

## SEMINAR PROCEEDINGS



# Supporting Decentralisation in Ukraine: Strengthening the subnational partnership

**Wednesday 15 March 2017**

Hotel Reikartz River Mykolaiv  
9 Sportyvna Street  
Mykolaiv, Ukraine

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## ■ 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.**

## SEMINAR PROCEEDINGS

### ■ Overview

This capacity-building seminar explored the impact and implementation of Ukraine's decentralisation process at the subnational, and specifically municipal level. Ukrainian subnational officials and policy makers were invited to share their experience with the decentralisation reform and its impact with respect to administrative, investment and service delivery capacities. In addition, participants had the opportunity to discuss the "pros and cons" of amalgamation, and their objectives for sector decentralisation. Each session combined the Ukrainian experience with practical input highlighting OECD experience, as well as question and answer/breakout sessions. It offered participants a chance to hear how other municipal officials are meeting the challenges and seizing the opportunities associated with decentralisation.

This seminar was the second in a series to be held throughout Ukraine over the course of the project. The audience included representatives of subnational administrations in Mykolaiv and Odessa, practitioners, think tanks, and relevant associations involved in the decentralisation reform.

### ■ Key findings

- There is a need to strengthen fiscal autonomy at the local level, by reducing the reliance on transfers and allowing municipalities to collect taxes and develop mechanisms to raise revenues.
- There is a need to improve the co-operation and governance arrangements surrounding port infrastructure and the activities of state-owned enterprises (SOEs). Local communities are often unable to collect tax revenues from the commercial activities of SOEs, despite being subjected to substantial environmental and infrastructure maintenance costs.
- The increased financial capacity of local communities should be matched with adequate human resource capacity. There is a need for more and better quality staff at subnational level, with clear attribution of tasks and responsibilities across different levels of government.
- There is a need to improve public service delivery at local levels by strengthening the governance of service delivery and developing mechanisms for inter-municipal co-operation.

### ■ Opening remarks and introduction

The seminar was moderated by **Ms. Maria-Varinia Michalun**, Policy Analyst, OECD Regional Development Policy Division. Opening remarks were delivered by **Mr. Olexander Kushnir**, Deputy Head of the Mykolaiv Regional State Administration, and **Ms. Dorothée Allain-Dupré**, Senior Policy Analyst, OECD Regional Development Policy Division. Mr. Kushnir underlined the importance of the OECD project in supporting the ongoing decentralisation reform in Ukraine and improving the quality of service delivery. Last year, Mykolaiv oblast was ranked second in Ukraine in terms of the rate of amalgamations, with 19 newly amalgamated communities (NACs) being established at local elections held in December 2016. Ms. Allain-Dupré provided an overview of the objectives of the project, and emphasised the importance of learning from one another and sharing the experiences of OECD countries in order to develop tailored and insightful policy recommendations for Ukraine.

This was followed by an introductory statement from **Ms. Viktoriya Moskalenko**, Head of the Mykolaiv regional council. Ms. Moskalenko noted that back in 2015 Mykolaiv region had achieved limited progress in implementing the decentralisation reform. She attributed the sharp improvement in the region's performance in 2016 to the support provided by the Ministry of Regional Development (particularly First Deputy Minister Nehoda), the Association of Ukrainian Cities (AUC), and the Local Government Development

Centre (LGDC) for Mykolaiv. The LGDC played an instrumental role in shaping the prospect plan of amalgamation for the region, and organised an extensive series of workshops and consultations with local communities and district (rayon) administrations. Further progress in the territorial reform will be supported by laws recently adopted by the parliament, which allow for the amalgamation of local communities across rayon boundaries, and with cities of oblast subordination.

**Mr. Alexander Syenkevych**, Mayor of Mykolaiv City, underlined the importance of using the seminar and discussions as a platform to voice key issues and concerns with the decentralisation reform. One of the main challenges for Mykolaiv, as a major port on the Black Sea, is its exposure to negative environmental and health externalities and damage to roads and infrastructure due to the significant volume of freight traffic that passes through the city. Despite this context, the local government is only able to collect a land use tax and individual income tax from port employees, and doesn't receive any additional tax revenues generated by the port's activities.

