions that were either outdated or were resolved through the implementation of the principle of the “by the law” delineation of the state-owned and communally-owned lands; streamlining the mechanisms for conducting land auctions (auctions); exempting local governments from paying the fee for the state registration of lands and property rights; synchronised registration of the primary and derived rights to own land plots; and, postponement of the requirement to present the urban development document package for the allocation of land plots until January 01, 2015.

The event participants also discussed a number of bills registered in the Verkhovna Rada of Ukraine, and made a decision to:

With regard to the draft Law on introducing amendments to the Land Code of Ukraine to simplify the mechanisms for the approval of land management document change during the change of the designation of privately-owned land parcels (Registration # 3867 of January 13, 2014). The event participants made a suggestion for the ad-hoc parliamentary committee to reject the draft law, because it contains a threat of substituting the entity addressing these issues from the public body of general jurisdiction, which represents the interests of local community, with the public body of special competence and creates conditions for abuse by land owners. namely:

- changing the designation of the land plot upon the negative or on findings provided by the specially authorised public authorities;
- failure to inform public authorities about the change of the designation of the land plot and, consequently, failure to pay the land tax to the budget in accordance with the new designation of the land plot, as well as failure to pay compensations funds associated with agricultural and forestry businesses.

With regard to the draft Law on introducing amendments to certain Ukrainian legislation (concerning the implementation of the local government control over the protection of lands) (Registration # 3648 of November 20, 2013). To support this draft law as a way to introduce a practical mechanism for exercising the local government control over compliance with legislation in the sphere of land relations, in particular to prevent the use of land plots without properly registered legal documents, inappropriate use of land plots, or unauthorized use of land plots.

With regard to the draft law on certain steps to increase the role of territorial communities in the management of land resources (Registration # 4150 of February 17, 2014). The event participants made a decision to support the draft document as a mechanism to improve the financial foundations of local governments, because it will provide a legal mechanism to recognize the local government right for most of land plots located within the boundaries of village, town and city councils and located beyond the boundaries of populated areas.

In addition to this, Mykhailo Fedyshyn, Chairman of the of the Regional Office of the Center for the State Land Cadastre, made a presentation on how city councils may obtain graphic documents contained in the State Land Cadastre and use them for both urban development purposes and for the purposes of land resource inventory. The event participants used this meeting as an opportunity to discuss with him the problem issues they face while performing the state registration of land parcels.

Working session of the AUC Union of City Finance Officers of Ukraine

city of Kyiv, March 4, 2014.

26 persons participated in the event: a) heads of local government departments of finance from 11 oblasts of Ukraine; b) representatives of the Verkhovna Rada of Ukraine Budget Committee; c) General Director of the Institute of Budget and Socio and Economic Research NGO and his deputy; and, d) representatives of the Executive Office, Regional Offices of the AUC, and DIALOGUE Project.

The main issues for the discussion included the following:

1. Current status and prospects of budget sufficiency of territorial communities in 2013-2014.
2. Draft laws registered in the parliament envisioning amendments to the Budget and Tax Codes of Ukraine in the part dealing with the financial foundations of local governments and inter-budget relationships (Registration numbers: 2490, 2620a, 2477a, 3353, 3418, 2155, and 4043).
3. Draft Law of Ukraine “On Introducing Amendments to the Budget Code of Ukraine and Certain Other Ukrainian Legislation” (concerning streamlining the list of revenues and expenditures of local budgets) prepared by DIALOGUE Project experts.

The event participants:

1. Came up with their proposals to the Ministry of Finance of Ukraine to introduce amendments to the Law of Ukraine “On the National Budget of Ukraine for 2014” in the part dealing with local budgets based on the indicators of the first quarter of 2014.
2. Made a decision to address the Budget Committee and the Tax Committee of the parliament, Inter-Faction Local Government Support Group (local government caucus) with a request to support the draft laws with the following registration numbers: 2490, 2620a (with partial edits), 2477a, 3353, and 4043 and to reject the draft laws with the following registration numbers: 2155 and 3418.
3. Expressed their comments and proposals to the draft law introducing amendments to the Budget Code of Ukraine and certain other Ukrainian legislation prepared by DIALOGUE Project experts. They also came up with a suggestion to elaborate within two weeks the draft law and register it in the parliament through the members of the Inter-Faction Local Government Support Group (local government caucus).

Working sessions of the AUC Health Care Professional Group

city of Kyiv, March 13, 2014.

18 heads of departments for health care and chief doctors from AUC member cities representing nine regions of Ukraine participated in the event. A representative of the Ministry of Health Care also took part in the working session of the Professional Group.

Following the discussions of the Technical Area Profile, the participants came up with a suggestion to introduce amendments to it and to include some organisational and legal issues no longer important, or whose solution will be made through draft regulatory and legal documents prepared by the Ministry of Health Care or are pending consideration in parliamentary committees.

The event participants also discussed problem issues related to reforms in the health care system and supported the suggestion to send to the Cabinet of Ministers and the Ministry of Health Care of Ukraine an appeal concerning the need to resolve problem issues in the in the health care system.

The participants came with the following suggestions for the Cabinet of Ministers on how to resolve problem issues of the reform:

- identify the main criteria of effectiveness of steps aimed at reforming the health care system in pilot regions, primarily economic and medical steps to be disseminated throughout the whole territory of the country;
- nullify Law of Ukraine “On Introducing a Moratorium on Closing and Reorganising Health Care Establishments” # 772-VII of February 23, 2014 as the one, which makes it impossible to reform the system and optimise the network of health care establishments with the purpose of saving public funds;
- identify the guaranteed list of medical services whose financial support is provided from the National Budget, thus promoting the legalisation of concealed payments in the health care sphere and legalisation of charity contributions as payments for the services provided;
- reduce national programs in the health care sphere retaining only those whose financial support will be provided with the funds of the National Budget, thus providing an opportunity to channel local budget funds to those aspects of medical services not covered by the support from the state;
- revisit preferential categories of citizens who are supposed to receive medicine on a preferential basis as envisioned by Resolution of the Cabinet of Ministers of Ukraine # 1303 of August 17, 1998 excluding overlap with the preferences provided under other

- regulatory documents; envision the possibility of channelling some part of excise collections exclusively for the needs of the health care sector;
- resolve the issue related to subordinating corporate health care establishments to the Ministry of Health Care to exclude overlapping of activities of health care establishments and to decrease spending;
 - approve new standards for inpatient medical assistance in state-owned and communally-owned health care establishments;
 - prepare new regulatory and legal documents to introduce mandatory medical insurance to serve as one of the sources of financial support for the health care sector in general;
 - approve regulatory and legal documents to delineate the functions of the emergency and urgent medical assistance as this will reduce the financial burden on local government budgets;
 - postpone till the completion of the experiment in pilot regions of the reform of the system and its evaluation till the introduction of the family medicine;
 - retain the network of secondary level health care establishments in oblast significance cities with due regard to the actual need and economic expediency with the possibility for optimisation of the network and providing the proper financial support at the local level;
 - ensure the provision of consultative and diagnostic services by first-level medical and sanitary assistance, because this is an important element in providing the high quality medical assistance at the primary level;
 - subordinate the medical service of schools and pre-school educational establishments to the Ministry of Science and Public Education of Ukraine, outline its tasks and methods to interact with medical establishments, and exercise control over them;
 - introduce the mandatory medical insurance;
 - resolve the issue related to subordinating corporate health care establishments to the Ministry of Health Care;
 - identify the guaranteed scope of medical services whose financial support is provided from the National Budget;
 - remove the own collections of communally-owned health care establishments from the treasury administration and move them to other banking establishments.

The participants of the Professional Group meeting came up and formulated the following proposals for the Ministry of Health Care:

- approve new standards for the provision of inpatient medical assistance in state-owned and communally-owned health care establishments;
- develop and approve the standards of load on the family doctor and other medical workers in health care establishments in accordance with their professional qualifications and types of medical assistance provided by them;
- introduce amendments to the model regulations for equipping centers for primary medical and sanitary assistance and family doctor stations to provide diagnostic services and treatment at the primary level (Chest X, X-ray, ultrasound, and laboratory examination);
- identify a clear list of diseases and medical conditions to be treated in secondary and tertiary level health care establishments for providing medical assistance;
- introduce amendments to Instruction # 793 of the Ministry of Health Care of September 10, 2013 “On Approving the Standards for Coverage by Rural Medical Centers as Sub-Departments of Primary (medical and sanitary) Assistance” in the part dealing with the definition of the standards for cities, which should focus on transportation accessibility (including provision of transportation for clinics), rather than on the number of storeys in buildings;
- develop a procedure (method) for determining the value of paid medical services and expand the existing list of services envisioned by Resolution of the Cabinet of Ministers

of Ukraine # 1138 of September 17, 1996 “On Approving the List of Paid Services Provided in State-Owned Health Care Establishments and Higher Medical Training Institutions”;

- urgently address the issue related to citizen payments for consumables to conduct examinations in accordance with clinical protocols not supported by funds from the budget;
- provide methodological explanations concerning the application of Instruction of the Ministry of Health Care # 33 as of February 23 “On the Payroll and Model Payrolls in Health Care Establishments” in the formation of payrolls in health care establishments;
- introduce a contractual arrangement type of work relations not only with heads of state-owned and communally-owned health care establishments, but with their deputies, as well as health care workers after they reach the retirement age;
- approve regulatory and legal documents regarding the separation of functions urgent and emergency medical assistance;
- single out the dental medical assistance as a separate type of assistance with a phased transfer it to the self-sufficiency level; and,
- take immediate steps to stabilize the cost of domestic medicines.

The event participants presented their proposal to the Ministry of Health Care to strengthen cooperation with the Association of Ukrainian Cities and to include it its Public Council its representatives, namely: the Chairman of the Coordination Council of the Professional Group, as well as resume invitations for health care departments of oblast significance cities to participate in working sessions of the Ministry collegium.

The corresponding appeals to the Minister of Health Care and to the Prime Minister of Ukraine were sent by the Association of Ukrainian Cities.

Working session of the AUC Public Education Professional Group

March 27-28, 2014, city of Khmelnytskyi.

19 representatives of city and town departments for public education representing ten regions of Ukraine participated in the working session.

The event participants discussed draft regulatory and legal documents related to the local government authority in the sphere of public education currently pending consideration in the parliamentary committees:

- Draft Law “On Better Attention to the Use of National Symbols in Pre-School, Comprehensive and Out-of-School Educational Establishments” (Registration # 3683): the document envisions placement and use of national symbols during festivities, government and national holidays in pre-school, comprehensive and out-of-school educational establishments; introducing the practice to use the National Anthem during the hoisting of the National Flag on Mondays at the beginning of the first lesson. The departmental heads who were present at the event expressed their doubts with regard to the provisions providing for the mandatory requirement to learn the text of the National Anthem of Ukraine, place national symbols in premises of educational establishments and practice of playing the National Anthem of Ukraine on Mondays. According to the event participants, national symbols have king been placed in educational establishments and schoolchildren and teachers know the text of the National Anthem of Ukraine. In addition to this, representatives of cities informed that educational establishments in cities have already introduced the tradition to perform the National Anthem and the school anthem at the beginning of the school year.

- Draft Law “On Introducing Amendments to Certain Ukrainian Legislation on Public Education (concerning giving names to educational establishments and identifying types of comprehensive educational establishments)” (Registration # 4088): the document unifies the mechanisms for naming all types of educational establishments belonging to all types of ownership: comprehensive schools, lyceums, collegiums, boarding schools, etc. The event participants expressed no comments to the draft document.
- Draft Law “On Introducing Amendments to the Law of Ukraine “On Comprehensive Secondary Education” (concerning some issues of individual types of training)” (Registration # 4145): the document envisions supporting the environment to promote individual types of training in schools (in particular, upon the application from parents or persons who substitute parents, or based on the medical certificate). The departmental heads who were present at the event rejected the idea of introducing the individual types of training based on the application from parents or on the medical certificate only, because this may lead to abuse or make the whole training impossible because of the lack of the required number of teachers. They made a decision to ask the AUC Executive Office to send the corresponding appeal to the Chairman of the Committee on Science and Education with a proposal to reject the draft law as not worth consideration.

The participants of the event became familiarised with the information about the position of the Association of Ukrainian Cities and how the Committee on Science and Public Education took into account while discussing a number of draft laws intended to resolve problem issues in the sphere of public education, namely:

- “On Introducing Amendments to the Law of Ukraine “On Public Procurement” (concerning the peculiarities of purchasing foodstuffs for pre-school educational establishments)” (Registration # 2055 of January 21, 2013);
- “On Introducing Amendments to Chapter 14 of the Budget Code of Ukraine (concerning the provision of financial support to out-of-school education) (Registration # 2490);
- “On Introducing Amendments to Article 45 of the Housing Code of Ukrainian SSR (concerning ensuring the rights of teachers of pre-school and out-of-school educational establishments to receive housing on the first priority basis)” (Registration # 2344a);
- “On Introducing Amendments to Article 16 of the Law of Ukraine “On Comprehensive Secondary Education” (concerning moving the Knowledge Day when it falls on a day off) (Registration # 3105-1); and,
- “On Introducing Amendments to the Law of Ukraine “On Pre-School Education” (concerning the introduction of the inclusive pre-school training) (Registration # 2348a).

The event participants discussed the Public Education Local Government Technical Area Profile together with the list of key legal, organisational and financial issues local governments face in the sphere of public education and proposals about how to resolve them. Local government practitioners gave their high evaluation of the document. Following the discussions of the Technical Area Profile, the event participants made came up with a suggestion to discuss the document with the management of the corresponding Ministry.

The participants were presented the findings of the survey of actual local government needs in terms of educational establishments, namely: they became familiar with the financial parameters of running a model educational establishment called “Grade I – III Comprehensive School” (in a city with the population of approximately 100 thousand residents). A live discussion followed the presentation of the findings of the survey. The participants expressed their unanimous support for changes in the system of providing the financial support to this sector, optimisation of the network of educational establishments, amendments to regulatory and legal documents regulating the activities of educational establishments and providing the organisational support for tuition.

Following the working session of the Public Education Professional Group, the participants decided to send the expressed proposals to draft regulatory and legal documents discussed at the event, and together with the Ministry of Public Education and Science of Ukraine start resolving the current problem issues in this sphere.

Working session of the AUC Housing and Municipal Utilities Professional Group
city of Dnipropetrovsk, March 27-28, 2014

On March 27-28, 2014, the Project conducted a working session of the AUC Housing and Municipal Utilities Professional Group. 14 representatives of AUC member cities from five regions of Ukraine (the Dnipropetrovsk, Donetsk, Zaporizhzhya, Kharkiv, and Cherkasy oblasts), as well as the Head of the Main Department for Urban Improvements and Utility Services of the Ministry of Regional Development, Construction, Housing and Municipal Utilities participated in the event.

