TECHNICAL AREA (SECTORAL) PROFILE CULTURE
ASSOCIATION OF UKRAINIAN CITIES
DIALOGUE Project

Technical Area (Sectoral) Profile
CULTURE

Kyiv – 2012
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I. Brief Technical Area Profile

Culture in Ukraine deal with cultural heritage, arts; publishing, museums, archives and library business; book publication and cinematography; arts and aesthetics education and other types of activities. There is a dense network of cultural facilities in Ukraine owned by private entities, communities and the government.

The Ministry of Culture is the central executive agency that outlines the national policy directions; approves national programs and monitors the implementation thereof; ensures a comprehensive development and functioning of the national language; and submits budget proposals to the Ministry of Finance on funding needs, specifically for the national (with a specific status) and state culture/arts establishments, as well as culture and arts events of a national calibre, such as: festivals, contests, and holiday celebrations.

On the oblast, rayon and state executive levels, as well at rayon council departments for culture there are pertinent sections, while on the territory of village and town councils the cultural issues may be tackled by local cultural establishment chiefs (clubs, libraries, recreation centers, etc.). Local governments have the right to organise such establishments, as well as to hold cultural and arts events: local festivals, contests, concerts, all funded with the funds of the corresponding local budget.

Village, town and city councils appoint chiefs of communally-owned cultural establishments; ensure funding of aesthetic education schools; local creative, music collectives and ensembles; municipal museums, theaters, libraries, zoos, philharmonic societies, concert organizers, leisure centers, etc. They fund their performance. In rural areas, if needed, leisure centers and libraries may be funded through rayon budgets. Sometimes, cultural establishments are funded by charities, non-governmental organisations and do-gooders.

The government issues subventions for local governments to pay their personnel, utility and energy bills incurred by culture establishments, as well as provides the financial support to locally held events that underpin national programs to preserve historical and cultural heritage landmarks. Communally-owned, as well as state-owned and privately owned cultural establishments may provide for commercial services with revenues used for the needs of such establishments.
I. Current legal framework for local government activities in the technical area of Culture

*Laws of Ukraine*


30. Law of Ukraine «On Culture» # 2778-VI of December 14, 201.


**Resolutions of the Cabinet of Ministers of Ukraine**

1. Resolution of the Cabinet of Ministers of Ukraine # 1775 of November 12, 1998 «On Standards of Providing Population with Club Institutions».

2. Resolution of the Cabinet of Ministers of Ukraine #1834 of 27.12.2006 «On
Approval of the State Program of Gender Equality Consolidation in Ukrainian Society for the Period till the Year 2010»

3. Resolution of the Cabinet of Ministers of Ukraine # 504 of April 12, 2006 «On Carrying Out Gender-Legal Review».


5. Resolution of the Cabinet of Ministers of Ukraine #534 of June 5, 1997 «On Approval of the Fee-Based Services List That Can Be Provided by Cultural and Arts Institutions Based on State and Municipal Forms of Property».

6. Resolution of the Cabinet of Ministers of Ukraine # 1149 of December 8, 2010 «On Some Issues of the Distribution of Inter-Budget Transfers».


10. Resolution of the Cabinet of Ministers of Ukraine # 1256 of December 8, 2010 «On Approval of Project List of Priority Lines of Social- Economic and Cultural Development (National Projects) ».


12. Resolution of the Cabinet of Ministers of Ukraine # 928 of September 3, 2009 «On Enlisting Cultural Heritage Objects of National Importance into the Public Register of Immovable Monuments of Ukraine».

13. Instruction of the Cabinet of Ministers of Ukraine # 1237-p of September 17, 2008 «On Approval of Conception of State Specific National-Cultural Development Program of Ukrainian Cossacks for the Years 2009-2011».


17. Resolution of the Cabinet of Ministers of Ukraine # 208 of February 23, 2006 «On Approval of the List of Theatre Professional Creative Workers Posts and Employee Posts of Other Specific Theatrical Professions».


20. Instruction of the Cabinet of Ministers of Ukraine # 298-p of May 12, 2004 «On Approval of Actions Concerning State Support of Youth and Children’s Tourism».


25. Resolution of the Cabinet of Ministers of Ukraine # 373 of March 23, 2011 «On Determination of Accidental Benefits in the Amount of 20 per cent of Salary (Rate of Wages) for Pedagogical Employees of Pre-School, Non-School, General-Educational, Vocational Educational Establishments, Higher Educational Establishments of the 1st-2nd Accreditation Level, Other Institutions and Establishments Independently from Their Subordination».

26. Resolution of the Cabinet of Ministers of Ukraine # 524 of May 11, 2011 «Work Compensation Subject for Employees of Institutions, Establishments, and Organizations of Certain Public Sector Branches».