The mayor also argued that there has been a tendency to allocate additional responsibilities to local communities without a corresponding transfer of adequate financial resources. For instance, Mykolaiv City is responsible for the administration of transport benefits (the distribution of free or subsidised fares) and the payment of salaries and utility expenses in vocational schools. In 2016, earmarked subventions for education and health were often insufficient to meet the needs of local communities. A positive upshot of the current situation is that local communities now have incentives to invest in energy efficiency as well as economise on their use of resources because they are now theirs. Finally, the Mayor explained that while the establishment of local centres for administrative service provision is a positive step, certain services (such as a single demographic register) would be more efficient if centralised.

**Mr. Serhii Sakhanenko**, Professor of the Department of Public Administration and Local Self-Governance of the Odessa Regional Institute for Public Administration, explained that decentralisation goes beyond the amalgamation of territorial units and shifting functions from central institutions down to the local levels. It is also about regional self-government, which does not exist in Ukraine despite the fact that Ukraine has signed and ratified the [European Charter of Local Self-Government](#). The charter should be implemented in the institutional structure of the country. Mr. Sakhanenko cited Kutsurubaska, in Mykolaiv Oblast, as a positive example of an NAC with a well-designed socio-economic development strategy.

## ■ Session 1: Decentralisation and economic and social development at the oblast and hromada levels

The first session of the day began with a presentation on [Decentralisation and the economic and social development of Mykoliav](#) by **Ms. Tatiana Shulishenko**, Head of the Department of Economy and investments of Mykolaiv City. Ms. Shulishenko outlined the three main reasons for decentralisation: improved access to and control over the delivery of social and administrative services; increased fiscal resources to promote economic development and job creation at the local level, and greater ability to improve the quality of education, health and the maintenance of local infrastructure (i.e. roads, public transportation systems, heating, water). The delivery of administrative services such as property and business registration is a useful source of revenues for local budgets. However, the net financial gains from fiscal decentralisation are not sufficient to cover the increase in local expenditures. Attracting FDI is also an essential means to promote local development. Donors such as the European Investment Bank (EIB) have provided loans to upgrade transport infrastructure, and the State Fund for Regional Development (SFRD) is currently financing the development of industrial parks to improve Mykolaiv's ability to attract investments.

**Mr. Valentyn Boyko**, Head of the Local Government Development Centre (LGDC) for Mykolaiv, outlined the role of the LGDC in providing methodological support for the decentralisation reform. The LGDC for Mykolaiv has been working since May 2015 to design the new territorial layout and formulate the prospective plan for the region, in close co-ordination with the Ministry of Regional Development and the AUC. There are two major components to the reform – building capacity, and transferring functions and responsibilities to NACs.

Since the introduction of perestroika under Gorbachev, the population tends to view major structural reforms with suspicion. Therefore, a key role of the LGDC is to provide transparent information and support a change in the psychology and attitudes of the people. Together, these activities will lead to greater accountability of local authorities towards their constituents.

This was followed by a presentation on [Decentralisation and Economic and Social development at the Oblast and Hromada Levels \(Ukrainian\)](#) by **Ms. Dorothee Allain-Dupré**, Senior Policy Analyst, OECD Regional Development Policy Division. She emphasised that decentralisation is not just a bureaucratic and administrative reform, but also an important structural reform that can be used to promote local and regional development. In recent years, OECD countries have observed a trend towards more decentralisation. Subnational governments (SNGs) in the OECD accounted for 40% of expenditure and nearly 60% of public investment in 2014. In Ukraine, SNGs accounted for 31% of expenditure and 55% of public investment (roughly in line with the OECD, although the data is from 2014 and doesn't reflect the results of the recent decentralisation reform). Spending tends to be more decentralised than revenues (SNGs in Ukraine accounted for 24% of tax revenue in 2014). This sometimes leads to vertical fiscal imbalances and an increased reliance on financial transfers.