The main issues for the discussion at the event included the conceptual framework for the reform of the housing and municipal utilities sector as proposed by the Ministry of Regional Development, Construction, Housing and Municipal Utilities of Ukraine. Following the discussions, the event participants came with the following initiatives for the Ministry of Regional Development:

in the sphere of the tariff policy:

- decentralisation of the authority to set tariffs for housing and municipal utility services through returning these powers to local governments. At the same time, one should without delay resolve the issue related to the repayment of the difference in tariffs for heating, water supply and sewerage services, which arose due to the tariffs set at the economically not justified levels by the National Commission for Regulation in the Sphere of Utility Services;
- introducing amendments to Resolution of the Cabinet of Ministers of Ukraine # 869 of June 01, 2011 “On Ensuring a Unified Approach to Setting Tariffs for Housing and Municipal Utility Services” to exclude such authority from the National Inspectorate for Prices. Due to the failure of the National Inspectorate for Prices to establish its territorial outreach offices and register them as public law legal persons, the expert opinion is provided exclusively by the national level National Inspectorate for Prices, with the latter being too slow to exercise its powers and to do so at the proper quality level. Consequently, local government decisions on setting tariffs for housing and municipal utility services are blocked. This has a particularly critical impact for setting tariffs for housing and municipal utility services for newly erected apartment blocks. In addition to this, the system of providing expert opinion by the National Inspectorate for Prices is vulnerable for corruption.
- introducing amendments to Resolution of the Cabinet of Ministers of Ukraine # 869 of June 01, 2011 “On Ensuring a Unified Approach to Setting Tariffs for Housing and Municipal Utility Services” to give local governments the right to treat technical maintenance and scheduled repairs of in-house systems for hot and cold water supply, sewerage, district heating and drain water collection as separate municipal utility services. This would provide an opportunity for water supply and heating companies to provide services to citizens directly without intermediaries such as neighbourhood housing maintenance units;

in the sphere of water supply and sewerage:

- establishing regional water companies with a unified tariff for water supply and sewerage should be performed with the utmost attention given to interests of territorial communities and respect to their right of communal ownership on property;

in the sphere of solid waste management:

- abolishing the amendments introduced in December of 2012 to the Law of Ukraine “On Natural Monopolies”, whereby the activities related to the disposal of solid waste were rendered to the category of natural monopolies, whereas the activities in the sphere of solid waste recycling was rendered to the category of adjacent markets. This will eliminate the threat of introducing licensing requirements in the sphere of solid waste recycling and disposal, limitations for new providers of such services to access such markets, and, consequently, will promote better environment to introduce new technologies or optimise the existing technologies in this sphere;
- introducing amendments to the Law of Ukraine “On Local Self-Governance in Ukraine”, “On Housing and Municipal Utility Services”, and “On State Regulation in the Sphere of Municipal Utility Services” to return the authority of setting tariffs for solid waste disposal and recycling from the National Commission for Regulation in the Sphere of Municipal Utility Services to local governments;
- retaining the right of village, town and city councils to decide on their own upon the organisational form and powers of communally-owned utility companies working in the sphere of solid waste management; and,
- introducing a fee for producers and importers of packaged goods with the subsequent distribution of such funds proportionally between territorial communities.

Over the course of discussing the conceptual areas of reforms in the housing and municipal utilities sphere, the participants of the Professional Group meeting also discussed the problem issues identified in the Housing and Municipal Utilities Technical Area Profile prepared by the Analytical Center of the Association of Ukrainian Cities.

Setting up a network of lawyers to participate in legislation drafting

Currently, the network includes 394 local government lawyers from 25 oblasts.

As of now, 300 cities and 71 smaller municipalities delegated their representatives to work in the network. Currently, the network includes 394 local government representatives from 25 oblasts.

During the reporting period, the Project sent draft laws and other legislative and regulatory documents prepared by the central state executive agencies and draft legislative and regulatory documents sent to the AUC for concurrence to lawyers to solicit their expert opinion.

In particular, the AUC received comments and proposals concerning the following draft regulatory and legal documents: draft law of Ukraine “On Social Services and Social Work”, “On Health Care Establishments and Medical Services”, “On Introducing Amendments to the Land Code of Ukraine Concerning the Simplification of Mechanisms for Approving Land Management Documents to Change the Designation of Privately-Owned Land Parcels”, “on Introducing Amendments to Article 91 of the Budget Code of Ukraine Concerning the On-the-Job Training of Local Government Officials”, “On Introducing Amendments to Article 12 of the Law of Ukraine “On the Framework for Preventing and Fighting Corruption”, “On Participation of Citizens in Local Self-Governance”, “On Introducing Amendments to Certain Laws of Ukraine Concerning the Refurbishment and Redevelopment of Residential Premises”, and “On Introducing Amendments to Certain Ukrainian Legislation on the Regulation of Urban Development Activities and State Architectural and Construction Control”; draft Resolutions of the Cabinet of Ministers of Ukraine “On the Preparation, approval and Endorsement of Investment Programs to Be Implemented in the Housing and Utilities Sector”, “On Introducing Amendments to the List of Activities Belonging to Nature Preservation Activities”, “ON Taxi Transportation”, “On Introducing Amendments to Resolution # 59 “On Approving the Model Regulations on Accounting Service of the Budget Financed Institution” of January 26, 2011; Instruction of the Ministry of Labour and Social Policy of Ukraine “On Approving the

Mechanism for Assessing the Need of Citizens of the Administrative and Territorial Unit in Administrative Services”, etc.

The proposals and comments were used in the course of the preparation of the official position and expert opinion of the Association with regard to the draft regulatory and legal documents mentioned above.

2.2. Component 2: Policy dialogue

Activity 2.2.1. Increasing the participation of the AUC member cities in the policy dialogue established by the AUC at the national level

Dialogue Day

The Project did not conduct activities under this component in the reporting period.

Cooperation with central government authorities

Resuming activities in the context of the Local Government Reform

On March 06, 2014, V. Hroysman, Vice Prime Minister and Minister of Regional Development, Construction, Housing and Municipal Utilities of Ukraine, issues a decree establishing a working group on the local government reform and reform of the territorial arrangement of government institutions. The group membership includes expert from government agencies, Ukrainian and international institutions who work in the sphere of local democracy, National Deputies who are members of the Inter-Faction Local Government Support Group (local government caucus), and city mayors. M. Pittsyk, Executive Director of the Association of Ukrainian Cities, represents the AUC in the working group. The main purpose of the working group is to prepare a package of draft laws and proposals for the Cabinet of Ministers to resolve the key issues local governments face, enhance their financial capacity, and to decentralise public governance.

The Concept for the Local Government Reform was discussed on the nation-wide scale in 2013 including the discussion of the document by the AUC Board back in 2012. However, when it was being prepared for the approval by the Decree of the President of Ukraine in late 2013, it was too simplified, with its key provisions becoming very declarative in their content. In this regard, the working group finalised it in view of the current situation in the country.

On March 25, 2014, V. Hroysman, Vice Prime Minister and Minister of Regional Development, Construction, Housing and Municipal Utilities, conducted a meeting with city mayors who represented the Board of the Association of Ukrainian Cities. The meeting was attended by Prime Minister A. Yatsenyuk and P. Petrenko, Minister of Justice. The purpose of the meeting was to discuss the finalised version of the Concept of the Local Government reform and Reform of the Territorial Arrangement of Government Institutions in Ukraine. 33 city mayors who represented all regions of Ukraine, oblast center cities, medium-sized and small towns, as well as members of the Inter-Faction local Government Support Group of National Deputies (local government caucus) participated in the meeting.

The event was yet another chance for the AUC to express its unanimous support for the local government reform and hope for the political will of the government to implement it. A. Yatsenyuk, Prime Minister of Ukraine, emphasised the readiness of the government to implement the reform and mentioned that the Concept will be approved by the Cabinet of Ministers in the nearest future.

Local government authority lost in 2010-2013 and chances for them to come back to municipalities

Over 2010-2013, the central government made a number of decisions stripping local governments of a number of important powers. In particular, this relates to the local government authority in the sphere of urban development, which were transferred from local council executive committees to state inspectorates for architectural and construction control subordinate

to the Ministry of Regional Development. The local government authority in the sphere of the tariff policy was transferred to the National Commission for Tariff Regulation, which was established specifically for this purpose and performed the state regulation in the sphere of municipal utility services. The Commission replaced local councils in setting tariffs for centralised district heating, water supply, sewerage, as well as for solid waste removal and recycling. In addition to this, the authority to perform the technical inventory of immovable property items was given, besides the communally-owned Technical Inventory Bureaus, to privately-owned companies.

The policy pursued by the State Treasury Service of Ukraine significantly reduced the capacity of local governments to administer the resources of their own local budgets. The court fee collections were removed from the list of local government revenues, whereas local governments themselves started to pay this fee, with the collections coming to the National Budget.

The Association of Ukrainian Cities repeatedly focused the attention of central government authorities to these negative trends. For example, in January of 2014, a memorandum listing the types of authorities withdrawn from local governments was sent to the then Chairman of the Verkhovna Rada Volodymyr Rybak, however, during January – February neither the parliament nor the Cabinet of Ministers made no steps to return the powers taken from local governments back to them, regardless of the fact that the parliament registered the corresponding draft laws submitted by National Deputies.

After the formation of the new government, the newly appointed Deputy Prime Minister Volodymyr Hroysman embarked on the local government reform. A top priority was placed on returning to local government their authority lost during 2010-2013. Upon the request of the Vice Prime Minister, the Association prepared a systematised list for the Ministry of Regional Development of the major powers local government lost and the related problems, as well as proposals on how to return these powers (see Table 1).

Table 1. List of major posers local governments lest and proposed ways how to return them

#	Powers taken from local governments	Justification for returning the powers back to local governments	Ways how to return the powers
<i>Local government finance</i>			
1.	The current mechanisms of Treasury administration of local budgets provides opportunities for the State Treasury for arbitrary management of local budget funds, thus violating the principles of local self-governance	Such approaches stripped local governments of the capacity to manage even those funds, which are not included in the calculation of inter-budget transfers, as well as their own discretionary funds	The Cabinet of Ministers should support as a priority the consideration and approval of the draft law introducing amendments to the Budget Code submitted to the VRU (concerning the administration of local budgets on the revenues and expenditures not taken into the calculation of the amount of inter-budget transfers and on the revenues and expenditures of the special fund) (Registration # 2283 of February 12, 2013)

1.	According to the Budget Code, the state has shifted the responsibility for social assistance to homeless participants, social adaptation of participants released from institutions of confinement, and maintenance of out-of-school facilities without the corresponding financial compensatory mechanisms.	By their nature, these power should belong to the state executive authorities	1. The Cabinet of Ministers should support the draft Law registered in the Verkhovna Rada “On Introducing Amendments to Chapter 14 of the Budget Code of Ukraine (concerning the financial support to out-of-school education)” (Registration #2 490 of December 25, 2013). 2. The AUC working through National Deputies should submit to the Verkhovna Rada for consideration and to the Cabinet of Ministers for approval the prepared draft law introducing amendments to the Budget Code concerning the financial support for social assistance to homeless persons and social adaptation at the cost of subventions from the National Budget
2.	According to the Law “On the Court Fee”, the state fee that was channelled to local budgets was replaced by the fee whose collections go to the National Budget	Local governments were deprived from this financial resource and were rendered to the list of entities to pay the court fee. This made significant complications for their capacity to protect the interests of territorial communities in courts.	The Cabinet of Ministers should support the draft law introducing amendments to Article 5 of the Law of Ukraine “On the Court Fee” (concerning exemption of local governments from the payment of the court fee). The document was registered under # 2576a of July 11, 2013.
<i>Urban development activities</i>			
3.	According to the Law “On Regulation of Urban Development Activities”, local council executive committees were deprived of their authority in the sphere of state architectural and construction control, issuing construction permits and commissioning finished construction objects. This authority was transferred to State Inspectorates for the Architectural and Construction Control subordinated to the Ministry of Regional Development.	Local governments are deprived of the possibility to exercise control over development of territories in their cities	The Ministry of Regional Development in cooperation with the AUC should immediately prepare and the Cabinet of Ministers should submit to the Verkhovna Rada the draft law introducing the corresponding amendments to the Law of Ukraine “On Regulation of Urban Development Activities”
4.	According to the Law of	The preparation of	The Ministry of Regional

	Ukraine “On Regulation of Urban Development Activities”, local governments and municipal utility companies are deprived of the right for independent preparation of cost estimates for repairs of facilities in the housing and utilities sector. According to the same law, they are obliged to send such documents for the state expertise regardless of the scope of work.	cost estimates became complicated without any justification and local governments incurred additional expenditures	Development while preparing the draft law introducing the corresponding amendments to the Law of Ukraine “On Regulation of Urban Development Activities” should eliminate the requirement for state expertise of cost estimates for works in the housing and utilities sector less than 300 thousand UAH and should provide the opportunity to prepare such documents by municipal utility companies on their own
<i>Housing and utilities sector</i>			
5.	The authority to approve tariffs for solid waste removal and recycling was transferred from local governments to the National Commission of Regulation of Utility Services	The process of setting tariffs for solid waste removal and recycling services was completely blocked.	The Ministry of Regional Development in cooperation with the AUC should immediately prepare and the Cabinet of Ministers should submit to the Verkhovna Rada the draft law introducing the corresponding amendments to Articles 1, 3, 4, 6, and 11 of the Law “On State Regulation in the Sphere of Utility Services”, Articles 5 and 6 of the Law “On Natural Monopolies”, Article 28 of the Law “On Local Self-Governance in Ukraine”, and Article 5 of the Law “On Housing and utility Services”, as well as to remove the corresponding authority from the National Commission
6.	The authority to approve tariffs for heating and centralised water supply and sewerage was transferred from local governments to the National Commission for Regulation of Utility Services	The National Commission for Regulation of Utility Services blocked the introduction of economically justified tariffs, whereas the cabinet of Ministers dodges its obligation to provide the timely and complete compensation for the difference in tariffs. This leads to the deterioration of the housing and utilities	The National Commission for Regulation of Utility Services should retain the authority for the gradual regulation of tariffs for district heating and centralised water supply and sewerage to the economically-justified level provided the law introducing amendments to certain Ukrainian legislation on regulation of activities of business entities in the and utilities sector is approved (Registration # 4144 of February 14, 2014). This Law has a suggestion to set tariffs

		sector.	for such services under the economically justified level only upon the approval of the Cabinet of Ministers accompanied with the specification of the sources of financial support to offset the difference in tariffs.
7.	According to Instructions of the Ministry of Regional Development # 658 of December 28, 2012 and # 2 of January 08, 2013, the right to perform the technical inventory of immovable property items was given to privately-owned entities without the proper resolution of the issue related to keeping the inventory files and technical passports and setting up unified archives to keep them.	These regulatory documents ruined the system of technical inventory of immovable property items and records of immovable property items originally performed exclusively by communally-owned companies	The Ministry of Regional Development should suspend Instructions # 658 of December 28, 2012 and # 2 of January 08, 2013 until the law regulating these issues is approved. The Cabinet of Ministers should immediately introduce to the parliament the draft law "On Technical Inventory of Immovable Property Items", similar by its content to the law with the same title (Registration # 10286 of March 29, 2012) already approved by the VRU, but vetoed by the President.
<i>Land resources management</i>			
8.	According to the approved Law of Ukraine "On Introducing Amendments to Certain Ukrainian Legislation on Delineation of State-Owned and Communally-Owned Lands" (came into force on January 01, 2013), the jurisdiction of local governments to regulate land relations was limited only to boundaries of populated areas.	The document contradicts with the principle of ubiquity of local self-governance	The Cabinet of Ministers should support the consideration and approval by the VRU of the draft Law "On Certain Steps to Increase the Role of Territorial Communities in the Management of Land Resources (Registration # 4150 of February 17, 2014) as the first priority.
<i>Organisational and legal framework of local self-governance</i>			
9.	According to the current Law of Ukraine "On the Capital of Ukraine – Kyiv Hero City", the Kyiv city mayor was stripped of his authority and Kyiv city rayon councils were abolished	This law ruined the system of local self-governance in the capital city, which was very effective in the previous years.	The Cabinet of Ministers should support the corresponding draft Law introducing amendments to the Law of Ukraine "On the Capital of Ukraine – Kyiv Hero City" registered in the Verkhovna Rada under # 4289 of February 26, 2014

Already in March, the Ministry of Regional Development prepared and submitted to the Cabinet of Ministers for consideration the draft law "On Regulation of Urban Development Activities".