Other regulations

1. Decree of the President of Ukraine #252/2001-pn of September 21, 2001 «On Actions to Support the Activity of National-Cultural Societies».

2. Decree of the President of Ukraine # 1135/2005 of July 26, 2005 «On Improvement of Central and Local Executive Bodies Activity to Ensure Equal Rights and Powers for Men and Women».

3. Decree of the President of Ukraine # 709/2009 of September 2, 2009 «On
Preservation and Popularization of the Hutsul Culture».

4. Order of the Ministry of Culture and Arts of Ukraine, Ministry of Finance of Ukraine, Ministry of Economy of Ukraine # 732/306/152 of December 21, 1999 «On Approving the Procedure of Provision of Fee-Based Services for Cultural and Arts Institutions».

5. Order of the Ministry of Culture and Tourism of Ukraine # 250/0/17-07 of April 28, 2007 «On Order of Approving Staffing Levels and Amendments to Staffing Levels of Establishments, Institutions, Organizations that Are Financed from State Budget and Belong to the Sphere of the Ministry of Culture and Tourism of Ukraine Management».


7. Order of the Ministry of Culture and Tourism of Ukraine # 745 of October 18, 2005 «On Regulation of Cultural Employees Wage Conditions Based on Unified Tariff System».


## II. Key problem issues in the sector and potential ways to resolve them

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<th>Problem Issue</th>
<th>Ways to Resolve It</th>
<th>Notes</th>
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<tbody>
<tr>
<td>1</td>
<td>Absence of state social regulations in the sphere of services provided by cultural institutions and provision of cultural services, quality control of these services.</td>
<td>Develop and pass state social regulations in the sphere of services provided by cultural institutions and provision of cultural services, fulfilment and quality indices of services provided in cultural sector.</td>
<td>Ministry informed that they are ready to work on the proposals as soon as they will be received.</td>
</tr>
<tr>
<td>2</td>
<td>Absence of methods to determine costs financing standards of expenses on services provided in cultural sector applied per resident.</td>
<td>Approve methods to determine the amount of financial backstop of services provided in cultural sector that are ensured by the state per resident.</td>
<td>Ministry informed that they are ready to work on the proposals as soon as they will be received.</td>
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<tr>
<td>3</td>
<td>Impossibility to approve the list of cultural institutions of basic level according to Law of Ukraine «On Culture» for lack of municipal institutions that should be included into the list.</td>
<td>Make amendments to Article 23 Law of Ukraine «On Culture» to approve commendatory list of basic cultural institutions.</td>
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<td>4</td>
<td>Imperfection of Law of Ukraine «On Culture» concerning the procedure of formation of cultural institutions basic network.</td>
<td>It is suggested to make amendments to Law of Ukraine «On Culture»: - by removing the regulations on necessity of coordination with the ministry the exclusion of cultural institutions from basic network approved by local government administration; - by envisaging the consent of private cultural institutions proprietors to include their institutions into the basic network.</td>
<td>The Ministry prepared the draft order of the Cabinet of Ministers “On the Formation of the Cultural Institutions Basic Networks”. Association sent proposals to the above mentioned draft.</td>
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<td>5</td>
<td>Absence of typical staffing level for club institutions, libraries, zoos, recreation parks.</td>
<td>Adopt regulatory legal act to approve staffing level for club institutions, libraries, zoos, recreation parks in correspondence to present-day conditions and considering the type of settlement and population in number.</td>
<td>The Ministry prepared the draft orders posted to the web-site for the public discussion.</td>
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<td>6</td>
<td>Absence of regulation with regard to the development of zoo and recreation park territories.</td>
<td>Adopt corresponding regulatory legal act to approve regulations of the development of zoo and recreation park territories.</td>
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<td>1</td>
<td>Absence of implementation procedure in Article 268.5.1 of Tax Code of Ukraine which determines that accordingly to the city council decision collecting tourist tax can be performed by corporate entities or individual owners who are empowered by the city council to collect the tax on the terms and conditions of the contract, concluded by the corresponding council.</td>
<td>Make amendments to Tax Code of Ukraine to envisage the inclusion of this article.</td>
<td>The Ministry informed that the draft order is prepared to determine tuition-fee for the education in aesthetic schools. According to the draft the fee may be 6-8% of the minimal salary depending on the place where the institution is situated (letter #2321/0/14 of March 4, 2011).</td>
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<td>2</td>
<td>Ambiguity of interpretation and non-conformity to present-day conditions of the procedure to determine tuition-fee that parents pay for their children in aesthetic schools, laid down by resolution of the Cabinet of Ministers of Ukraine # 260 of March 25, 1997 «On Determination of Tuition-Fee Amount in State Schools of Children’s Aesthetic Education».</td>
<td>At present accordingly to the resolution tuition-fee parents have to pay in schools is determined once a year by institution direction in coordination with local executive authority. Considering the fact that in addition to state schools of aesthetic education there are also municipal ones, some amendments should be made to the resolution envisaging the procedure of perks assignment, coordination of the tuition-fee amount with local executive authority and determining periodicity of it in case of need but not yearly.</td>
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<td>9</td>
<td>Introduction of the fee for concert tours to be paid to local budgets. Local governments are completely kept at bay from the implementation of the policy in the sector of concert tours.</td>
<td>Make amendments to the Law of Ukraine “On Concert Tours in Ukraine”, whereby local governments are entitled to a share of the fee for issuing concert tour certificates for the territory under their jurisdiction. These funds will give local governments at least some opportunity to keep concert stages, communally-owned leisure centers, other cultural establishments, municipal amateur groups, theaters, etc. in the proper condition, and, in case of fruitful concert seasons, to set up new art groups.</td>
<td>The Ministry of Culture prepared the draft Law of Ukraine “On Amending the Law of Ukraine “On Concert Tours in Ukraine” (Registration # 8757), whereby departments of culture of oblast state administrations have the right to issue concert tour certificates and levy the fees to the State Budget. The Association prepared its proposals to the Ministry and the ad-hoc parliamentary committees to introduce the following distribution of the concert tour certificate fee: 30% to be accumulated on special treasury accounts of the oblast to support concerts in the region, 30% to be transferred to the special account of the State Treasury of Ukraine for the state support to concert tours, and 40% of collections to be retained in the corresponding budgets of local governments.</td>
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<td>10</td>
<td>Vesting local governments with the authority to organize and maintaining labor archives and transferring the financial support of labor archives to local budget expenditures.</td>
<td>It is more reasonable to give the authority of maintenance of labor archives to the Pension Fund of Ukraine. This institution has enough of qualified staff, as well as a dense network of its representative offices in rayons and cities. Besides, the Pension Fund on a regular basis receives the information about the fees employed persons pay and their job location.</td>
<td>Local governments are not in the position to ensure the proper level of maintenance of labor archives because of the insufficient financial support from the State Budget for the implementation of the authority delegated to local governments by the central government, limited material and technical resources, insufficient number of premises, shortage of qualified staff, and absence of employees with the proper training background and experience to work in archives.</td>
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<td>11</td>
<td>Unsatisfactory level of financing delegate powers of local authority in cultural sector, gender policy.</td>
<td>It is suggested to determine on legislative level percentage from state budget ensured by state that should be aimed to provide functioning of cultural sector and also to foresee in appendix to Law on State Budget financial regulation of budgetary provision specifically on every branch of this sector (including sectional population – per one pupil of general educational school, school of aesthetic education, sports school pupil of pre-school educational institutions, etc.) and every sectional group of political unit. Herewith to prescribe that budget programs (standards) not indicated in corresponding article to Law on State Budget are optional for implementation at the expense of local budgets.</td>
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<td>12</td>
<td>Unsatisfactory level of financing facilities of national importance in particular zoos which are not municipal property.</td>
<td>Envisage granting target-oriented subsidy to local budgets for expenses on these facilities maintenance.</td>
<td>The Ministry informed that this is the competence of the Ministry of Finance (letter #2321/0/14 of March 4, 2011).</td>
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Problems of the financial nature