There is a significant body of evidence to suggest that when decentralisation is properly undertaken, it can lead to higher economic growth. Fiscal decentralisation is particularly conducive to growth, as it allows SNGs to build the capacity to manage their own resources with sufficient autonomy and respond to needs and local demands. Decentralisation of education and infrastructure can also have a positive impact on growth, but needs to be accompanied by effective co-ordination mechanisms among municipalities and across levels of government. It is also essential to take a balanced approach to decentralisation, ensuring that various sectors and policy areas are decentralised to a similar extent. The decentralisation of regional development strategies can help to support the design of policies adapted to local needs and priorities. Effective political leadership and a strong monitoring system are also crucial elements.

The session concluded with remarks by **Dr. Jörn Gravingholt**, Senior Researcher, Department of Governance, Statehood and Security, German Development Institute. Dr. Gravingholt emphasised the need to design unique policy solutions tailored to the specific context of Ukraine. Decentralisation can be a strong tool to enhance state resilience through the provision of effective public services such as education, healthcare and social assistance at the local level. Effective local governments can enhance the legitimacy of the state, and increase the respect that citizens have for the government at national and local levels. A decentralised government is better able to respond to citizens' needs, and citizens are better able to identify which level of government is responsible for various problems.

Dr. Gravingholt outlined four major implementation challenges for Ukraine. First, NACs need enough fiscal room to manoeuvre, to realise their full development potential. Second, there is a need to design transfer systems that set the right incentives for development over the long term. Third, transparency and democracy at the local level are essential to hold executives to account and prevent a decentralisation of corruption. Finally, while decentralisation may be made difficult by the unstable political and economic climate, volatile times also provide a rare opportunity to undertake major structural reforms. Moreover, there is a risk that waiting for stability can lead to a partial reform trap and a loss of reform momentum.

During the open discussion, Mr. Sakhanenko stated that decentralisation is a powerful instrument to strengthen democracy and improve the quality of governance. Ms. Allain-Dupré noted that measuring decentralisation is complex, and fiscal indicators give a good comparative overview. However, fiscal indicators do not reflect the full spending power of SNGs, as much expenditure is funded through earmarked grants. In particular, it is important to account for regulatory capacity at subnational level, as well as the capacity of local governments to be autonomous and make their own decisions.

## ■ Session 2: Fiscal decentralisation and subnational finance: building subnational capacity

The second session began with a presentation on [Communication systems: The State and the Community](#) by **Mr. Olexandr Dudiuk**, representative of the Mykolaiv regional office of the Association of Ukrainian Cities (AUC). Mr. Dudiuk presented “Government and Community”, an innovative electronic platform that allows for effective communication between local governments and their citizens. The system allows citizens to file information and communicate requests directly with the departments for roads, water, waste management, etc. Given the limited fiscal space of NACs, this tool could provide a useful way to prioritise the spending and investment decisions of local governments. The system is able to automatically process complaints and appeals, and can compile a preliminary response based on existing documents and legislation. A further advantage is that local authorities will have a clear vision of the main problems faced by their communities, allowing them to focus on addressing the most pressing and practical issues. Finally, the platform can strengthen accountability and facilitate direct democracy, by allowing residents to use the IT platform to vote on local projects and important decisions.

This was followed by a presentation on [Fiscal decentralisation and subnational finance: strengthening local level capacity \(Ukrainian\)](#) by **Ms. Isabelle Chatry**, Project Manager, Subnational Finance and Territorial Reforms, OECD Regional Development Policy Division. Across the OECD, nine countries have only one level of subnational government (municipalities), 18 countries have two levels (regions and municipalities), and eight countries have three levels (regions, an intermediate level, and municipalities). Ukraine has three, with a mixed system of decentralised and deconcentrated bodies depending on the central government. Another specific feature is that municipal levels do not have independent budgets, except for large cities of oblast significance and NACs.