The draft document provides for opportunities to return to local governments their authority in the urban development sphere. The ministry also prepared for the cabinet of Ministers approval the draft Concept of Local Government Reform and reform of the Territorial Arrangement of Government Institutions, whereby the authority local governments of territorial communities will considerably increase and the territorial communities will be established on the bigger territorial base following the best European examples.

Participation of Ukraine-wide local government associations in working sessions of the Cabinet of Ministers

The reporting period was marked with a complicated social and political situation in Ukraine, change of the Government of Ukraine and occupation of Crimea. In this regard, the Cabinet of Ministers received small number of regulatory and legal documents related to local self-governance. S. Tatusyak, Representative of Ukraine-wide local government associations in the Cabinet of Ministers and Chairman of the Vinnytsya Oblast Council, did not take part in the working sessions of the Cabinet of Ministers. Later on, his term of office was terminated in the Oblast Council. Taking into consideration the current situation, DIALOGUE Project experts submitted their comments and proposals to draft regulatory and legal documents through official letters. After the change of the Cabinet of Ministers, the AUC did not receive draft regulatory and legal documents for concurrence and this was explained by frequent extraordinary meetings of the Cabinet of Ministers prepare on an ad-hoc basis. The AUC managed to regain its status as a representative of Ukraine-wide local government associations in the Cabinet of Ministers. Starting with late March, M. Pittsyk, Executive Director of the AUC participates in working sessions of the Cabinet of Ministers of Ukraine with the right to advisory vote.

Before the change of the Cabinet of Ministers, Resolution of the Cabinet of Ministers of Ukraine # 30 of January 29, 2014 approved the mechanisms and conditions for granting in 2014 a subvention from the National Budget to local budgets for writing off the debts on the difference in tariffs for the heating, centralised water supply and sewerage services generated, transported and supplied to citizens they accumulated due to the discrepancies between the actual cost of the heating energy and centralised water supply and sewerage services on one hand, and the tariffs set and/or approved by state executive authorities or local governments.

After the change of the Cabinet of Ministers, a number of a number of important draft laws of Ukraine were approved (including the ones re-approved). These laws were developed by the Ministry of Regional Development and will soon be submitted to the parliament, namely: ‘On the Right of Territorial Communities for Consolidation’, ‘On Cooperation of Territorial Communities’, ‘On the Foundations of National Regional Policy’, and ‘On Introducing Amendments to Certain Ukrainian Legislation on Regulation of Urban Development Activities and State Architectural and Construction Control’. The AUC concurred with all these draft laws without reservations.

Budget process

The budget process in the reporting period was determined by four major event: 1) preparation of the Main Directions of the Budget Policy for 2015; 2) approval of the National Budget of Ukraine for 2014; 3) introduction of amendments to National Budget for 2014 in the part dealing with channelling funds to the reserve fund for the needs of the Armed Forces of Ukraine; and, 4) sequestration of the National Budget for 2014.

Main Directions of the Budget Policy for 2015

In accordance with the requirements of Part 1 of Article 20 of the Law of Ukraine “On Local Government Associations” DIALOGUE Project experts prepared proposals to the draft Main Directions of the Budget Policy for 2015. They include 10 paragraphs and can be divided into the following groups:

- 1) improving the mechanism for calculations of local budget expenditures to support the implementation of the delegated authority;
- 2) increasing the share of own revenues of local budgets to facilitate local government access to cheap loan funds;
- 3) introduction of the transparent and equitable distribution of inter-budget transfers between local budgets; and,
- 4) ensuring the proper support to territories through the corresponding national targeted programs, as well as through the complete compensation of social and tax preferences granted by the state.

The corresponding proposals were approved unanimously by the Council of the National Congress of Local Self-Governance of Ukraine on January 22, 2014 in the city of Kharkiv and were submitted to the Cabinet of Ministers of Ukraine.

National Budget for 2014

Taking into consideration the fact that the draft National Budget for 2014 was approved by the Cabinet of Ministers without taking into consideration all local government interests, the DIALOGUE Project prepared the corresponding proposals to the Verkhovna Rada of Ukraine Budget Committee. These proposals were submitted to the parliament through National Deputies who are members of the Local Government Support Inter-Faction Group (local government caucus).

On January 16, 2014, the parliament approved the Law of Ukraine “On the National Budget of Ukraine for 2014”. The document includes proposals from the DIALOGUE Project concerning improvements of financial conditions of territorial communities:

- 1) a 2.9 billion UAH subvention to local budgets to write off the debt accumulated due to the difference in tariffs;
- 2) additional subsidies in the amount of 535 million UAH from the National Budget to local budgets to even out the level of financial support to local governments;
- 3) a separate subvention in the amount of 607 million UAH to local budgets for food (breakfasts) for pupils of Grades 5-11 of comprehensive educational establishments (proportionally distributed between administrative and territorial units);
- 4) a 150 million UAH subvention to local budgets for bonus payments for the amount and quality of work performed by medical workers in health care establishments who render primary medical assistance (proportionally distributes between administrative and territorial units);
- 5) 100 million UAH for the implementation of projects to repair, reconstruct, and install street lighting according to modern energy saving technologies;
- 6) 200 million UAH for capital repairs, modernisation and replacement of lifts in residential buildings; and,
- 7) 600 million UAH to improve the quality of water supply in the regions short of water resources.

In addition to this, the AUC managed overcome a considerable resistance of the “gas lobby” and to include in the 2014 National Budget the mandatory requirement for energy supplying companies of treasury bills from municipal utility companies as payments for energy.

Thus, due to the efforts of DIALOGUE Project experts during the discussion of the 2014 National Budget in the parliament, local governments managed to partially decrease the shortfall of local budget resources for the implementation of the delegated authority by 1.3 billion UAH, and to improve financial resources in the housing and utilities sector by 3.8 billion UAH.

Reserve Fund

In view of the threat of Russian intervention to Ukraine, the parliament utilised the abbreviated mechanism to approve the draft law introducing amendments to the National Budget for 2014 (Registration # 4464 of March 17, 2014, CMU). According to this law, 2.233 billion UAH were transferred to the Reserve Fund for the needs of the Ukrainian Armed Forces at the expense of local governments (32.5%), with 4.649 billion UAH (67.6%) being transferred at the expense of other National Budget spending units. Therefore, the financial resources for the following critical local government expenditures were cut:

- 1) “subvention from the National Budget to local budgets for food (breakfasts) for pupils of Grades 5-11 of comprehensive educational establishments” (completely) (-607 million UAH);
- 2) “implementation of projects for repairs, reconstruction and construction of street lighting facilities with the use of energy saving technologies” (completely) (-100 million UAH);
- 3) “capital repairs, modernisation and replacement of lifts in residential buildings” (completely) (-200 million UAH);
- 4) “subvention from the National Budget to local budgets to provide the financial support for winning programs of the Nation-Wide Competition of Local Government Development Projects and Programs” (completely) (-45.7 million UAH);
- 5) “Subvention from the National Budget to the oblast budget of the Luhansk oblast for capital repairs, reconstruction and construction of facilities of the Vanguard Luhansk Oblast Physical Training and Health Improving Center in the city of Luhansk (completely) (-110 million UAH);
- 6) reduction by 1.1 billion UAH for the “National Regional Development Fund” (balance of 2.4 billion UAH down from 3.5 billion UAH); and,
- 7) reduction by 71 million UAH for “publishing, purchasing, keeping and delivering manuals and textbooks for students of higher educational establishments, pupils of comprehensive educational establishments and vocational schools and students of pre-school educational establishments” (balance of 353.7 million UAH down from 424.7 million UAH).

Sequestration of the 2014 National Budget

In view of the difficult social and economic situation in Ukraine, the Cabinet of Ministers made a decision on the sequestration of the National Budget of Ukraine for 2014 (reduction of budget expenditures through revisiting its revenue and expenditure part). The corresponding draft law (Registration # 4575 of March 27, 2014, CMU) approved by the parliament according to the abbreviated mechanism had its own effect on the quality of financial sufficiency of territorial communities, because of the following:

- 1) introducing the principle of zero levelling for the ARC: all revenues collected in the ARC stay in the corresponding local budgets, whereas the National Budget of Ukraine will not provide them with subsidies;
- 2) retaining during 2014 the 2013 level of the minimum salary (1,218 UAH) and the compensation rate (wage rate) of the employee of the 1st rate of the Unified Payroll (852 UAH). According to preliminary calculations the savings on local budget expenditures for salaries for employees in the public sector will constitute almost 4 billion UAH;

- 3) reducing local budget expenditures for the implementation of the delegated authority in the total amount of 10.8 billion UAH including: public administration (by 10% from 4 billion UAH to 3.6 billion UAH); public education (by 8.4% from 68.8 billion UAH to 63 billion UAH); health care (by 7.2% from 45.9 billion UAH to 42.6 billion UAH); social protection (by 9.7% from 6.2 billion UAH to 5.6 billion UAH); culture and arts (by 7.2% from 8.3 billion UAH to 7.7 billion UAH); and, physical culture and sport (by 8.3% from 1.2 billion UAH to 1.1 billion UAH);
- 4) decreasing the amount of the equalisation transfer by 2.6 billion UAH accompanied by the decrease by 733 million UAH of withdrawals from local budgets to the National Budget;
- 5) decreasing by 9 billion UAH (from 74.1 billion UAH to 65.1 billion UAH) of indicators of assigned local budget revenues as projected by the Ministry of Finance;
- 6) decreasing the amount of the National Regional Development Fund by 1.4 billion UAH down to 1 billion UAH;
- 7) decreasing the total financial resource on social transfers by 2.7 billion UAH; and,
- 8) increasing almost by 250 million UAH (by 11%) the amount of the subvention for communally-owned road network.

In other words, this represents the decrease in expenditures, which were not backed up with real financial resources since the approval of the National Budget for 2014, and is expected to partially decrease the hidden shortfall of local budgets.

Cooperation with the Ministry of Regional Development, Housing, Municipal Utilities and Construction

During March of 2014, the Ministry of Regional Development, Construction, Housing and Municipal Utilities conducted a number of meetings of working groups with participation of city councils and Association of Ukrainian Cities in the following spheres:

- improvements of legislative framework in the sphere of construction, urban development and architecture;
- reforms in the housing and utilities sector.

The Ministry of Regional Development working group on improvements of legislative framework in the sphere of construction, urban development and architecture prepared a number of draft regulatory and legal documents reflecting the position of the Association of Ukrainian Cities, namely:

- returning to local governments the authority to issue (receive and register) the documents granting the right to start preparatory and construction works and commission finished construction objects and to exercise state architectural and construction control within the boundaries of populated areas;
- giving local governments the real instrument to exercise control over the payment by developers of cost share funds for the development of engineering, transportation and social infrastructure of populated areas;
- simplifying the mechanisms for the preparation of documents for construction funded by local budgets through issuing a waiver for mandatory state expert evaluation of the cost part of construction documents for construction projects in case the value of such construction does not exceed 300 thousand UAH; and,
- ensuring storing of technical inventory documents, as well as of the archives by communally-owned technical inventory bureaus.

The Ministry of Regional Development working group on reforms in the housing and utilities sector prepared a number of draft regulatory and legal documents reflecting the position of the Association of Ukrainian Cities aimed at:

- step-by-step harmonisation of tariffs for district heating, centralised water supply and sewerage services with the economically justified levels;
- step-by-step payment of the subvention on the differences in tariffs for heat, water and sewerage services at least once a quarter;
- setting out the conditions for charging and enforcing the penalty for the failure to pay for housing and utility services in a timely manner;
- writing off the penalties, fines and financial sanctions of heating companies they accumulated for the gas consumed during the period from January 01, 2011 till January 01, 2014;
- increasing the cap amounts of the natural gas for heating companies for 2013 to produce the heating energy for population, religious organisations and amateur groups to the actual consumed amount of 8.3 billion cubic meters;
- 100% compensation for the difference in tariffs for heating services generated, transported and supplied to citizens, as well as organisations financed from the National Budget and local budgets; and,
- resolving the issue related to granting local governments the authority to approve local rules for collecting drain waters.

Parliamentary Inter-Faction Local Government Support Group (local government caucus)

In the reporting period, the Group did not conduct any meetings due to the complicated political situation. However, DIALOGUE Project expert managed to perform the following activities:

1. Prepared and concurred with the Head of the local government caucus the work plan of the caucus for the 4th plenary session of the Verkhovna Rada of Ukraine (February – July 2014).
2. Prepared and submitted for consideration to the local government caucus the draft law “On Introducing Amendments to Article 12 of the Law of Ukraine “On Local State Administrations” (concerning the possibility for officials of state executive agencies to combine their office with a representative office). The draft document envisions limitations on being elected members of local councils for managers of local state administrations whose delegated authority such local councils perform and report to.
3. Upon the request of members of the local government caucus, DIALOGUE Project experts finalised the draft law “On the Status of Village, Town and City Mayor” to exclude the provisions about the pre-term termination of term of office, because this issue was regulated by the Draft Law under Registration # 3387 of October 09, 2013 submitted by the Inter-Faction Group.
4. Managed to include in the agenda 7 draft laws on introducing amendments to the Budget Code of Ukraine to improve Treasury administration of local budgets (Resolution of the VRU # 739-VII of February 06, 2014). The draft Laws (Registration ## 2381, 2448a, 2479a, 2465a, 2283, 3024, and 3028) reflect the proposals of the Project taken into account in the comprehensive draft Law “On Introducing Amendments to the Budget Code of Ukraine and Some Other Legislation on Improvements to the Mechanisms of Treasury Administration of Local Budgets” submitted to the Inter-Faction Group.
5. Managed to include the provisions of the draft law on expanding the tax base for the real property tax (prepared by the Project and registered by the local government caucus) in the Law of Ukraine “On Preventing the Financial Disaster and Promoting Conditions for Economic Growth in Ukraine” # 1166-VII of March 27, 2014.

