

DRAFT AGENDA



Supporting Decentralisation in Ukraine: Enhancing Public Investment across Levels of Government

Thursday 22 June 2017
9:30 – 17:00

Leopolis Hall
Prospekt Svobody, L'viv, Ukraine

■ ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experience, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies. The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

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■ OECD EURASIA COMPETITIVENESS PROGRAMME

The OECD Eurasia Competitiveness Programme, launched in 2008, helps accelerate economic reforms and improve the business climate to achieve sustainable economic growth and employment in two regions: Central Asia (Afghanistan, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Turkmenistan and Uzbekistan), and Eastern Europe and South Caucasus (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine). The Programme contributes to the OECD outreach strategy implemented by the Global Relations Secretariat, and works in close collaboration with specialised expert divisions across the OECD.

www.oecd.org/globalrelations/eurasia.htm

■ OECD REGIONAL DEVELOPMENT POLICY COMMITTEE

The Regional Development Policy Committee (RDPC) was created in 1999 with the goal of identifying the nature of territorial challenges and assisting governments in the assessment and improvement of their territorial policies. Through its mandate today, the Committee aims to serve as the premier international forum for senior-level policy makers to identify, discuss, develop, and disseminate a vision of regional development policy that is place-based, multi-level, multi-sector, evidence-based and innovative. The Committee also seeks to enhance well-being and living standards in all region types, from cities to rural areas, and improve their contribution to national performance and more inclusive and resilient societies.

www.oecd.org/regional

■ THE PROJECT: SUPPORTING DECENTRALISATION IN UKRAINE

The OECD project will run until 2018 with the aim of helping the Ukrainian authorities implement their decentralisation reforms and strengthen the institutions of public governance at national and subnational levels across the country. It is jointly implemented by the OECD Regional Development Policy Committee and the Eurasia Competitiveness Programme, in close collaboration with the Government of Ukraine. The project is **co-financed by the European Union, and the governments of the Czech Republic, Flanders (Belgium), and Poland.**

■ ABOUT THE EVENT

This capacity-building seminar explores how the *OECD Council's Recommendation on Effective Public Investment across Levels of Government* can help Ukraine strengthen subnational finance and subnational investment practices in the context of the country's ongoing decentralisation reform. The seminar provides a platform for Ukrainian officials and policy makers from central, regional and local administrations to discuss their experiences and the challenges they face in supporting fiscal decentralisation, developing transfer systems and equalisation mechanisms, building own fiscal capacities, strengthening sources of financing for local public investment, and increasing stakeholder engagement. It offers participants a chance to hear how municipal officials are meeting the challenges and seizing the opportunities associated with decentralisation. Each session combines the Ukrainian experience with practical input highlighting OECD experience, as well as question and answer sessions.

This seminar is the third in a series held throughout Ukraine over the course of this project.

See: [OECD Council's Recommendation on Effective Public Investment across Levels of Government](#)

Simultaneous interpretation in **English and Ukrainian** will be provided during the event.

■ PARTICIPANTS

The target audience are municipal-level policy makers and practitioners, and representatives of regional-level organisations involved in Ukraine's decentralisation process, as well as business representatives. The seminar will gather approximately 70-80 participants, a number that should allow for fluid exchanges of ideas and experiences between Ukrainian stakeholders and OECD experts.

■ REGISTRATION

Participation is free of charge, but registration is mandatory. If you wish to participate, please contact the OECD's local consultant in Kyiv, **Mr. Mykhailo Semchuk**, at mykhailo.semchuk78@gmail.com, by **Friday 16 June 2017**.

■ CONTACTS

For further information on this event, please contact:

- **Ms. Gabriela Miranda**, Country Manager for Ukraine, OECD Eurasia Division
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**SUPPORTING DECENTRALISATION IN UKRAINE:
ENHANCING PUBLIC INVESTMENT ACROSS LEVELS OF GOVERNMENT**

Leopolis Hall

Lviv, Ukraine • Thursday, 22 June 2017

Moderators: Mr. Yuri Tretyak and Mr. Serhiy Maksymenko, Advisers of Regional Development Policy and Action Team of U-LEAD with Europe Programme

9:30-10:00

Welcome and Opening Remarks

- **Ms. Olena Kucherenko**, Director of Department for Regional Development, Ministry of Regional Development of Ukraine
- **Mr. Rostislav Zemlynsky**, First Deputy Head of Lviv Regional State Administration
- **Mr. Benedikt Herrmann**, First Secretary, Policy Officer for Decentralisation and Sectoral Reform, Delegation of the European Union to Ukraine
- **Ms. Anna Kostrzewa-Misztal**, Head of section for support of CIS markets, Department of Economic Co-operation, Ministry of Foreign Affairs of Poland
- **Ms. Dorothée Allain-Dupré**, Head of Decentralisation, Public Investment and Subnational Finance Unit, Regional Development Policy Division, OECD