Decentralisation reforms consist of three core dimensions: political, administrative and fiscal reforms. While spending responsibilities are often transferred, fiscal reforms tend to be neglected leading to underfunded mandates and fiscal imbalances. Over the past two decades, spending responsibilities have been transferred to the local level in a number of OECD countries, including Spain, Sweden, Canada, Poland and Germany. Conversely, Japan, Hungary and Ireland have experienced a recentralisation process.

### *SNG expenditure*

From 1995-2015, Ukraine’s SNG expenditure increased in relation to GDP, but declined in relation to public expenditure. The priority areas of subnational spending are education (30%), social protection (26%) and health (21%). In the OECD, SNGs accounted for 63% of public employment expenditure in 2014, compared with 56% in Ukraine in 2015. This high figure is explained by the fact that SNGs pay the salaries of teachers and medical staff on behalf the central government.

### *SNG investment*

SNG investment represented 89% of public investment in Ukraine in 2015, a sharp increase from just 55% in 2014. The sudden increase may be due to growth in investment from local budgets due to the decentralisation reform, or a change in the methodology used to account for investment. In comparison, the average SNG investment as a share of public investment across the OECD was 59% in 2014.

### *SNG revenues*

Ms. Chatry highlighted the need to decentralise revenue in Ukraine. In the OECD, SNGs accounted for 32% of public tax revenues in 2014, compared with just 18% in Ukraine in 2015. The three main sources of SNG revenues include tariffs and fees (from consumers) of public services and property income (such as rents or sales of assets), public contributions (from tax payers) distributed under the form of tax revenues or transfers or grants), and external funding (borrowing). While it is difficult to draw distinct boundaries between these three areas, grants and subsidies represented 60% of SNG revenues in Ukraine in 2015 (compared with 38% for the OECD in 2014). Conversely, taxes (shared and own-source) made up 30% of SNG revenues in Ukraine in 2015, compared with 44% across the OECD in 2014. SNG tax revenue accounted for 4.5% of GDP in Ukraine in 2015, compared with 7.0% for OECD members. This illustrates the important

role that transfers play in increasing fiscal imbalances in Ukraine. However, an overreliance on transfers risks reducing the quality of governance. Decentralisation of revenue collection can help to increase accountability and reduce corruption at the local level.

After the presentation, the discussions focused on the data for subnational debt, which is very low in Ukraine, standing at around 1% of public debt (compared with about 20% for the OECD). Mr. Sakhanenko explained that subnational borrowing is lower in Ukraine because only cities of oblast significance are authorised to borrow, and approval is required from the Ministry of Finance. However, local budgets also rely on an original system: voluntary contributions from residents to maintain local infrastructure or to resolve certain social issues. This may contribute as much as 2-3% to the budget, although it is usually not accounted for.

### ■ Session 3: Public service delivery in a decentralised context

The final session of the day began with a presentation by **Ms. Tetiana Yablonovska**, Executive Director of the Mykolaiv regional office of the Association of Ukrainian Cities (AUC). Ms. Yablonovska spoke about the “Decentralisation Marathon” that was organised within the framework of the Policy for Ukraine Local Self-Governance (PULSE) project, financed by USAID. The purpose of the project was to support and encourage the amalgamation process by informing people about the benefits of the law on voluntary amalgamation, sharing best practices from the EU in implementing territorial reforms, and illustrating the benefits of fiscal decentralisation and implementing the prospect plan. In addition, they organised practical training sessions on legal and financial issues, including the management of communal property for NACs, application of the budget law, good practices in e-government, and practical aspects of working with ProZorro (the electronic public procurement system).

A discussion then ensued on whether or not NACs have the same rights and powers as cities of oblast significance, and whether the NAC of Bashtanka should try to change its status and become a city of oblast significance. The example of Balta in Odessa was given, as it used to be a city of rayon significance, and received the status of a city of oblast significance shortly after amalgamation. It seems that NACs are still considered to be administratively below the rayon level. They do not have the rights to manage their own cadastres, to co-ordinate the activities of tax authorities, or to create executive organs on their territories. The budget code also doesn't seem to give equal treatment to NACs and cities of oblast significance.