6. Prepared and submitted through local government caucus members amendments to the draft National Budget for 2014, with the majority of these amendments being taken into account by the parliament.

At the moment, 17 draft laws were registered with two approved.

Participation in the work of parliamentary committees

In the reporting period, the Project continued to cooperate with ad-hoc committees of the Verkhovna Rada of Ukraine. Project experts took part in **17** working sessions of 5 parliamentary committees including:

- Budget Committee – 6 meetings;
- Committee on State Building and local Self-Governance – 6 meetings;
- Committee on Construction, Urban Development, Housing Utilities and Regional policy – 2 meetings;
- Committee on Science and Education – 2 meetings; and,
- Committee on Social Policy – 1 meeting.

Verkhovna Rada of Ukraine Committee on State Building and Local Self-Governance

During the reporting period, the Committee conducted six meetings where AUC representatives took part in the discussion of nine items of the agenda:

- On introducing amendments to the Law of Ukraine “On Administrative Services” (concerning reducing opportunities for corruption in rendering administrative services) (Registration # 2149, finalised by National Deputies O. Prodan, N. Agafonova, S. Kaplin, N. Novak, P. Rozenko, V. Nalyvaichenko, and T. Kutovyi). A decision was made: to approve the law in the first reading and later on finalise taking into consideration proposals of the AUC;
- On administrative and territorial arrangement (Registration # 3373, finalised, National Deputy V. Kutovyi). A proposal was made to return the draft law to the author to bring it in compliance with the provisions of the Constitution of Ukraine. A decision was made: to return the draft document to the author without discussing it at the plenary session of the VRU (position of the AUC taken into account);
- ON introducing amendments to the Law of Ukraine “On Elections of Deputies of the Verkhovna Rada of the Autonomous Republic of Crimea, Members of Local Councils and Village, Town and City Mayors” (concerning the limitation of the term of office of the village, town and city mayor to two terms) (Registration # 3474, National Deputies Ye. Melnyk, O. Shevchenko, I. Sabiy). A decision was made: to return the document to the author without discussing it at the plenary session of the VRU (position of the AUC take into account);
- On introducing amendments to the Law of Ukraine “On the Capital of Ukraine – Kyiv Hero City” (concerning the restoration of city rayon councils) (Registration # 4226-1, National Deputies Yu. Odarchenko and O. Chornovolenko). A decision was made: to reject the draft law;
- On industrial enterprises satellite cities (Registration # 3673, National Deputy O. Myrnyi and I. Miroshnichenko). A decision was made to return the law for further revision;
- On introducing amendments to certain Ukrainian legislation on increasing social protection of children and supporting families with children (Registration # 3651, National Deputies M. Zhuk, S. Tihipko, P. Rizanenko, O. Prysyazhnyuk, and O. Nechaev). A decision was made: to support the draft law and take into account the suggestions expressed by the AUC;

- On introducing amendments to certain Ukrainian legislation (on exercising the local government control over the use and protection of lands) (Registration # 3648, National Deputies K. Huzenko and Ye. Kartashov). A decision was made: to turn the law back to its authors for further revision;
- On introducing amendments to the Law of Ukraine “On Elections of the Deputies of the Verkhovna Rada of the Autonomous Republic of Crimea, Local Councils and Village, Town and City Mayors” (concerning the improvements of technical and legal aspects of the election mechanisms) (Registration # 2664, second reading). A decision was made: to recommend to approve the law as a whole. At the same time, the law does not reflect the proposal to conduct the election of mayors in two rounds;
- On introducing amendments to certain Laws of Ukraine concerning the simplification of the mechanisms for registering inherited property in rural areas (Registration # 3313, National Deputies H. Kaletnik, A. Pshonka, and D. Shentsev). A decision was made: to make a recommendation to the ad-hoc committee for further revision.

All proposals and recommendation of the AUC with regard to these draft laws were supported.

In addition to this, the Committee received conclusions and proposals with regard to 8 draft laws on local self-governance it was supposed to consider.

Verkhovna Rada of Ukraine Budget Committee

In the course of the reporting period, DIALOGUE Project experts participated in six working sessions of the VRU Budget Committee. The main issues on the discussion agenda related to local self-governance were:

- 1) draft Law of Ukraine “On the National Budget of Ukraine for 2014” (Registration # 3000 of September 14, 2013, CMU);
- 2) draft laws on introducing amendment to Article 103-1 of the Budget Code of Ukraine (on the distribution of the subvention on repairs and maintenance of road networks in populated areas) (Registration # 3418 of October 11, 2013, CMU Registration # 3418-1 of October 18, 2013, National Deputy T. Slyuz);
- 3) draft laws on Introducing Amendments to Law of Ukraine “On National Budget of Ukraine for 2014” in the part dealing with the formation of the reserve fund (Registration # 4464 of 17, 2014, CMU) and with the sequester (Registration # 4575 of March 27, 2014, CMU); and,
- 4) draft law on preventing the financial collapse and promoting conditions for economic growth in Ukraine (Registration # 4576 of March 27, 2014).

More details on these activities are provided in the Budgeting section.

Verkhovna Rada of Ukraine Committee on Public Education and Science

In the course of its working session, the Committee on Public Education and Science approved the position of the Association with regard to the following draft laws:

- “On Introducing amendments to Article 45 of the Housing Code of Ukrainian SSR (concerning the guarantees of the rights of teachers of pre-school and out-of-school educational establishments for the priority provision of housing”) (Registration # 2344a) offering social guarantees for all categories of teachers working in pre-school and out-of-school educational establishments for the preferential provision of housing.

- On Introducing Amendments to Article 16 of the Law of Ukraine ‘On Comprehensive Secondary Education’ (concerning moving the celebration Knowledge Day in cases when it falls on the weekend) (Registration # 3105-1). The draft law has a suggestion to move the celebration of the Knowledge Day for the next working day in cases when it falls on the weekend. Based on the generalised suggestions from heads of departments for public education, the Association addressed the Chairman of the Committee with a proposal to move the celebration of the Last School Bell Day in the same way as proposed by the draft document. The proposal will be considered in the course of the preparation of the document for the second reading.
- «On Introducing Amendments to the Law of Ukraine “On Pre-School Education” (concerning the introduction of inclusive pre-school training) (Registration # 2348a). The document envisions the promotion of conditions for the introduction of inclusive training in pre-school educational establishments.

Activity 2.2.2. Setting up advisory boards at the regional level with participation of AUC Regional Offices and local State Executive agencies at the oblast level

Working sessions of Local Government Regional Advisory Boards

In view of the political situation the country had in January – March of 2014 and the replacement of the leadership of oblast state administrations and oblast councils (leadership of 17 oblast councils changed), the Project was not in a position to conduct almost all working sessions of Local Government Regional Advisory Boards scheduled before.

After the situation stabilised in early March of 2014, the Project prepared and sent an appeal to the newly appointed heads of oblast state administrations with a proposal to support holding regular sessions of Local Government Regional Advisory Boards to expedite the discussion and finding solutions to most important problem issues local governments face. As of late March, the Project received the support for this issue from the Vinnytsya, Dnipropetrovsk, Kyiv, Luhansk, and Ternopil oblast state administrations.

Over the course of the reporting period, the Project conducted one working session of the Local Government Regional Advisory Board in the Dnipropetrovsk oblast. The event participants discussed issues identified as priority topics for discussion at the Local Government Regional Advisory Board by members of the local AUC Regional Office in the September of 2013.

<p>Working session of the Dnipropetrovsk Local Government Regional Advisory Board city of Dnipropetrovsk March 12, 2014</p>	<p>The event participants discussed the issue related to the interaction of local governments and state executive authorities in the context of the preparation of the strategy for the development of the Dnipropetrovsk oblast for the period until 2020 and participation of oblast cities in the implementation plan for the Dnipropetrovsk oblast for the period of 2014 – 2016”, as well as to the local government reform and decentralisation in Ukraine.</p> <p>Following the discussion of the first item on the agenda, the participants made a decision to make a suggestion for local governments to discuss the plan for the implementation of the Dnipropetrovsk Oblast Development Strategy for the Period of 2014 – 2016 and to submit within a month their proposals to it for consideration of the Oblast Council, as well as to submit their specific proposals to be included in the Dnipropetrovsk Oblast Development Strategy for the Period until 2020.</p> <p>Following the discussions of the second item on the agenda,</p>
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	<p>the event participants came up with a number of proposals on how to implement the local government reform and reform of the territorial arrangement of government institutions, namely, how to provide local governments with the resources necessary for the implementation of their own and delegated authority, how to overcome dubious definitions of services to be provided by local governments and state executive authorities, on the expediency of having rayon state administrations, etc. Keeping these issues in mind, the event participants made a decision to support amendments to the draft Law of Ukraine “On the Concept of the Local Government Reform and Reform of the Territorial Arrangement of Government Institutions in Ukraine” in the proposed version incorporating the amendments and comments expressed by local governments officials from the Dnipropetrovsk oblast.</p> <p>The event participants also made a decision to address the Association of Ukrainian Cities, Ukrainian Association of Rayon and Oblast Councils with a suggestion to take into account the position of local government from the Dnipropetrovsk oblast on this issue.</p>
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Activity 2.2.3. Establishing formal and regular coordination mechanisms with other USAID supported activities and other donor organizations

Forum of Donor Organisations working in the local government sector

The Project did not conduct activities under this component in the reporting period.

Cooperation with other USAID projects and projects supported by other donor organisations

On February 12, 2014, O. Slobozhan, DIALOGUE Project expert, made a presentation on the topic “Role of Local Government Associations in Budgeting” for the participants of the Parliamentary Development Program II (Program to Support Legislative Policy) implemented with the financial support from the USAID.

On February 28, 2014, the DIALOGUE Project PR Coordinator participated in the quarterly communication meeting of USAID project implementing partners meeting to discuss the plans and proposals for the ‘USAID town’ to be presented in the course of celebrations of city days throughout Ukraine, as well as, as well as recent success stories of the Project.

In March, the Project conducted a meeting with A. Huk, Director of the Council of Europe Project concerning the possibility of using the materials prepared at regional expert workshops to prepare a training course for local council members.

2.3. Component 3: Fostering Public Support for Reform

Activity 2.3.1. Implementation of the integrated Communication and Branding Strategy of the AUC

The DIALOGUE Project has been working on the implementation of its Branding Strategy, which is a component of the AUC information policy. A standard legend and logo are placed on

all Project media materials, such as the AUC Newsletter, press releases, presentations, and AUC web-site.

Activity 2.3.2. Integration of communications into day-to-day operations of the AUC

Members of the AUC Professional Groups and the AUC Analytical Center keep submitting the information about their activities and Project events to the Information Center. Such updates serve as the key information for PR managers to prepare their information products for AUC web-site and Project publications. Thus, the AUC uses its web-site to disseminate information about the participation of Project experts in the work of parliamentary committees, outcomes of this work, and AUC position. The information articles published on the Project web-site, in their turn, serve as the basic information for the Press news the Information Groups sends on a weekly basis to the interested journalists. Similarly, the Project prepares information for the AUC Newsletter (DIALOGUE Section) and for the English version of the DIALOGUE electronic publication.

Activity 2.3.3. Production and dissemination of tools for message delivery

DIALOGUE Project AUC web-site

The Internet resources of the DIALOGUE Project are accessible for users at dialogueauc.org.ua. The purpose of the Project web-site in the Internet is to serve as a platform for dialogue to promote local government development, improve its legislative framework, exchange managerial experience, as well as to provide timely and high-quality expert information about important local government events and Project achievements in this area. The web site and the information it places targets a wide audience of citizens who are interested in local government issues, representatives of international technical assistance projects and organisations, expert community, and media.

The DIALOGUE Project web site has been operational since March 01, 2011. The number of its visitors is constantly growing. In March of 2011, there were 680 visitors, whereas the indicators for the reporting period are the following:

January 630
February 670
March 580

Also, with the purpose of popularising the Project activities, its outcomes and deliverables, the Association has set up its account of the Association in the Facebook.

Electronic and printed media

The information about the Project publications is presented in Table 1.

Table 2. DIALOGUE Project publications

Publication	Targeted audience	Description
Annual “Local Governance in 2013” publication	Local governments, state executive authorities, and expert community	The Project issued the annual AUC report called “Local Governance in 2013”. The data the report presents are based on the findings of the monitoring of the status of the status of local self-governance and findings of the sociological survey conducted to assess the quality of

		<p>housing, municipal utility and social services in oblast significance cities.</p> <p>The report features the tendencies of the national policy with regard to local self-governance in 2013 – in particular in the context of budget allocations for territorial communities, current status of housing and municipal utility services, system of public education and health care services, and services in the sphere of culture and social assistance.</p> <p>The documents also presents an overview and tendencies of the preparation of the local government reform in the reporting years and European perspectives of local self-governance in Ukraine in the context of the preparation and signing the European Union Association Agreement.</p>
<p>The "Sectoral Monitoring" quarterly electronic publication</p>	<p>Central government authorities, expert community</p>	<p>The publication consists of the chapters dedicated to:</p> <ol style="list-style-type: none"> 1. Significant for local government changes in the sequestered National Budget of Ukraine. 2. The authority local governments lost in 2010 – 2013 and chances of restoring them by the new Cabinet of Ministers of Ukraine. 3. Legislative initiatives in the sphere of local elections. 4. Legislative prospects for resolving problem issues related to the payment of cost-share contribution by developments for the development of local infrastructure. 5. Legislative initiatives of the Ministry of Regional Development in the spheres of centralised water and heat supply. 6. New approaches of the Ministry Of Health Care to reforms in this sector.
<p>The "AUC Herald" printed monthly publication</p>	<p>AUC member communities, AUC partner organisations</p>	<p><u># 104, January – February.</u> The DIALOGUE Project Chapter features the materials about the following:</p> <ul style="list-style-type: none"> - Proposals to the Main Directions of the Budgetary Policy (prepared by DIALOGUE Project experts and approved by the National Congress of Local Self-Governance of Ukraine). <p><u># 105, March.</u> The DIALOGUE Chapter features the materials about the summaries of the meeting of the Prime Minister of Ukraine with city mayors conducted by the Ministry of Regional Development on March 25, 2014.</p>
<p>The "DIALOGUE Newsletter" electronic monthly publication</p>	<p>International organisations and international technical assistance projects</p>	<p>The English-language publication presents Project activities over a month and provides monthly highlights in detail:</p> <p><u># 40,</u> highlight of the month – DIALOGUE Project experts managed to persuade National Deputies to improve financial allocations of territorial communities in 2014</p> <p><u># 41,</u> highlight of the month – the Project released the "Local Governance in 2013" annual report.</p>

		# 42, highlight of the month – Policy dialogue: The beginning of the Local Government Reform.
The “Legal Counselling” electronic quarterly publication	Local government lawyers	Issue # 15 included the following: 1) generalised explanations concerning the mechanisms for submitting property declaration, declaration of expenditures and financial liabilities, and subsequent actions; 2) generalised responses (explanations) to certain issues submitted to the mobile telephone line (8). The publication was sent out to AUC Regional Offices and local government lawyers.
The “Legislation News” electronic publication	Local government lawyers	<u>#37, January</u> features the information about 28 legal and regulatory documents related to local government interests either approved or taken effect and three draft laws under consideration by the Verkhovna Rada of Ukraine or its committees, or by central agencies of the state executive. <u>#38, February</u> features the information about 46 legal and regulatory documents related to local government interests either approved or taken effect and three draft laws under consideration by the Verkhovna Rada of Ukraine or its committees, or by central agencies of the state executive. <u>#39, March</u> features the information about 18 legal and regulatory documents related to local government interests either approved or taken effect and three draft laws under consideration by the Verkhovna Rada of Ukraine or its committees, or by central agencies of the state executive.
The “Press News” electronic weekly publication	Media	A selection of weekly news, publications, and announcements of major activities of the Association of Ukrainian Cities, news and events in cities, and key local government topics. Eleven issues were prepared and published. The Press News is distributed to more than 241 media representatives, journalists and press offices of city councils. The mailing list is being constantly updated.
Short local government updates	USAID	The Project prepares and sends the publication to USAID on a weekly basis. The information is presented in two sections: DIALOGUE Project News and Local Government News. Eleven issues were prepared and sent.