<p>10:00-11:15</p>	<p>Session 1: Developing a fiscal framework adapted to decentralisation objectives</p> <p>Presentation of OECD experience with fiscal decentralisation framework:</p> <ul style="list-style-type: none"> • Mr. Hansjörg Blöchliger, Senior Economist, Economics Department, OECD <p>Presentation of Ukraine’s experience with fiscal decentralisation:</p> <ul style="list-style-type: none"> • Ms. Yulia Ostrishchenko, Deputy Head of Department of Local Budgets Planning, Head of Division of Inter-Budgetary Regulation and Medium-Term Planning, Directorate of Local Budgets, Ministry of Finance of Ukraine • Mr. Vasyl Abaimov, Executive Director of Lviv Regional Office, Association of Ukrainian Cities <p>Key topics for discussion:</p> <ul style="list-style-type: none"> • Strengthening the fiscal bases of decentralisation to limit the risk of unfunded or underfunded mandates. • Finding the right balance between central government transfers, tax sharing and own-source revenues according to the assignment of responsibilities. • Implementing an appropriate system of central government transfers in a decentralised context: increasing flexibility of central government funds. • Mobilising own-source revenues: increasing revenues from local tax and from other own sources. • Establishing adequate equalisation mechanisms to favour territorial equity and economic development in a context of increased tax autonomy. • Reinforcing multi-level co-ordination in the fiscal domain through appropriate mechanisms.
<p>11:15-11:45</p>	<p>Coffee Break</p>

11:45-13:00

Session 2: Strengthening fiscal capacity for public investment

Presentation of OECD experience with strengthening fiscal capacities for subnational public investment:

- **Ms. Isabelle Chatry**, Project Manager, Subnational Finance and Territorial Reforms, Decentralisation, Public Investment and Subnational Finance Unit, Regional Development Policy Division, OECD
- **Dr. Dawid Szesciło**, Public Administration Research Group, University of Warsaw, Poland

Presentation of Ukraine's experience with strengthening fiscal capacities for subnational public investment:

- **Ms. Yanina Kazyuk**, Expert on local finance and budgets, Ukrainian Association of District and Region Councils, Co-ordinator of Fiscal Decentralization, Central Reform Office under the Ministry of Regional Development (supported by U-LEAD)

Key topics for discussion:

- The role of subnational governments in public investment.
- How to develop fiscal room for manoeuvre at regional and local level to invest? Developing own fiscal capacities and finding appropriate capital transfers to finance local public investment.
- Finding external resources to invest at regional and local level: developing subnational borrowing for creditworthy subnational governments.
- Engaging with stakeholders throughout the investment cycle and mobilising private actors and financial institutions.
- Developing multi-year investment strategies and financial planning for local development; focus on results and promote learning from experience.
- Designing a sound fiscal framework guaranteeing both fiscal responsibility and flexibility: defining appropriate budget balance rules, spending rules, and prudential rules for borrowing.

13:00-14:00

Lunch Break

14:00-15:15	<p>Session 3: Co-ordinating public investment across levels of government and policies</p> <p>Presentation of OECD experience with co-ordinating public investment:</p> <ul style="list-style-type: none"> • Ms. Dorothée Allain-Dupré, Head of Decentralisation, Public Investment and Subnational Finance Unit, Regional Development Policy Division, OECD • Mr. Christof Delatter, Co-ordinator, Flemish Association of Cities and Municipalities, Belgium <p>Presentation of Ukraine’s experience with co-ordinating public investment at city level:</p> <ul style="list-style-type: none"> • Ms. Olga Syvak, Head of Department of Foreign Economic Activity and Investments, Lviv city council <p>Key topics for discussion:</p> <ul style="list-style-type: none"> • Invest using an integrated strategy tailored to different places • Adopt effective instruments for co-ordinating vertically and horizontally across national and subnational government levels • Co-ordinate horizontally among subnational governments to invest at the relevant scale • What financing mechanisms available for subnational governments’ investment (e.g. capital transfers, co-financing, own source revenue, PPPs, etc.)
15:15-15:30	<i>Coffee Break</i>

<p>15:30-16:45</p>	<p>Session 4: Investing in local infrastructure and services in a decentralised context</p> <p>Presentation of OECD experience with infrastructure investment with a focus on transport:</p> <ul style="list-style-type: none"> • Ms. Maria-Varinia Michalun, Policy Analyst, Decentralisation, Public Investment and Subnational Finance Unit, Regional Development Policy Division, OECD • Ms. Rosário Macário, Professor and Researcher in Transportation, Vice President of the Institute for Civil Engineering Research and Innovation for Sustainability (CERIS), Co-ordinator of the Centre for Urban and Regional Systems (CESUR), Instituto Superior Técnico (IST), Universidade de Lisboa, Portugal <p>Presentation of Ukraine’s experience with investing in local infrastructure public services:</p> <ul style="list-style-type: none"> • Mr. Bohdan Yuzviak, Head of Novokalyniv Amalgamated Hromada, Lviv Oblast • Mr. Ihor Abramiuk, Development Director, Board Member of the Association of Newly Amalgamated Communities (NACs) <p>Key topics for discussion:</p> <ul style="list-style-type: none"> • Investment needs in transport infrastructures and services in Ukraine: how greater decentralisation can help fill the gaps? • Decentralising transport infrastructure and service: how to proceed? • Promoting transparency and strategic use of public procurement at all levels of government. • How to engage with stakeholders throughout the investment cycle?
<p>16:45-17:00</p>	<p>Conclusions and Closing Remarks</p> <ul style="list-style-type: none"> • Mr. Benedikt Herrmann, First Secretary, Policy Officer for Decentralisation and Sectoral Reform, Delegation of the European Union to Ukraine • Ms. Maria-Varinia Michalun, Policy Analyst, Decentralisation, Public Investment and Subnational Finance Unit, Regional Development Policy Division, OECD
<p>17:00</p>	<p>END OF SEMINAR</p>



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