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Imperfection of financial regulations of expenses provision for local budgets. Estimated index of the expenses amount on culture and arts does not take into account population in number of a political unit, the number of cultural institutions, cultural employees, objects of cultural heritage, architectural monuments, objects of museum fixed assets guarded at the cost of local budget. It is necessary to improve methods to determine the amount of financial provision of the sector of culture and tourism adopted by the Resolution of the Cabinet of Ministers of Ukraine of December 8, 2010 # 1149 «On Some Issues of the Distribution of Inter-Budget Transfers». Envisage corresponding adjusting coefficients for local authorities of different types (village, settlement, town (city) of district and provincial importance).
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<td>13</td>
<td>Absence of financial standards of budget provision and corresponding adjusting coefficients of expenses on maintenance, renovation and restoration of monuments (architectural, monumental art and archaeological), schools of aesthetic education applied per child of school age.</td>
<td>Approval of new financial standards, making corresponding amendments to Resolution of the Cabinet of Ministers of Ukraine of December 8, 2010 # 1149 «On Some Issues of the Distribution of Inter-Budget Transfers». Introduce new adjusting coefficients for expenses calculation from financial budget standards for budget provision of architectural monuments, schools of aesthetic education, etc.</td>
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<tr>
<td>14</td>
<td>Absence of appropriate financing on maintenance of cultural institutions, libraries, etc. which belong to communities or are given them in use. Lack of financing in cultural sector – expenses are aimed only for payment on socially protected items (paying off salaries, energy sources pay), and expenses on capital investment, support and development are not envisaged.</td>
<td>Grant subsidy form state budget on maintenance of cultural institutions, libraries, etc. Provide on the legislative level more economic independence to cultural institutions in providing fee-based services; involve financing from other sources not banned by current legislation.</td>
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<tr>
<td>15</td>
<td>Absence of methods to determine financial charge for services provided by cultural institutions applied per resident.</td>
<td>Adopt regulatory legal act which will establish the procedure to determine financial charge for services provided by cultural institutions applied per resident.</td>
<td>Ministry is ready to work on the proposals when it receives them (letter #2321/0/14 of March 4, 2011).</td>
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<td>16</td>
<td>Absence of regulatory legal act which envisage the right of club institutions employees for earning additional long-service pay.</td>
<td>Precipitate the adoption of corresponding regulatory legal act.</td>
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Problems of organizational nature