Radio coverage

The Project prepared two radio programs with comments and interviews of AUC experts, references to the AUC activities mentioned in the news by radio stations, and live interviews of the AUC leadership. In particular, the radio programs were aired by the following radio stations:

January 18 – a telephone interview of O. Slobozhan, AUC expert, on the «Свобода» [*liberty*] Radio Station about the distribution of subsidies from the National Budget between cities;

January 21 – participation of O. Slobozhan, AUC expert, in the “Political Economy. Guest of the Studio” Program on the ERA FM Radio Station and discussion of the AUC position with regard to local government budget issues in the context of the National Budget for 2014.

TV coverage

DIALOGUE Project activities were covered by fifteen TV programs aired on the following channels:

January 15 – Internet coverage of the press conference with the participation of O. Slobozhan, AUC expert, and the discussion of the National Budget for 2014 and expected changes;

15 January – coverage by the «Гамма» TV channel of the press conference conducted by the «Голос.UA» News Agency with participation of O. Slobozhan;

January 16 – the «Акцент» [*accent*] program on the «Перший діловий» [*first national*] TV Channel with the participation of O. Slobozhan, DIALOGUE Project expert in the discussion of the National Budget for 2014;

February 18 – participation of O. Slobozhan, AUC expert in the live program on the «112» TV Channel about the budget sufficiency of territorial communities;

February 21 – a video story on the MTM TV Channel (Zaporizzhya) about the working session of the AUC Social Protection Professional Group in Zaporizzhya;

February 21 – a video story in the news section of the TB5 TV Channel (Zaporizzhya) about the working session of the AUC Social Protection Professional Group in Zaporizzhya;

March 04 – a video story on the «Бізнес» [*business*] TV Channel about the budget sufficiency of territorial communities with comments of O. Slobozhan and S. Haraschuk followed by a conversation with M. Pittsyk, AUC Executive Director;

March 06 – participation of O. Slobozhan in the live program on the «112» TV Channel about the prospects of the administrative reform and strengthening the financial foundations of local self-governance;

March 14 – a video story on the «ICTV» TV Channel about problem issues of territorial communities and financial decentralisation with comments of O. Slobozhan;

March 14 – a video story on the «УТ-1» TV Channel in the «Діловий світ» [*business world program*] with reference to comments of M. Pittsyk, AUC Executive Director about the local government reform.

March 24 – participation of O. Slobozhan, DIALOGUE Project expert, in the live program on the «ТБі» TV Channel about the advantages and disadvantages of the federal arrangement of government entities in Ukraine;

March 25 – a video story in the news section about the meeting of Prime Minister of Ukraine with city mayors on the «1+1» TV Channel;

March 25 – a video story in the news section about the meeting of the Prime Minister of Ukraine with city mayors on the «БТБ» TV Channel;

March 26 – participation of O. Slobozhan, DIALOGUE Project expert, in the live «Телемарафон» [*TV marathon*] program on the «УТ-1» TV Channel about the Concept of the Local Government Reform and Reform of the Territorial Arrangement of Government Institutions in Ukraine;

March 27 – a live story about the working session of the AUC Housing and Municipal Utilities Professional Group on the «34» TV Channel (city of Dnipropetrovsk).

«ЗМІСТОвна Україна» TV program series

Working within the framework of the DIALOGUE Project, the AUC continued its cooperation with the ESG Communication Group to prepare a series of TV programs about local self-governance called «ЗМІСТОвна Україна» [*CITY-minded Ukraine*]. The programs were aired on Wednesdays by the УТ-1 TV Channel within the program «Діловий світ»

[*business world*]. Starting with February, this cooperation has stopped due to the unavailability of the proper air time on the TV Channel, as this TV Channel gave this time to the Громадське ТБ [*public TV*].

Over the reporting period, the Project prepared and aired three programs:

Kozyatyn (Vinnytsya oblast), January 15

The story of the program was dedicated to reforms in the system of centralised heat supply program to help transfer all residential housing stock over to the individual heating systems. Aiming at the provision of high quality district heating services to social institutions and organisations in the public sector, the city modernised its boilers and heat distribution networks, thus allowing the use of alternative energy resources. O. Gvelesiani, Mayor of Kozyatyn, provided a detailed story about how the city decentralised its heating system, effective use of alternative types of fuel, social and economic development of the city and implementation of investment projects, and effective dialogue with the oblast authorities, as well as praised the assistance of the AUC in disseminating best municipal management practices and lobbying for interests of local governments at the national level.

Boryspil (Kyiv oblast), January 22

The city government of Boryspil pays a lot of attention to the introduction of electronic governance projects: it has opened an on-line city office giving a chance for the city residents to directly interact with the city mayor without a preliminary appointment and without waiting lines; and the city archives department has introduced the electronic document turn-over, thus facilitating the search of the needed information and significantly improves the quality of services. In his interview, A. Fedorchuk, Mayor of Boryspil, described how the city managed to preserve its leading positions in the social and economic development. He also spoke about the reforms in the housing and municipal utilities sector, plans to implement infrastructure development projects, effective relations with the authorities at the regional level, and assistance from AUC in resolving local government problem issues and disseminating best municipal experience.

Working session of the AUC Local Government Lawyers Professional Group (city of Mykolaiv), January 29

The topic of the program was dedicated to the working session of the AUC Local Government Lawyers Professional Group where heads of city legal departments expressed their position about the necessity of introducing amendments to the Law of Ukraine “On Access to Public Information” and discussed the proposals to the new version of the law on service in local governments. S. Tymoschuk, Director of the Department for Legal Policy and Quality of the Vinnytsya City Council, and V. Bezlyudnyi, Head of the Legal Department of the Kherson City Council were invited as guests for the event. They familiarised the TV viewers with issues of the legal support for local council and praised the AUC role in preparing a common vision of and position on local government issues.

Activity 2.3.4. Fostering media relations

Setting up a team of AUC speakers

The composition of the team of AUC speakers was updated. The AUC web site has an updated list of experts (provided in Table 3), as well as the list of contacts for the PR Coordinator to deal with Association speakers.

Table 3. The team of AUC speakers who are authorised to present the position of the Association

Name	Position
Current status and issues of local self-governance in Ukraine. AUC dialogue with central government agencies	
Yu. H. Vilkul	AUC President, Kryvyi Rih City Mayor
Local Government Reform	
Myroslav V. Pittsyk	AUC Executive Vice President, DIALOGUE Project Senior Expert on Inter-Governmental Relations
Volodymyr H. Parkhomenko	DIALOGUE Project Analytical Center Director
Legal support to local government activities, AUC initiatives	
Volodymyr H. Parkhomenko	DIALOGUE Project Analytical Center Director
Victoria V. Sydorenko	DIALOGUE Project Senior Legal Expert
Local elections	
Volodymyr H. Parkhomenko	DIALOGUE Project Analytical Center Director
Local budget and finance	
Oleksandr Ch. Sin	Zaporizzhya City Mayor
Tetyana D. Taukesheva	President of City Finance Officer Association (CFOA), Deputy Kharkiv City Mayor, Director of the City Department for Budget and Finance
Natalya V. Dzhuhan	Director of the Department for Financial Policy of the Cherkasy City Council
Oleksandr V. Slobodzhnan	DIALOGUE Project Analyst
Housing and Utilities, city economy and infrastructure	
Serhiy V. Nadal	Ternopil City Mayor
Yaroslav O. Raboshuk	DIALOGUE Project Analyst
Local Economic Development	
Ivan I. Kulichenko	Vice President of the AUC, Dnipropetrovsk City Mayor
Big and medium-sized city issues	
Oleksandr O. Lukianchenko	AUC Vice President on Big Cities, Donetsk City Mayor
Anatoliy S. Fedorchuk	AUC Vice President on Medium-Sized Cities, Boryspil City Mayor, Kyiv oblast
Pavlo H. Kozyryev	AUC Vice President on Small Cities, Ukrainka City Mayor
Land relations	
Yaroslav O. Raboshuk	DIALOGUE Project Analyst
Public education, health care, culture	
Victoria V. Karabutova	DIALOGUE Project Analyst
Innovation development, introduction of effective management technologies	
Andriy I. Sadovyi	Vice President of the AUC, Lviv City Mayor
Volodymyr P. Udovychenko	AUC Board Member, Slavutyeh City Mayor

Implementation of mechanisms for regular communication between local governments and media

Meeting of the National Press Club and regional press clubs “Straight from the Source”

Over the course of the reporting period, the Project did not conduct meetings of the press clubs.

2.4. Component 4: Legal Assistance and Protection

Activity 2.4.1. Expanding legal consultation services for navigating various laws and regulations

In the reporting period, DIALOGUE City Legal Assistance Center consultants provided 164 consultations to local government officials. Since the inception of the Project, 185 consultations to local government were provided. Since its inception, the Project provided 2,441 consultations to local governments.

City Legal Assistance Center consultants provided **164** legal consultations through the mobile telephone line, mail, and AUC and DIALOGUE web-sites in the following areas:

- local budgets and inter-budget relations – 16;
- land relations – 27;
- housing, municipal utilities and communal property – 35;
- organisational and legal foundations of local self-governance – 74;
- social protection – 5;
- public education – 6; and,
- culture – 1.

Expert workshops in AUC ROs

An Expert Workshop is a training event for local government officials who work in a given technical area held with the purpose of explaining provisions of legislation and exchanging city management experience. In addition to this, participants of expert workshops can initiate amendments to legislation and changes in municipal management activities. The topics for expert workshops have been identified by AUC ROs upon suggestions from local government officials.

In January – March of 2014, the Project conducted 23 expert workshops with participation of 402 local government officials.

Date and venue	Topic	Description of the event
Kirovohrad AUC RO, city of Kirovohrad January 23, 2014 20 participants – heads of land management departments of local councils	Management of land relations in local governments	The expert workshop moderator focused the attention on peculiarities and problem issues of management of land resources by local governments. He suggested the following issues for the discussion at the event: lands of residential housing and public development; purpose and content of cadastres of populated areas; and registration of land plots as objects of private and communal ownership. The event participants engaged in the active discussion of the recently approved amendments to the Land Code of Ukraine, Laws of Ukraine “On Land Management”, “On the State Land Cadastre” etc., as these laws substantially redefined the ways for entering into the land parcel property rights including the communal ownership of lands.
Kherson AUC RO city of Kherson January 23, 2014 20 participants– chief accountants, heads and	Accounting planning and organisational support for accounting and reporting in local governments	The expert workshop was designed as a question-and-answer session. Such an approach provided an opportunity to both get the theoretical explanation of the topic and to receive practical advice and consultations. The event participants became familiar with the

<p>specialists of accounting and reporting departments of city, town and village councils</p>		<p>organisation of accounting in institutions in the public sector; legal foundations for their activity; current practices of accounting and reporting; preparing const estimates as the key financial documents; discussion of amendments to certain regulatory and legal documents on accounting in institutions in the public sector in 2014.</p>
<p>Lviv AUC RO city of Lviv January 24, 2014</p> <p>20 participants - heads of legal departments (lawyers) of city councils</p>	<p>Legal aspects of activities of executive committees of local councils</p>	<p>The expert workshop moderator presented to the participants the experience the Lviv City Council in the legal support of decision making. A separate attention was paid to the organisational support for the activities of the Legal Department of the Lviv City Council, its interaction with other authorities, and regulatory and legal support for activities of executive agencies of the local council. In addition to this, the event participants reviewed the new urban development legislation, new requirements in the state registration of rights to immovable property, and Draft Law of Ukraine ‘On the Preservation of Cultural Heritage’. The event participants insisted on the necessity to introduce amendments to the laws mentioned above aimed at removing overlaps in authority, as well as distributing the public governance authority according to the principle of subsidiarity.</p>
<p>Khmelnyskyi AUC RO city of Khmelnyskyi February 05, 2014</p> <p>20 participants – city and town mayors and their deputies</p>	<p>Preparation of project proposals. Particularities of the participation in the Ukraine-Wide Competition of Local Government Development Projects and Programs</p>	<p>The expert workshop moderator spoke about the current status of the preparations of project proposals for the competition; requirements for competition participants; main expected outcomes; entities involved in holding the competition, and presented the tentative topics of the projects. The event participants engaged in an active discussion of requirements for writing the project proposal, such as: application, registration card, project content, purpose and tasks, goal achievement framework, work plan for the implementation of project activities, budget, etc.</p>
<p>Rivne AUC RO city of Rivne February 05, 2014</p> <p>25 participants – heads of city/town finance departments of local councils</p>	<p>Local budgeting in 2014 and performance of state treasury offices</p>	<p>The expert workshop moderator focused the attention of the participants on the peculiarities of the formation of local budgets in 2014. The event participants turned the expert workshop into the question-and-answer session and experience exchange between city councils. A special attention was paid to the not proportional distribution by rayon authorities of rayon budget funds to local governments and to the particularities of treasury administration of local budgets in 2014. The expert workshop participants approved the text of the appeal to the Cabinet of Ministers of Ukraine about the approval of the fundamental Laws of Ukraine, such as ‘‘On Local Self-Governance in Ukraine’’, ‘‘On Territorial Communities’’; sent a request to introduce amendments to the Budget and Tax Codes of Ukraine in the parts dealing with budget decentralisation and to envision in the National</p>