Following this, **Ms. Liudmyla Murakhovska**, Chief of the Division of Administrative Services Provision of Mykolaiv Regional State Administration, delivered a presentation on [Public service delivery in the context of decentralisation](#). Local centres for administrative service provision (TsNAPs) were set up as a kind of one-stop-shop for administrative services, including company registration, registration of domicile, land cadastre, architecture and construction regulation, and registration of property rights. In 2016, TsNAPs delivered 135 different services, and the total number of services provided in Mykolaiv region increased to 258 000. There are 24 TsNAPs in Mykolaiv region. NACs deciding to take on the administrative service delivery function should ensure that comprehensive information on how to access administrative services is available online. It is also recommended to establish a front office to welcome visitors, and a back office to process documents. Each centre works with documents similar to those at oblast level, so that users can submit relevant documents to the oblast through the TsNAPs.

The final presentation of the seminar on [Delivering public services in a decentralised context \(Ukrainian\)](#) was delivered by **Ms. Maria-Varinia Michalun**, Policy Analyst, OECD Regional Development Policy Division. Ms. Michalun highlighted the role of public services in strengthening the social contract between the state and its citizens, and outlined three key considerations for service delivery in a decentralised context. First, the governance of service delivery, which encompasses questions such as how decisions are made, what are the institutions and frameworks that support decision making and the implementation of decisions, which services should be provided by different levels of government, and what are the mechanisms for service delivery (e.g. concessions, public-private partnerships, subcontracting to NGOs or civil society). Second,

territorial considerations, such as the size of the territory and degree of fragmentation (number of municipalities) will strongly influence service delivery. The size, demographic profile and fiscal capacity of a territory will have a direct impact on the efficiency and cost-effectiveness of service delivery. Scale is typically managed through amalgamation or inter-municipal co-operation. Third, the allocation of tasks and responsibilities must be clearly attributed across different levels of government. It is essential to ensure that financial capacity is matched with adequate human resource capacity (in terms of number of staff and skills) and infrastructure capacity.

Ms. Michalun also outlined a number of risks associated with decentralisation. In particular, there is a risk that increasing inter-municipal disparities can affect the capacity of SNGs to deliver services. This can ultimately affect the quality of life of people living in different municipalities. Decentralisation can also increase the opportunities for corruption and clientelism. It is therefore important to develop effective mechanisms to avoid this, by improving accountability and transparency at the local level. It is also helpful to regularly identify the needs of citizens (through surveys, focus groups and consultations), and ensure simple and fast delivery of administrative services. Finally, performance measurement is essential, and can be strengthened through citizen participation. For instance, the city of Córdoba in Argentina, performance measurement is conducted by Citizens' Network, an international NGO that publishes a yearly outline for the Mayor, including target indicators. New York City's OneNYC development plan is another example of undertaking a community planning process with strong citizen participation, consultations and surveys, to become a resident-centred city. This reflects the understanding that, the ability to deliver effective public services will ultimately lead to the greater socio-economic development of local communities.

## ■ Conclusions of the seminar and closing remarks

Concluding remarks were provided by **Ms. Dorothée Allain-Dupré**, Senior Policy Analyst, OECD Regional Development Policy Division. Ms. Allain-Dupré highlighted that decentralisation should be understood as a structural reform, and there is a need to de-politicise the reform by focusing the discourse on how decentralisation can lead to better local development, and ultimately improved development, public service delivery and well-being for the Ukrainian people. Mykolaiv region is a leading region in the amalgamation process, and positive results can already be observed on the ground with the increase in subnational revenues and public investment. Decentralisation has also led to improvements in deconcentration, through the delivery of state administrative services at local level. The pace of change in Mykolaiv has been particularly rapid.