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<td>17</td>
<td>Non-conformity of providing population with club institutions to present-day conditions.</td>
<td>Revise standards of providing population with club institutions adjusted for demographic situation. Make corresponding amendments to Resolution of the Cabinet of Ministers of Ukraine of November 12, 1998 # 1775 «On Standards of Providing Population with Club Institutions».</td>
<td></td>
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<tr>
<td>18</td>
<td>Lack of renewal, increase of the library book funds, subscription to periodicals, purchasing library equipment, computers.</td>
<td>Implement additional financing of library institutions at the expense of both local and state budgets and other sources not banned by the current legislation.</td>
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<td>20</td>
<td>Impossibility to provide physical infrastructure renewal of creative groups (costumes, footwear, conditions for rehearsals, etc.) through absence of financing.</td>
<td>Envisage corresponding target-oriented financing of state cultural institutions to encourage the development of amateur art, in particular choreographic art, and favour the increase of activity range of children’s musical schools, club institutions, etc.</td>
<td>The Ministry informed that it requires financial investments and will not be supported by the Ministry of Finance in the conditions of the economic crises(letter #2321/0/14 of March 4, 2011).</td>
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<td>21</td>
<td>Insufficient funds on execution of acts of state on the right of regular use of land plots by cultural and tourism institutions, park and garden utility facilities.</td>
<td>Envisage in state budget the funds for making acts of state on land and conduct work on boundaries determination of corresponding land plots and entering them onto locality.</td>
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<td>22</td>
<td>Absence of conditions which could stimulate and interest owners of cultural heritage objects in particular those that are in residential properties in their protection and restoration. Problems in concluding protective contracts.</td>
<td>Make conditions to interest owners of cultural heritage objects in their protection of these objects, in particular through giving them exemptions in revenue payment.</td>
<td>The Ministry prepared the draft law “On the National Cultural Heritage” which is posted to the web-site for public discussion</td>
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<td>23</td>
<td>Complicated procedure of tender purchase of books, periodicals and other literature for library institutions.</td>
<td>Cancel the procedure of tender purchase of books, periodicals and other literature for library institutions. Make corresponding amendments to Law of Ukraine «On Realization of Government Procurement».</td>
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<tr>
<td>24</td>
<td>Complicated mechanisms for tender procurements for the organisation of mass cultural events at the local level, to be financed exclusively from local budgets.</td>
<td>Make the mechanisms of tender procurements more simple for mass cultural events at the local level to make mass cultural events at the local level be the only procurement item if synch events have been included to local targeted programs approved by the corresponding local councils. Make the corresponding amendments to Resolution of the Ministry of Economy of Ukraine №379 of April 26, 2011.</td>
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<td>25</td>
<td>Intrusion upon local government administration the creation of separate legal entity, structural subdivisions, which are entrusted with functions and powers, not envisaged by Law of Ukraine «On Local Self-Governance in Ukraine» in the sector of implementation of gender equality.</td>
<td>Adopt regulatory legal acts to establish clear distribution of powers between bodies of local self-governance and local executive administration.</td>
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IV. Target Audience

I. Entities involved in legislation drafting in the area of culture, members of parliament and subjects of the legislative initiative including:

1. Staff of the Secretariat of the Verkhovna Rada of Ukraine Education Committee, and other Verkhovna Rada of Ukraine committees.
3. Employees of the corresponding structural departments of the Administration of the President of Ukraine and Secretariat of the Cabinet of Ministers of Ukraine.
4. Members and staff of consultative and advisory agencies at the Office of the President of Ukraine, Prime Minister of Ukraine and Chairman of the Verkhovna Rada of Ukraine.
5. Staff of the Ministry of Culture of Ukraine.
6. Other entities of legislation initiative and authors of draft laws.

II. Persons interested in culture development:
1. Local government officials.
2. Members of local councils.
3. Scientists
4. Members and employees of non-governmental organizations engaged in culture development.
5. Journalists.