		Budget the mandatory requirement to provide the full financial support for the implementation of the authority delegated to local governments.
Mykolaiv AUC RO city of Mykolaiv February 11, 2014 20 participants – members of tender selection committees of executive agencies of local councils and local council experts dealing with such issues	Key issues of public procurement conducted by local governments	The expert workshop moderator discussed the issue related to the main foundations of management of public finance in the sphere of public procurement. The expert workshop participants discussed key issues of the organisational and legal changes in the sphere of public procurement, in particular: Instruction # 921 of July 26, 2010 “On Determining the Item of the Procurement” and amendments in the legislation, namely, of Article 16 of the Law of Ukraine “On Public Procurement” # 2289-VI of June 01, 2010. The participants engaged in an active discussion on issues related to the relationships with inspection agencies. The participants received recommendations on how to conduct the procurement of goods and services by customers in the context of the recent court practices.
Luhansk AUC RO city of Luhansk February 13, 2014 20 participants – heads of departments of economy of local councils	Experience in attracting funds under state guarantees for the implementation of social and economic programs	The expert workshop moderator presented the details of the methodology for conducting the state expert assessment of the investment project and conducting the expert assessment of economic expediency. The workshop participants became familiarised with the main types state support for investment activities specified in the Law of Ukraine “On Investment Activity”, Article 12; with Resolution # 404 of June 03, 2013; and with the draft project of the city of Luhansk called “Development of the Transportation Network of the City of Luhansk”. The event participants discussed the technical aspects of preparing of all stages of the investment project and a program for social and economic development, and learned new theoretical and practical knowledge.
Crimean AUC RO city of Simferopol February 21, 2014 20 participants – heads of departments for legal support and lawyers of local councils	Role of local governments in the registration of property rights	The expert workshop moderator provided an overview of the Ukrainian legislation regulating legal relations in the sphere of exercising state property registration rights and the corresponding court experience and gave explanations of Resolution of the CMU #868 of October 17, 2013 enacted on February 12, 2014. The expert workshop participants reviewed and discussed the following problem issues: mechanisms for issuing second copies of property right certificates (in cases of absence of copies of documents instituting such right); preparation and registration of property rights for items owned by territorial communities; introducing amendments to the documents introducing the right to immovable property items, etc.
Cherkasy AUC RO city of Cherkasy February 25, 2014	Problem issues related to the land legislation and ways to resolve them	The expert workshop moderator and the participants discussed the main priorities of the Cherkasy oblast in the sphere of land management in 2014, such as: inventory of city lands

<p>20 participants – city mayors, their deputies, heads of city (town) departments for managements of land resources (main authorities)</p>		<p>(preparation of technical documents for the land inventory; and, peculiarities of land sales in accordance with the provisions of the Land Code coming into force since January of 2013 (stages of the preparation of the land parcel for the auction). The event participants engaged in the discussion of the concept for increasing collections to the city budget: revenues to the development budget from proceeds of sales of communally-owned land plots; incentives for potential buyers, etc. The event participants prepared their proposals for the introduction of amendments to the current Ukrainian legislation (the proposals were submitted to the AUC Analytical Center to Ya. Raboshuk).</p>
<p>Ivano-Frankivsk AUC RO city of Ivano-Frankivsk February 28, 2014</p> <p>20 participants – heads and specialists of the city and town departments for youth policy in the oblast</p>	<p>Compliance with the national social standards for improving children health in Ivano-Frankivsk oblast in 2014</p>	<p>The expert workshop moderator together with the participants discussed the main aspects of the national policy for children health improving and recreation. As a separate topic, the event participants discussed issues related to the protection of teachers working in children camps, availability of standard and licensed medical equipment, safety of children stay in camps, compliance with the standards of intervals between shifts, formation of the medical personnel for camps, training of personnel. The event participants prepared a number of specific proposals to improve the salutation in the sphere of improving children health and recreation, namely: revisit the standards for camps (Instruction of the Ministry of Health Care); support children guided camps (plast (scouts), and «Чорний ліс»); give up the idea of percentage indicators for health improvement and recreation; and revisit the timeframe for health improvement and recreation.</p>
<p>Donetsk AUC RO city of Donetsk February 28, 2014</p> <p>20 participants – heads of departments for housing and municipal utilities of local councils</p>	<p>Problem issues of companies working in the sphere of housing and municipal utilities and models how to resolve them</p>	<p>The expert workshop moderator together with the participants discussed the main problem issues of the housing and ,municipal utilities sphere and models to resolve them in Ukrainian cities, introduction of the energy saving policy, other programs to stabilise the situation in the housing and municipal utilities sphere, incentives for investment activities in this sphere, development of the strategy and main tasks to improve the effectiveness of work of companies in the housing and municipal utility sphere in the country. The event participants paid a particular attention to investment programs and programs to promote international cooperation including the cooperation with international financial institutions. The Deputy Mayor of Donetsk shared his experience on how to improve the housing and municipal utilities sector and introduce new technologies in the city.</p>
<p>Volyn AUC RO city of Lutsk</p>	<p>Formation of the brand of the city.</p>	<p>The expert workshop moderator suggested the following topics for the discussion: strategic</p>

<p>February 28, 2014</p> <p>20 participants – city and town mayors, heads of departments for tourism and international development</p>	<p>Implementation of the branding strategy with the maximum beneficial effect for the city possible</p>	<p>planning as the foundation for the development of the brand; city brand as the foundation for successful development; European experience in developing city brands; marketing and investment strategy for promoting the city brand. The event participants discussed the most popular mistakes of brand developers; and illustrative examples and main principles of city branding. In the closing remarks to the expert workshop, the participants stressed the necessity of systemic work to increase the professional and qualification level of experts who develop strategic plans, strategies and city brands.</p>
<p>Kharkiv AUC RO city of Kharkiv March 12, 2014</p> <p>20 participants – town mayors, deputy city mayors, secretaries of local councils, and heads of departments of management of land resources of local councils.</p>	<p>Local government authority in the sphere of regulation of land relations</p>	<p>The expert workshop participants became familiar with the new provisions in the land legislation, received practical recommendations on how to apply it, as well as how to interact with the Registration Center. Separately, the event participants discussed the registration of rights to lands in 2014 (in accordance with the new Law “On Land Management”) and [problem issues related to the preparation and approval of land management documents, concluding superficies and servitude agreements, etc.</p>
<p>Ternopil AUC RO city of Ternopil March 13, 2014</p> <p>20 participants – specialists of city/town departments of management of land resources of local councils</p>	<p>Management of land resources and property of the territorial community</p>	<p>The expert workshop moderator familiarised the participants with the application of the provisions of the Land Code of Ukraine in local government activities. The event participants discussed the draft Law of Ukraine “On the State Land Cadastre” with amendments and new provisions of the Law of Ukraine “On the State Registration of Property Rights to Immovable Property and Their Limitations”. The event participants were interested in issues related to effective management of communal property, namely: mechanism for changing the public cadastre map; mechanisms for changing cadastre numbers of land parcels; and activities to take in case of overlapping neighbouring land plots.</p>
<p>Vinnytsya AUC RO city of Vinnytsya March 18, 2014</p> <p>20 participants – city mayors and secretaries of city councils</p>	<p>Experience of city councils in promoting favourable conditions for life sustaining activities of territorial communities</p>	<p>The main attention was given to the experience of the city of Vinnytsya in implementing its development strategy till 2020, because this strategy envisions a dynamic and creative city convenient for living and work. The implementation of the strategy made the city government revisit the approaches to all aspects of the city work focusing on the following main priorities: formation of the strong community, sustainable economic development, and ensuring the quality level of life for citizens and services rendered to them. In addition to this, the event participants became familiar with the activities of the institutions supporting the development of the city, (such as the City Development Institute) in Vinnytsya and the Podillya Regional Development Agency). These institutions are</p>

		ready to cooperate with the AUC RO and support cities in the oblast in preparation of their local government development projects and programs.
<p>Chernihiv AUC RO city of Chernihiv March 20, 2014</p> <p>20 participants – city and town mayors</p>	<p>Reform of the system of local self-governance as an important element for integration of Ukraine into the European Union</p>	<p>The expert workshop was theoretical in its nature and was designed with the purpose of getting local government officials prepared for the changes envisioned by the Concept of the Local Government Reform. The moderator presented to the participants the approaches and system of organisation of government institutions in various European countries. The participants who were present at the event discussed problem issues in local governments and the necessary changes to be made in the course of the implementation of the planned local government reform (financial decentralisation, clear distribution of the authority, ad ensuring self-sufficiency of territorial communities).</p>
<p>Kyiv AUC RO city of Kyiv March 21, 2014</p> <p>20 participants – city mayors, deputy city and town mayors, local council secretaries, and heads of the corresponding departments of local councils</p>	<p>Energy saving in the public sector and tariffs</p>	<p>The expert workshop was dedicated to the presentation of practices and implemented energy saving projects in the municipal utilities sphere in territorial communities: reconstruction of boilers and replacement of boilers for more efficient, introduction of electrical heating for social institutions in the public sector, use of bio fuel for heating purposes in the social sector. The event participants discussed the experience in implementing projects in Zaporizzhya, Vinnytsya, Zhytomyr, as well as the Energy Saving Program of Slavutyich – an integrated document the city government in cooperation with social facilities, businesses and city residents is trying to implement.</p>
<p>Rivne AUC RO city of Rivne March 21, 2014</p> <p>21 persons – heads/deputy heads of city/town departments for housing and municipal utilities of local councils</p>	<p>Peculiarities of activities of local governments in the context of amendments to the land legislation and to the Law of Ukraine “On regulation of Urban Development Activities”</p>	<p>The expert workshop moderator familiarised the event participants with the new provisions and amendments to the Law of Ukraine “On State Land Cadastre”. He focused the particular attention on the demarcation of boundaries of populated areas and delineation of boundaries between state-owned and communally-owned lands. The event participants were interested in the new approaches and legal demarcation of boundaries of populated areas and normative pecuniary valuation of lands in populated areas. In the course of the discussions, the participants expressed the following opinion: one should take inventory of lands in rayons, prepare delineation maps and prepare state acts for land ownership every five years to see who avoids payments for what part of lands, and, correspondingly, who does not pay revenues to the budget. The moderator stressed that the biggest problem related to the delineation of boundaries of populated areas in the Rivne oblast can be observed in the Ostrih and Volodymyrets rayons. The moderator presented the details of this issue and expressed his proposals how to work in each</p>

		rayon in the Rivne oblast. The expert workshop participants prepared an appeal to V. Hroisman, Vice Prime Minister.
Zakarpattya AUC RO city of Uzhgorod March 26, 2014 20 participants – specialists of the corresponding departments of local councils	Grant project writing. Technical recommendations for the preparation of applications for grant projects within the framework of international donor local government support projects	The expert workshop moderator in his presentation of the training topic stressed that the development of urban communities heavily depends on active and balanced actions of local governments. He also stressed that in the context of the “financial hunger” all territorial communities are experiencing these days, the financial resources coming from technical assistance foundations are the only chance to develop city infrastructure. The event participants were interested in how to prepare a successful project application (purpose and tasks of the project, problem setting, targeted audience of the project, expected outcomes, budget and annexes to the project). In the course of the individual work, the event participants learned how to write project proposals, present their applications and how to avoid mistakes. The participants of the expert workshop exchanged their work experience and became familiarised with successful projects in such cities as: Uzhgorod, Irshava, Tyachiv, and Rakhiv.
Sumy AUC RO city of Sumy March 27, 2014 16 participants – Deputy city mayors, secretaries of local councils, and city clerks	On the main provisions of the Law of Ukraine “On the Civil Service” and amendments to the legislation on service in local governments	The participants of the expert workshop discussed four groups of questions: (1) new provisions in the legislation on civil service (in the context of rolling out the main provisions of this law to the service in local governments), (2) peculiarities of organisation of activities of the executive committee in the sphere of administrative services (Center for Administrative Services of the city of Sumy), (3) mechanism for rendering administrative services (the event participants said it was a pity that local governments were losing their authority to issue permits and registration certificates in issues related to the registration of land parcels, property, and new construction. They also expressed their hope this types of authority will be returned to local governments), and (4) establishing citizens self-organisation entities and their activities as an effective instrument to promote openness and transparency of local government activities and active engagement of citizens to resolving issues of local importance.
Odesa AUC RO city of Odesa March 28, 2014 20 participants – city mayors and their deputies	Legislative and regulatory framework of Ukraine concerning the development and planning of urban environment. Improvement of the coordination of activities of city and	The expert workshop moderator familiarised the participants with the legislative and regulatory framework of Ukraine concerning the development and planning of the urban environment. The event participants focused their attention on the activities of the Inspectorate for Architectural and Construction Control on issues related to the compliance with the urban development legislation, coordination of actions

	regional government authorities to promote the development of populated areas in the oblast	of city and regional government authorities on ensuring the development of populated areas in the oblast. In the course of the discussions at the expert workshop, the participants expressed their proposals to the Law of Ukraine “On Regulation of Urban Development Activities”. The participants also received answers to the questions they asked the moderator.
Zhytomyr AUC RO city of Zhytomyr March 28, 2014 20 participants – heads of departments for land management of local councils	Registration of property rights in department for justice. Local government work in the context of amendments to the land management legislation	The event participants discussed two groups of issues. In 2013, five law and 12 resolutions of the Cabinet of Ministers came into force. They essentially changed the legal framework in the sphere of land relations and provided for the conditions to simplify, expedite and reduce the cost of land allocations, as well as provided opportunities for fighting corruption. A separate attention was dedicated to amendments to the legislation on registration of property rights, This legislation came into force on January 01, 2014 and envision accountability of the applicant for the reliability of the information provided, opportunity for sending the package of documents by mail without the physical presence of the applicant, simultaneous registration of property rights and other rights derived from the property rights, as well as opportunity for obtaining information from registries.

Activity 2.4.2. Legal protection services

In the reporting period, the attorney services were provided to 2 local government institutions and officials. The attorney services were provided in the following key areas:

- protection of rights of local governments and their officials including protection in courts and/or with on-site visits of attorneys (Kalynivka Town Mayor (Luhansk oblast) (4);
- legal assistance to local governments and their officials (Almazna City Council (Luhansk oblast) (2).

Monitoring of cases of harassment of local governments and their officials

In the reporting period, the Project identified 94 such cases with regard to:

- city mayors – 79;
- village and town mayors – 8;
- local council members - 2; and,
- other local government officials – 5.

DIALOGUE Project experts conducted the monitoring of cases of termination of authority of city and town mayors of AUC member communities. Over the time elapsed from the last local government elections (October of 2010) till December 31, 2013, local councils terminated the authority of 72 city mayors, or 20% of all city mayors. One should mention that in the previous group of elected mayors – 2006-2010 – this indicator constituted 2%. In particular, the following oblast center cities remained without mayors: Chernivtsi (since 2011), Cherkasy (since 2012), Kherson (since 2012), Mykolaiv (since 2013), Odesa (since 2013), and Kyiv (since 2012). At the same time, the elections of city mayors in these cities were not scheduled, although the corresponding draft laws were registered in the parliament.