In spite of these positive results, a number of challenges remain that were highlighted during the discussions, and need to be addressed in the next steps of the implementation of decentralisation reforms:

1. There is a clear need to strengthen fiscal autonomy at the local level, by allowing municipalities to leverage own-source taxes and manage subnational revenues, including grants.
2. A recent reform giving strict criteria on the allocation of funds to regions from the State Fund for Regional Development (SFRD), with at least 10% to be allocated for sporting facilities and 10% for energy efficiency projects, goes against the direction of increasing autonomy and allowing budgetary resources to be distributed according to local priorities.
3. There is a need to reform the governance of land use, so that local authorities have more freedom to exploit the potential revenues stemming from land resources.
4. There is a need to improve co-operation and governance arrangements surrounding state-owned enterprises (SOEs). How can municipalities develop mechanisms to generate revenues from port infrastructure and other SOEs operating at local levels?
5. The transfer of funding and responsibilities should go hand-in-hand with human capacity. More staff is needed at the subnational level, with more adequate wages (including for elected officials and mayors).

6. The decentralisation reform should include clear assignment of responsibilities across levels of government. There is a need to clarify who is responsible for bridges, roads, schools, etc. There is also a need for balance in the way that responsibilities are assigned.
7. A balanced approach to decentralisation is needed, taking account of the complementarities between sectors. Decentralisation reforms should not be focused on one sector without taking account of other relevant sectors in parallel.
8. Decentralisation needs to go hand in hand with better horizontal and vertical co-ordination.
9. Increased transparency is needed to improve trust in the decentralisation process.
10. There is a need to leave room for experimentation and flexibility when implementing the decentralisation reform.

Ms. Allain-Dupré then outlined the next steps and planned activities for the project. The OECD will produce three analytical reports, conduct several other capacity building seminars throughout Ukraine, and organise one study visit to an OECD member country. The final report will be presented to the Deputy Prime Minister and Minister of Regional Development in 2018.

Concluding remarks were also given by **Mr. Alexander Syenkevych**, Mayor of Mykolaiv City. Mr. Syenkevych thanked the OECD for holding one of the capacity-building seminars for the project in Mykolaiv, and underlined the relevance of the OECD work in supporting the decentralisation reform process, improving communication between subnational authorities and the central administration, and sharing good practices and international standards with Ukrainian policy makers.

## ANNEX A: AGENDA

### IMPLEMENTING DECENTRALISATION REFORM IN UKRAINE: STRENGTHENING THE SUBNATIONAL PARTNERSHIP

Hotel Reikartz River Mykolaiv

Mykolaiv, Ukraine • 15 March 2017

<b>Opening and introduction</b>	
<b>Moderator: Maria-Varinia Michalun, Public Governance and Territorial Development Directorate, OECD</b>	
<b>10.00-10.15</b>	<p><b>Welcome and Opening Remarks</b></p> <ul style="list-style-type: none"> <li>• <b>Mr. Olexandr Kushnir</b>, Deputy Head of Mykolaiv Regional State Administration</li> <li>• <b>Ms. Dorothee Allain-Dupré</b>, Senior Analyst, Regional Development Policy Division, OECD</li> </ul>
<b>10.15-11.15</b>	<p><b>Introduction: Progress and challenges in implementing decentralisation reform in Ukraine</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Viktoria Moskalenko</b>, Head of Mykolaiv regional council</li> <li>• <b>Mr. Alexander Syenkevych</b>, Mayor of Mykolaiv City</li> <li>• <b>Mr. Serhii Sakhanenko</b>, Professor of the Department of public administration and local self-governance of the Odesa Regional Institute for Public Administration, National Academy for Public Administration (NAPA) under the President of Ukraine</li> </ul>
<b>11.15-11.30</b>	<i>Coffee break</i>
<b>11.30-12.45</b>	<p><b>Session 1: Decentralisation and economic and social development at the oblast and hromada levels</b></p> <p><b>Presentation of Ukraine subnational practice in economic and social development:</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Tatiana Shulichenko</b>, Head of the Department of Economy and Investment, Mykolaiv city council</li> <li>• <b>Mr. Valentyn Boyko</b>, Head of Local Government Development Centre for Mykolaiv</li> </ul> <p><b>Presentation by OECD:</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Dorothee Allain-Dupré</b>, Senior Analyst, Regional Development Policy Division, OECD</li> <li>• <b>Dr. Jörn Grävingholt</b>, Senior Researcher, Department of Governance, Statehood and Security, German Development Institute</li> </ul> <p><b>Key questions for discussion:</b></p> <ul style="list-style-type: none"> <li>• What are the challenges to effective regional development and how can decentralisation reform help overcome these?</li> <li>• What changes to economic development and well-being of citizens do you expect to see with decentralisation reform?</li> <li>• What perception do citizens have of decentralisation reform?</li> </ul>
<b>12.45-14.00</b>	<i>Break for lunch</i>