In addition to this, over the period from February 19 till March 06, 2014, 33 mayors were also removed from their office. This took place either upon personal resignation letters, or upon the no-confidence vote on the part of the city council. The generalised information is presented in Table 4.

Table 4. Information about the pre-term termination of authority of city and town mayors elected during the local government elections on October 30 2010, over the period of December 01, 2010 – March 10, 2014.

#	Name and surname	City	Oblast	Reason for the termination of authority
1.	A. Aliev	Rozhysche	Volyn	Pre-term termination of authority by the City Council.
2.	S. Anoschenko	Kuznetsovsk	Rivne	Pre-term termination of authority by the City Council five times (2012 - 2013).
3.	S. Antonyuk	Shepetivka	Khmelnyskyi	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
4.	O. Dartenev	Feodosiya	Autonomous Republic of Crimea	Died
5.	Z. Berezhna	Kherson	Kherson	Pre-term termination of authority of the acting Mayor by the City Council.
6.	Yu. Berkut	Nizhyn	Chernihiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
7.	V. Belyi	Bohodukhiv	Kharkiv	Transfer to work in the RSA.
8.	O. Bilyi	town of Lazurne	Kherson, Skadovsk rayon	Pre-term termination of authority by the City Council. Reason – corruption offence.
9.	Yu. Bova	Trostryanets	Sumy	Pre-term termination of authority by the City Council. Reason – corruption offence. Appealed in the Court.
10.	Yu. Bodrov	Uman	Cherkasy	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
11.	A. Borodenko	Baturyn	Chernihiv	Pre-term termination of authority by the City Council.
12.	M. Bocharov	Zbarazh	Ternopil	Pre-term termination of authority by the City Council. Restored on his position according to the decision of the Lviv Court of Appeals. Repeated pre-term termination of authority by the City Council. Reason – corruption offence.
13.	O. Boyarchuk	Yalta	Autonomous Republic of Crimea	Pre-term termination of authority by the City Council. Reason- application of the person with an official letter.
14.	H. Varhuyak	Khotyn	Chernivtsi	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
15.	S. Valter	Melitopol	Zaporizzhya	Removed from office until the court decision on criminal accountability.

16.	V. Vdovtsov	Sosnivka	Lviv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
17.	I. Haidosh	Berehove	Zakarpattya	Pre-term termination of authority by the City Council. Reason – due to the election of the National Deputy of Ukraine.
18.	V. Harnaha	Kamianka	Cherkasy	Pre-term termination of authority by the City Council.
19.	V. Heda	Monastyryska	Ternopil	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
20.	Yu. Herxhov	Voznesensk	Mykolaiv	Pre-term termination of authority by the City Council. Reason – due to the election of the National Deputy of Ukraine.
21.	O. Hrabovskyi	Schors	Chernihiv	Transfer to work in the RSA.
22.	I. Hrys	Staryi Sambir	Lviv	Pre-term termination of authority by the City Council. Submitted resignation letter under pressure.
23.	B. Darchyn	Tysmenytsya	Ivano-Frankivsk	Pre-term termination of authority by the City Council. Submitted resignation letter under pressure.
24.	V. Deboi	Zhytomyr	Zhytomyr	Pre-term termination of authority by the City Council.
25.	V. Dzed	Konotop	Sumy	Pre-term termination of authority by the City Council.
26.	S. Dunaev	Lysychansk	Luhansk	Pre-term termination of authority by the City Council. Reason – due to the election of the National Deputy of Ukraine.
27.	O. Esenkov	Rovenky	Luhansk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
28.	V. Zhrebnyuk	Zhmerynka	Vinnytsya	Pre-term termination of authority by the City Council. Reason- transfer to work in the RSA.
29.	T. Zhmurko	Sharhorod	Vinnytsya	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
30.	H. Zlydar	Chornobai	Cherkasy	Died
31.	S. Ivaschenko	Vasylkiv	Kyiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
32.	S. Ilash	Yalta	Autonomous Republic of Crimea	Termination of authority by the City Council.
33.	O. Kaminska	Vovchansk	Kharkiv	Pre-term termination of authority by the City Council.
34.	O. Karasevych	Kakhovka	Kherson	Pre-term termination of authority by the City Council. Submitted an appeal to the court.
35.	O. Kasianenko	Okhtyrka	Sumy	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
36.	O. Kirsanov	Nizhyn	Chernihiv	Pre-term termination of authority of the acting city mayor by the City Council. Reason – application of the person with a personal letter.
37.	O. Klyui	Saky	Autonomous	Pre-term termination of authority by the

			Republic of Crimea	City Council. Reason – application of the person with a personal letter.
38.	O. Kovalchuk	Kremenets	Ternopil	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
39.	K. Kozyuberda	Rubizhne	Luhansk	Pre-term termination of authority by the City Council. Restored on his position by the Donetsk Administrative Court, however, the council members submitted an appeal. Waiting for the decision of the cassation office.
40.	V. Kolomeitsev	Ladyzhyn	Vinnytsya	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
41.	V. Konoplov	Inkerman	Autonomous Republic of Crimea	Removed from office until the court decision on criminal accountability. Criminal charges under Article 368, Part 4 of the Criminal Code of Ukraine.
42.	O. Kopytov	Pershotravensk	Dnipropetrovsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
43.	V. Korenyuhin	Mykolaiv (acting Mayor)		Died
44.	O. Kostusev	Odesa		Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
45.	V. Kostyuchenko	Bilopillya	Sumy	Pre-term termination of authority by the City Council. Reason – application of the person with a letter submitted to the City Council about the resignations from the position of the city mayor and retirement.
46.	L. Kravchenko	Bobrynets	Kirovohrad	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
47.	E. Kraink	Zhmerynka	Vinnytsya	Pre-term termination of authority of the acting mayor by the City Council.
48.	A. Kuzmenko	Zhovti Vody	Dnipropetrovsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
49.	H. Lebed	Verkhnodniprovsk	Dnipropetrovsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
50.	M. Lyashenko	Vyshneve	Kyiv	Pre-term termination of authority by the City Council.
51.	V. Mahda	Barvinkove	Kharkiv	Pre-term termination of authority by the City Council. Reason – application of the person with a letter submitted to the City Council about the resignations from the position of the city mayor and retirement.
52.	V. Melnyk	Obukhiv	Kyiv	Died
53.	H. Minaev	Sumy	Sumy	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
54.	S. Myndar	Komsomolske	Kharkiv	Pre-term termination of authority
55.	V. Mikhailishyn	Chernivtsi	Chernivtsi	Pre-term termination of authority of the Acting mayor by the City Council.

56.	Yu. Mykhailov	Artsyz	Odesa	Pre-term termination of authority by the City Council.
57.	M. Nakonechnyi	Khrystynivka	Cherkasy	Died
58.	M. Nanovskyi	Billhorod-Dnistrovskyyi	Odesa	Removed from office until the court decision on criminal accountability. Criminal charges under Article 368, Part 3 of the Criminal Code of Ukraine.
59.	V. Nikolenko	Kaniv	Cherkasy	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
60.	S. Odarych	Cherkasy		Pre-term termination of authority by the City Council.
61.	O. Omelchuk	Netishyn	Khmelnyskyi	Pre-term termination of authority by the City Council.
62.	R. Osadchuk	Horodenka	Ivano-Frankivsk	Pre-term termination of authority by the City Council. Resignation letter submitted under pressure.
63.	S. Pavlenko	Zuhres	Donetsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
64.	R. Panshyshyn	Novodnistrovsk	Chernivtsi	Pre-term termination of authority by the City Council.
65.	O. Penkovskyyi	Fastiv	Kyiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
66.	O. Pinaev	Henichesk	Kherson	Pre-term termination of authority by the City Council.
67.	V. Pohorelov	Uzhgorod	Zakarpattya	Pre-term termination of authority by the City Council.
68.	H. Polischuk	Fastiv	Kyiv	Pre-term termination of authority of the acting mayor by the City Council. Reason – application of the person with a personal letter.
69.	V. Polova	Pyatykhatky	Dnipropetrovsk	Pre-term termination of authority of the acting mayor by the City Council.
70.	M. Prykhodko	Nizhyn	Chernihiv	Termination of authority in view of the court accusation coming into force according to Part 1 of Article 79 of the Law of Ukraine “On Local Self-Governance in Ukraine”.
71.	V. Protsenko	Debaltseve	Donetsk	Pre-term termination of authority by the City Council.
72.	O. Radxievskyyi	Drohobych	Lviv	Pre-term termination of authority by the City Council.
73.	S. Rozumovskyyi	Polonne	Khmelnyskyi	Pre-term termination of authority by the City Council.
74.	O. Romanets	Kamiani Potoky	Poltava	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
75.	S. Rukhadze	Yenakieve	Donetsk	Died
76.	V. Sabadash	Vasylkiv	Kyiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
77.	M. Savka	Horodok	Lviv	The City Council dissolved.
78.	V. Saldo	Kherson		Pre-term termination of authority by the City Council. Reason – due to the election of the National Deputy of Ukraine.

79.	M. Samoilenko	Korsyn-Shevchenkivskiyi	Cherkasy	Pre-term termination of authority by the City Council. Reason – application of the person with a letter submitted to the City Council about the resignations from the position of the city mayor and retirement.
80.	O. Sydorenko	Novoazovsk	Donetsk	Pre-term termination of authority by the City Council. Reason – transfer to work in the RSA.
81.	V. Skarzhynskiyi	Irpin	Kyiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
82.	V. Sklyaruk	Kodyma	Odesa	Pre-term termination of authority by the City Council.
83.	S. Stelmakh	Malyn	Zhytomyr	Pre-term termination of authority by the City Council. Reason – application of the person with a letter submitted to the City Council about the resignations from the position of the city mayor and retirement.
84.	M. Stepanenko	Netishyn (acting city mayor)	Khmelnyskyi	Pre-term termination of authority by the City Council.
85.	V. Struk	Yuvileyne	Luhansk	Pre-term termination of authority by the City Council. Reason – due to the election of the National Deputy of Ukraine.
86.	A. Stulin	Yuzhnoukrainsk	Mykolaiv	Pre-term termination of authority by the City Council. Reason – corruption offence.
87.	S. Tymchenko	Chyhyryn	Cherkasy	Pre-term termination of authority by the City Council.
88.	V. Tiron	Kamianka	Cherkasy	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
89.	V. Tkach	Pyatykhatky (acting city mayor)	Dnipropetrovsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
90.	R. Tokar	Nikopol	Dnipropetrovsk	Pre-term termination of authority by the City Council. Submitted an appeal to the court.
91.	V. Tolstonoh	Alupka	Autonomous Republic of Crimea	Pre-term termination of authority by the City Council.
92.	Z. Trakhtenberg	Zhmerynka	Vinnytsya	Pre-term termination of authority by the City Council.
93.	M. Fedoruk	Chernivtsi		Pre-term termination of authority by the City Council.
94.	D. Khasanov	Molodohvardiysk	Donetsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
95.	S. Khimanich	Pyatykhatky	Dnipropetrovsk	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
96.	V. Chaika	Mykolaiv		Died
97.	A. Chasha	Melitopol	Zaporizzhya	Pre-term termination of authority of the acting mayor by the City Council.
98.	L. Chernovetskyi	Kyiv		Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.

99.	V. Chub	Alchevsk	Luhansk	Pre-term termination of authority by the City Council. Reason- due to the election of the National Deputy of Ukraine.
100.	O. Shevchuk	Zboriv	Ternopil	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
101.	O. Shkira	Pereyaslav-Khmelnyskyi	Kyiv	Pre-term termination of authority by the City Council. Reason – application of the person with a personal letter.
102.	M. Shum	Zinkiv	Poltava	Died
103.	V. Schur	Mizhhirya	Zakarpattya	Pre-term termination of authority by the City Council. Reason – transfer to work in the RSA.
104.	R. Yarema	Pustomyty	Lviv	Pre-term termination of authority by the City Council.

Scheduling pre-term local government elections

On February 24, the AUC addressed the Chairman of the Verkhovna Rada of Ukraine with a request to schedule pre-term local government elections on May 25 2014, together with the elections of the President of Ukraine.

The Verkhovna Rada of Ukraine scheduled the elections of city mayors in 42 cities on May 25, 2014:

- Capital of Ukraine, city of Kyiv (also elections to the city council);
- in six oblast center cities: Mykolaiv, Odesa, Sumy, Kherson, Cherkasy, Chernivtsi;
- in 19 oblast significance cities:
Autonomous republic of Crimea – Saky,
Vinnytsya oblast – Ladyzhyn, Zhmerynka,
Dnipropetrovsk oblast – Zhovti Vody, Pershotravensk,
Donetsk oblast – Krasnoarmiysk, Snizhne,
Kyiv oblast – Vasylkiv, Pereyaslav-Khmelnyskyi, Fastiv,
Luhansk oblast – Antratsyt, Lysychansk, Rovenky,
Sumy oblast – Okhtyrka, Romny,
Khmelnyskyi oblast – Netishyn,
Cherkasy oblast – Kaniv, and
Chernihiv oblast – Nizhyn, Pryluky
- in 16 rayon significance cities:
Autonomous Republic of Crimea – Feodosiya,
Volyn oblast – Rozhysche,
Dnipropetrovsk oblast – Verkhnodniprovsk, Pyatykhatky,
Kirovograd oblast – Bobrynets,
Sumy oblast – Bilopillya,
Ternopil oblast – Zbarazh, Zboriv, Kremenets, Monastyryska,
Kharkiv oblast – Barvinkove,
Cherkasy oblast - Kamianka, Korsun-Shevchenkivskyi, Khrystynivka,
Chernivtsi oblast – Khotyn, and
Chernihiv oblast - Baturyn

Local Government Lawyer School

The Local Government Lawyer School gives an opportunity to graduate students of law schools (law departments) to adapt their knowledge in law to the actual needs of local governments. By doing so, they learn about the legal framework of local government operations and the protection of legitimate rights and interests of interests of territorial communities.

Over the period of March 17 to 21, the Project conducted the 7th Session of the Local Government Lawyer School. The applicants were selected based on the outcomes of the oral interview conducted after the applicants submit their application forms.

The program of the training consisted of the four components:

- training component;
- internship at the Secretariat of the Verkhovna Rada of Ukraine Committee on State Building and Local Self-Governance, local government authorities of Pereyaslav-Khmelnyskyi rayon, and the Executive Board of the Association of Ukrainian Cities;
- self-training and preparation of individual assignments; and,
- verification of the learned knowledge and skills in the form of the preparation of the report on the fulfilment of individual assignments and exams.

The DIALOGUE Project organised a meeting for the School students with National Deputies of Ukraine, responsible officials of the Staff of the Verkhovna Rada of Ukraine, and leading scientists who work in the sector of the constitutional and municipal legislation.

6 students received their certificates upon the completion of the School.

Chapter 3. IMPLEMENTATION PROBLEMS AND WAYS TO RESOLVE THEM

Because of the event in Crimea, the DIALOGUE Project suspended its activities on the peninsula. The Project team made a decision to conduct the Dialogue Day with the framework of the 10th Ukrainian Municipal Forum in the city of Odesa (without changing the dates of June 18-21, 2014).