14.00-15.15	<p><b>Session 2: Fiscal decentralisation and subnational finance: building subnational capacity</b></p> <p><b>Presentation of Ukraine subnational experience with fiscal decentralisation:</b></p> <ul style="list-style-type: none"> <li>• <b>Mr. Olexandr Dudiuk</b>, Communication consultant of Reform office of the Mykolaiv regional subdivision of the Association of Ukrainian cities</li> </ul> <p><b>Presentation by OECD:</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Isabelle Chatry</b>, Project Manager, Subnational Finance and Territorial Reforms, Regional Development Policy Division, OECD</li> </ul> <p><b>Key questions for discussion:</b></p> <ul style="list-style-type: none"> <li>• Has fiscal decentralisation strengthened the ability of Ukraine’s hromadas to more effectively perform their responsibilities?</li> <li>• What are the main financing challenges for local infrastructure? How can they be addressed?</li> <li>• What could be improved with respect to central government funding, own source revenues (local taxes, user tariffs, etc.) and external sources (borrowing)?</li> </ul>
15.15-15.30	<i>Coffee break</i>
15.30-16.45	<p><b>Session 3: Public service delivery in a decentralised context</b></p> <p><b>Presentation of Ukraine subnational experience with public service delivery:</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Tetiana Yablonovska</b>, Executive Director of the Mykolaiv regional office of the Association of Ukrainian Cities</li> <li>• <b>Ms. Liudmyla Murakhovska</b>, Chief of Division of administrative services provision of Mykolaiv regional state administration</li> </ul> <p><b>Presentation by OECD:</b></p> <ul style="list-style-type: none"> <li>• <b>Ms. Maria-Varinia Michalun</b>, Policy Analyst, Regional Development Policy Division, OECD</li> </ul> <p><b>Key questions for discussion:</b></p> <ul style="list-style-type: none"> <li>• Has Ukraine’s decentralisation process changed the type, quality and ability of public service delivery by hromada? And if so, how?</li> <li>• What is the subnational experience with inter-municipal cooperation for public service delivery?</li> <li>• How could greater inter-municipal cooperation for service delivery support hromadas objectives to ensure a good quality of life for everyone?</li> </ul>
16.45-17.00	<p><b>Conclusions of seminar and closing remarks</b></p> <ul style="list-style-type: none"> <li>• <b>Mr. Olexandr Kushnir</b>, Deputy Head of Mykolaiv Regional State Administration</li> <li>• <b>Mr. Alexander Syenkevych</b>, Mayor of Mykolaiv City</li> <li>• <b>Ms. Dorothée Allain-Dupré</b>, Senior Analyst, Regional Development Policy Division, OECD</li> </ul>