The DIALOGUE Project received the approval to its proposal to continue its implementation till November 09, 2014. The Project team started the reregistration of the activities and resigning of agreements with all Project recipients (250 cites and towns). At the same time, the Project team made a decision to change the Project beneficiary as well (for the Ministry of Regional Development, Construction, Housing and Municipal Utilities).

Chapter 4. SUCCESS STORIES

DIALOGUE PROJECT EXPERTS MANAGED TO PERSUADE THE CENTRAL GOVERNMENT AUTHORITIES NOT TO DEPRIVE LOCAL GOVERNMENTS OF INSTRUMENTS TO PROVIDE THE FINANCIAL SUPPORT FOR MAINTENANCE OF COMMUNALLY-OWNED ROAD NETWORKS

In late 2013, the Cabinet of Ministers registered in the parliament the draft law on Introducing Amendments to Article 103-1 of the Budget Code of Ukraine (concerning the distribution of the subvention for maintenance of road networks in populated areas) (Registration # 3418 of October 11, 2013). The law envisions the distribution of the subvention to local budgets for construction, reconstruction, repairs and maintenance of communally-owned streets and roads in populated area to be performed only between the budgets of the Autonomous Republic of Crimea, oblast budgets and budgets of the cities of Kyiv and Sevastopol. In case of the failure to approve this draft law, local governments at the basic (community) level would have been deprived of the instrument to provide the financial support for maintenance of communally-owned road networks. Thanks to active actions of DIALOGUE Project experts, the draft law mentioned above was recalled by the Cabinet of Ministers on February 28, 2014.

INTRODUCTION OF THE MEANINGFUL LOCAL TAX

Aiming at increasing the effectiveness of the real property tax, DIALOGUE Project experts prepared and presented to state executive authorities the draft law on Introducing Amendments to the Tax Code of Ukraine in the part dealing with the taxation of the total; floor space of residential property. During two years, these proposals coming from the DIALOGUE Project were blocked by the central government. However, thanks to active actions of the Project including the support from the Inter-Faction Local Government Support Group (local government caucus), the parliament on March 27, 2014 approved the draft law on preventing the financial disaster and promoting the environment for economic growth in Ukraine (Registration # 4576 of March 27, 2014, CMU). The document envisions the taxation of the total floor space of residential property. Such changes promote increased tax revenues to local budgets.

DIALOGUE PROJECT OPENS NEW SOURCES OF FUNDS TO WRITE OFF THE DEBTS ON HOUSING AND MUNICIPAL UTILITIES TARIFFS

In the course of the approval of the National Budget for 2014, DIALOGUE Project experts insisted on the allocation of the subvention in the amount of 17 billion UAH to local budgets to enable them repay the debt on the difference in tariffs for heating, centralised water supply and sewerage services, which were produced, transported and rendered to citizens arising from the discrepancy between the actual cost of heating and centralised water supply and sewerage services on one hand, and the tariffs set and/or approved by the state executive authorities or local governments. The proposals mentioned above were taken into account only partially – 2.9 billion UAH were earmarked and the Cabinet of Ministers was vested with the right to issue bonds to repay debts of municipal utility companies. Due to the activities of DIALOGUE Project representatives, the Cabinet of Ministers already on January 29, 2014 approved Resolution # 30, whereby the issuance of the internal state loan bond increased the amount of the subvention mentioned above by 3.8 billion UAH. Therefore, the financial resource of local budgets to go to municipal utility companies for these purposes will constitute 6.7 billion UAH.

DIALOGUE INSISTS ON IMPROVING THE QUALITY OF BUDGET SUFFICIENCY OF TERRITORIAL COMMUNITIES

Despite the sequestration of the National Budget of Ukraine, the DIALOGUE Project managed to improve the indicators of budget sufficiency of territorial communities. On March 27, 2014, the parliament of Ukraine approved the Draft Law under Registration # 4575 on introducing amendments to the Law of Ukraine “On the National Budget of Ukraine for 2014”. The document incorporates the following DIALOGUE Project proposals: 1) reduction by 9 billion UAH (from 74.1 billion UAH down to 65.1 billion UAH) of the indicators of local budget revenues projected by the Ministry of Finance; 2) the income growth rate constitutes 2.9% as compare with budget collections in 2013, instead of 9.4% as was planned earlier; 3) reduction by 733 million UAH of the amount of withdrawals from local budgets to the National Budget; and, 4) increase by almost 250 million UAH (or by 11%) of the amount of subventions to maintain communally-owned road networks. Such changes make the implementation of local budgets more realistic.

MECHANISMS TO RECALCULATE THE FEE FOR MAINTENANCE OF BUILDINGS AND EDIFICES AND ADJACENT TERRITORIES IN CASE SUCH SERVICES HAVE NOT BEEN PROVIDED STREAMLINED

The Cabinet of Ministers of Ukraine approved Resolution “On Approving the Mechanism for the Recalculation of the Amount of the Fee for Services Related to Maintenance of Buildings and Edifices and Adjacent Territories in Case of the Interruption of Their Supply or Failure to Supply Them” # 970 of December 11, 2013. The document came into force on January 17, 2014. In 2011, the Law of Ukraine “On Housing and Municipal Services” was amended, whereby the service manufacturer/provider is obliged to perform the recalculation of the amount of the payment for housing and municipal utility services in case there was an interruption in their supply or they were not provided in full in the manner established by the Cabinet of Ministers of Ukraine. At the same time, the manner to provide the services was not specified and this provided an opportunity for municipal service manufacturers/providers to avoid the recalculation of the payment for such housing and municipal utility services in such cases. In 2012 and 2013, the Association in the course of the Dialogue Day with representatives of the Cabinet of Ministers raised the issue of the need to regulate this issue in the legislation. And only in late 2013, the Ministry of Regional Development, Construction, Housing, and Municipal Utilities prepared the corresponding draft of the part of the resolution of the Cabinet of Ministers, which was concurred with by the Association of Ukrainian Cities.

VOLYN OBLAST. DIALOGUE PROMOTES ENERGY EFFICIENCY IN POPULATED AREAS

In pursuance of the decision of the Local Government Regional Advisory Board under # 2/1 “On Increasing the Energy Efficiency of Populated Areas in the Volyn Oblast for 2011 – 2015”, the construction of the first stage of the 18 km long high voltage line started in the Lyuboml rayon. The line will provide electricity supply for the Yahodyn International Automobile Border Check Point, as well as for the neighbouring populated areas including the city of Lyuboml. The aerial line with the capacity of 35,000 volts will provide uninterrupted supply to the check point and the neighbouring populated areas. As of late January of 2014, electricity experts will perform the modernisation of the Lyuboml substation and will connect it to the line with the capacity of 110,000 volts to the village of Starovoitove. Next year, they will construct one more substation in Lyuboml with the capacity of 35/10 kilo volts. In addition to this, in January – February of 2014, they will perform the reconstruction of gas consumption boilers and install solid fuel boilers for Vocational School # 5 in the city of Kovel, I-III Grade Comprehensive Secondary School # 1 in the city of Kamin-Kashyrskyi. This approach will allow to save about 740 thousand cubic meters of natural gas every year.

VOLYN OBLAST. DIALOGUE PROMOTES ATTRACTION OF PRIVATE FUNDS INTO THE SOCIAL SECTOR

In pursuance of the protocol decision of the Local Government Regional Advisory Board and aiming at restructuring of boilers in a dozen of medical and educational establishments in the Volyn oblast and transferring them to energy saving technologies, the local authorities decided to involve private funds to this sphere in 2014. The «Бренвель», a local company. Has an intention to invest in this project about 4 million UAH to replace gas boilers for the solid fuel ones, thus making savings of at least 20% of the cost of energy resources. For example, the package of technological and design documents will be prepared by April 01 this year. The reconstruction of the boiler facilities themselves will start after the heating season. The list of facilities for improvements includes health care facilities, comprehensive schools and vocational schools in the Kamin-Kashyrskyi, Manevychi, Stara Vyzhivka, Lokachi, Lutsk and Lyuboml rayons.

ZHYTOMYR OBLAST. THANKS TO THE DIALOGUE PROJECT THE OBLAST WILL GET TERRITORIAL OUTLINE MAPS

In pursuance of the decision of the Local Government Regional Advisory Board of September 25, 2013, the oblast budget allocated 2 million 593.462 thousand UAH to prepare the Zhytomyr Oblast Territorial Outline Map. This document will be an important incentive for economic and social development of the oblast, promotion of additional investments, modernisation of manufacturing facilities, agriculture, transportation, and communication. Currently, the local experts have to prepare the chapter dealing with the engineering and technical steps to provide the civil defence for the population and to perform the expert assessment of the draft territorial outline map of the oblast in the Ministry of Regional Development of Ukraine.

ZAKARPATTYA OBLAST. DIALOGUE PROJECT PROMOTES ENERGY SAVING AND RESTORATION ROADS

In pursuance of the protocol decision of the Local Government Regional Advisory Board of November 15, 2013 concerning the improvements in energy efficiency in public education establishments in the oblast cities, the oblast budget allocated 250 thousand UAH in February of 2014 to replace windows and doors in public educational establishments in the city of Irshava. The remaining works will be performed with the funds from the rayon budget where 3 million UAH were allocated specifically for the replacement of windows. Such works will not only allow to improve the working conditions, but also will reduce the cost of heating, which is of great significance in the mountainous regions.

Also, in February, the local authorities partially resolve the issue capital repairs of roads, which local government officials repeatedly raised during the working sessions of the Advisory Board. The local authorities allocated 600 thousand UAH for capital repairs of the central street in the village of Velykyi Bereznyi. The problems with this street were caused by mud sliding, dropping of the road surface and ruination of the fence and represented a threat to local citizens, as well as to bus passengers and other traffic going through the village.

ZAPORIZZHYA OBLAST. DIALOGUE HELPS THE OBLAST CITIZENS TO HAVE HIGH QUALITY WATER SUPPLY

In pursuance of the protocol decision of the Local Government Regional Advisory Board of June 20, 2011 concerning the implementation of the Potable Water Program in the Zaporizzhya oblast, Project experts received the information that all funds allocated for the reconstruction of the water distribution network in the Novomykolaivka rayon for the preparation of the package of documents for preparatory and geodesic works were used as of December 31, 2013. Currently, the local authorities reconstructed more than 9 km of water distribution networks in the Novomykolaivka rayon of the promised 14.7 km. All in all, the oblast budget and the National Budget allocated 25 million UAH for the reconstruction of the water distribution network.

LUHANSK OBLAST. DIALOGUE PROMOTES FINANCIAL SUPPORT FROM THE NATIONAL BUDGET FOR LOCAL GOVERNMENT PROJECTS

In pursuance of the decision of the Local Government Regional Advisory Board of December 25, 2013 on the necessity of preparing and submitting local investment projects for consideration by the corresponding commissions, the local authorities will submit, consider and provide the financial support with the money of the National Regional Development Fund 34 projects of cities of the total amount of approximately 35 million UAH in 2014.

LVIV OBLAST. DIALOGUE HELPS TO ALLOCATE FUNDS FOR REPAIRS OF COMMUNALLY-OWNED ROADS

In pursuance of the protocol decision of the Local Government Regional Advisory Board of November 25, 2013 and taking into consideration the repeated requests from city mayors who are members of the Advisory Board on this issue, the Oblast State Administration approved a list of communally-owned roads in populated areas in the oblast, while the oblast budget earmarked funds in the amount of 5 million 67 thousand UAH to perform the repairs of these roads.

DIALOGUE PROMOTES SAFETY IN OBLAST CITIES

In pursuance of Protocol Decision # 2 of the Local Government Regional Advisory Board of March 27, 2012, the session of the Oblast Council approved the edited version of the Safe Odesa Region Program for 2014 – 2015. In particular, the oblast budget allocated 45 million 949 thousand UAH for the implementation of activities under the Program in 2014. The main activities the funds will go to are aimed at improving the material and technical support for activities of district police officers, purchase of video surveying equipment for visual control of transportation networks in the oblast, traffic accident sites with the purpose of timely response to changes in the traffic situation, improvements of law enforcement through increasing the density of police patrolling including through purchases of the corresponding transportation vehicles for quick reaction to information about violations of public safety and crime.

RIVNE OBLAST. THANKS TO THE DIALOGUE PROJECT, THE REPLACEMENT AND INSTALLATION OF TOWERS FOR POWER LINES CONTINUES

In pursuance of the decision of the Local Government Regional Advisory Board of September 20, 2011 on the necessity of replacement of the existing and installation of new towers for power lines in the Rivne oblast, the local authorities started such works in 2014 in the Hoscha, Kostopil, and Rivne rayons. All in all, during the year, they are planning to lay about 50 km of power lines.

RIVNE OBLAST. THANKS TO THE DIALOGUE PROJECT, THE REPAIRS OF ROADS CONTINUES

In pursuance of the decision of the Local Government Regional Advisory Board of January 27, 2011 regarding the repairs of roads in populated areas in the Rivne oblast, the oblast budget allocated the first tranche of funds in the amount of 50 thousand UAH and started the works to repair road surface according to the road metal method in rural populated areas in the oblast.

KHMELNYTSKYI OBLAST. DIALOGUE PROMOTES ENERGY SAVING IN THE SOCIAL SPHERE

In pursuance of the decision of the Local Government Regional Advisory Board of October 04, 2013 concerning the necessity of attracting funds in the social sphere of the oblast, the local authorities are engaged in the works to insulate the facades and install windows in the Pasichnyanskyi Grade I-III Comprehensive School on the territory of the Stara Synyava rayon.

The works were funded with the money earmarked for the Khmelnytskyi oblast under the Kyoto Protocol. During 2014, the oblast authorities are planning to use almost 100 million UAH the oblast received within the framework of the Protocol mentioned above. These funds will be used for the introduction of the energy saving technologies, such as: insulation of facades and replacement of windows in establishments in the social sphere, thus providing a significant assistance to local budgets.

Chapter 5. ESTIMATED SCHEDULE FOR THE NEXT QUARTER**Legislation Group**

- Legislation drafting;
- Legislation monitoring;
- Participation in the work of parliamentary committees and advisory boards set by ministries;
- Preparation of the annual review “Status of Local Self-Governance in 2013”;
- Preparation and dissemination of the Legislation News electronic publication;

Dialogue Group

- Consultations with ministries;
- Support for the activities of the inter-faction local government support parliamentary group (local government caucus);
- Working meetings of Local Government Regional Advisory Boards;

Information Group

- Shooting and broadcasting TV programs;
- Preparation of regular radio programs;
- Holding meetings of national and regional press clubs;
- Publication of the AUC Herald, Press News, and Dialogue Newsletter

Legal Assistance Center

- Consultations, legal assistance and protection of local governments and officials;
- Expert workshops in AUC ROs;
- Monitoring of pressure on local government officials;
- Preparation and dissemination of the Legal Consultations electronic publication