## ANNEX B: LIST OF PARTICIPANTS

№	Participants	Position	Organization
<b>Ukrainian representatives</b>			
1.	Mr Oleksandr Kushnir	Deputy Head	Mykolaiv regional state administration
2.	Mr Hennadii Kazakutsa	Deputy Chief of Division of revenue and finance of the production sector, Department of Finance	Mykolaiv regional state administration
3.	Ms Zulfiia Kapusta	Deputy Director of Department of economic development and regional Policy - Head of foreign relations, foreign trade and European integration	Mykolaiv regional state administration
4.	Ms Oxana Gavrysh	Head of Division of foreign relations, foreign trade and attracting foreign investment of Department of economic development and regional policy	Mykolaiv regional state administration
5.	Mr Dmytro Bachinskiy	Specialist of Department of healthcare	Mykolaiv regional state administration
6.	Ms Olena Udovychenko	Deputy Head of Department of education and science	Mykolaiv regional state administration
7.	Ms Olena Ivanenko	Acting Head of Department of information and communication with citizens	Mykolaiv regional state administration
8.	Ms Svitlana Sukhotska	Chief specialist of Division of administrative services provision	Mykolaiv regional state administration
9.	Ms Olena Parshyna	Chief specialist of Division of administrative services provision	Mykolaiv regional state administration
10.	Mr Pavlo Maskalyov	Head of Press service	Mykolaiv regional state administration
11.	Ms Viktoria Moskalenko	Head	Mykolaiv regional council
12.	Mr Alexander Syenkevych	Mayor	Administration of Mykolaiv city
13.	Ms Anna Polekha	Head of Department of city building and architecture	Administration of Mykolaiv city
14.	Ms Tatiana Shulichenko	Head of Department of Economy and Investments	Administration of Mykolaiv city
15.	Ms Olena Zav'alova	Deputy Head of Department of education	Administration of Mykolaiv city
16.	Ms Nadiia Muzychuk	Chief specialist of Department of Healthcare	Administration of Mykolaiv city
17.	Ms Olexandra Yefymenko	Deputy Head of Land Resources Department	Administration of Mykolaiv city
18.	Mr Serhiy Bondarenko	Director of Department of labour and people's social protection	Administration of Mykolaiv city
19.	Mr Oleg Sokolyk	Head of Family, Children, and Youth Department	Administration of Mykolaiv city
20.	Ms Viktoria Olynil	Press service	Administration of Mykolaiv city
21.	Mr Serhii Sakhunenko	Professor of Department of public administration and local self-government	Odessa Regional Institute of NAPA

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22.	Mr Olexandr Demchuk	Head	Vitovska district administration
23.	Mr Olexiy Borodetskyi	First Deputy Head	Mykolayivsky Rayon State Council
24.	Mr Ivan Rubskyi	Mayor	Town of Bashtansk
25.	Ms Larysa Torzhynska	Secretary	Voznesensk town council
26.	Ms Inna Kopyyka	Head	Village of Kutsurupsk
27.	Mr Olexandr Poliakov	Mayor	Town of Novoodesk
28.	Mr Roman Serhiyovych	Chief of Division	Town of Yuzhnoukrainsk
<b>Business:</b>			
29.	Mr Igor Katvaliuk	President	Mykolaiv Regional Chamber of Commerce and Industry
<b>NGOs:</b>			
30.	Mr Valentyn Boyko	Director	Director of separate unit "Local Government Development Centre"
31.	Ms Tetiana Yablonska	Executive director	Mykolayiv regional office of the Association of Cities of Ukraine
32.	Msr Olexandr Dudiuk	Communication consultant	Reform office of the Mykolaiv regional subdivision of the Association of Ukrainian cities
33.	Mr Vasyl Goshovsky	Director	Mykolaiv development agency
34.	Mr Roman Khanzhyn	Project coordinator	Mykolaiv development agency
35.	Mr Mykhailo Zolotukhin	Director	NGO "Mykolaiv development foundation"
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38.	Ms. Maria-Varinia Michalun	Policy Analyst, Regional Development Policy Division	OECD
39.	Ms. Isabelle Chatry	Project Manager, Subnational Finance and Territorial Reforms, Regional Development Policy Division	OECD
40.	Mr. Jibran Punthakey	Policy Analyst, Eurasia Division	OECD
41.	Mr. Antoine Comps	Policy Analyst, Regional Development Policy Division	OECD
42.	Mr. Mykhailo Semchuk	OECD local consultant	OECD