Urgency of the research. The importance of studying the different aspects of the development of the territorial communities’ cooperation (intermunicipal cooperation - IMC) is explained by the fact that IMC is defined as a priority of local self-government reform in Ukraine. It is also used by the different European countries as an innovative tool for ensuring local economic growth and sustainable development.

Target setting. It is reasonable to study the different aspects of IMC development (institutional, legal, financial etc.) and to highlight the best IMC practices in order to give reasons for the possibilities of its implementation in Ukraine and ensuring municipal consolidation.

Actual scientific researches and issues analysis. The scientific works of such scholars as V. Kniazev, N. Kostina, V. Kubyda, N. Mikula, N. Nyjnyk, M. Pukhlynskyi, T. Pankhomo, O. Povajny, S. Romanuk, A. Tkachuk and others deal with the different aspects of IMC development.

Uninvestigated parts of general matters defining. The scientists have not yet sufficiently developed the argumentation of more active using of IMC different forms in the framework of the implementation of local self-government reform in Ukraine.

The research objective. The article aims to highlight the current status and the new approaches for IMC development in the framework of the implementation of the decentralization reform in Ukraine.

The statement of basic materials. The article proves the expediency of using IMC as an innovative tool for ensuring sustainable local development. The special attention is paid to the analysis of the new legislation on territorial communities’ cooperation as well as the activity of the main institutions on all levels. The author provided a deep analysis of the best international and national practices in the field of IMC as well as prepared the relevant recommendations for its further development.

Conclusions. IMC represents an integrative part of the local self-government reform in Ukraine. Taking into account the successful implementation of the pilot projects (in particular, in Poltava region), IMC could be used for further municipal consolidation and local economic development.

Keywords: territorial community; local self-government; decentralisation reform; local economic development; municipal consolidation; tools; intermunicipal cooperation (IMC).
Urgency of the research. The important decentralization reform in Ukraine was started in 2014. On 1st April 2014 the Government of Ukraine approved the new Concept on Local Self-Government (LSG) Reform where the territorial communities’ cooperation (intermunicipal cooperation – IMC) is defined as a key priority for further local sustainable development. It is important to note that many European countries make use of IMC for ensuring local economic growth and municipal consolidation. IMC is also an innovative tool for the modernization of the territorial organization of the country and improvement of LSG system. In this regard, it is necessary to analyze in details the best Ukrainian and international practices in the field of IMC development, to highlight the main advantages of the territorial communities’ cooperation as well as possible assumptions in its realization, possible IMC forms, their legal, institutional, financial ensuring etc.

Actual scientific researches and issues analysis. During all years of the independency of Ukraine a high attention was paid to issues of the decentralization of power, local self-government development. Thus, we could point out the following Ukrainian researchers and scientists who analyzed the different aspects of LSG policy implementation and territorial communities’ cooperation: A. Guk, V. Kuybida, V. Kniazev, N. Nyjnyk, N. Mikula, N. Kostina, M. Pukhtynskiy, O. Rudenko, T. Pakhomova, O. Povajniy, S. Romanuk, A. Tkachuk and others. At the same time, the realization of the on-going LSG reform will require new researches, in particular regarding new tools, best (Ukrainian and international) practices and experiences in the field of the territorial communities’ cooperation (intermunicipal cooperation – IMC).

Uninvestigated parts of general matters defining. In order to overcome the existing municipal fragmentation in Ukraine, the territorial communities’ cooperation (intermunicipal cooperation – IMC) should be used as an important tool for ensuring further municipal consolidation, local sustainable development and economic growth. IMC could also contribute to strengthening the financial and economic basis of local authorities, reinforcing its institutional capacity in providing better services for the citizens. In this regard, it is important to analyze the different aspects of further IMC development (i.e. financial, legislative, institutional etc.) as well as to highlight the best practices in this field.

The research objective. The main objective of this article is to present and to highlight the current status and the new approaches for the territorial communities’ cooperation (intermunicipal cooperation – IMC) development in the framework of the on-going decentralization reform in Ukraine.

The logic of this research is the following. At the beginning we consider the general principles of the territorial communities’ cooperation (intermunicipal cooperation – IMC), focusing on its legislative, political, institutional, economic and other aspects. Next, we analyze the current status of IMC development in the framework of the on-going local self-government reform in Ukraine. Finally, the articles presents the practical recommendations concerning further IMC development as an important tool for ensuring municipal consolidation and local economic growth.

The statement of basic materials. The independent system of local self-government is pointed out by the Constitution of Ukraine (1996) and the national legislation, in particular by the Law of Ukraine “On Local Self-Government”. At the same time, the Government of Ukraine started in 2014 an important decentralization reform. In June 2014 the Parliament of Ukraine (Verkhovna Rada) approved the new Law “On cooperation of Territorial Communities”. In this regard, territorial communities’ cooperation (intermunicipal cooperation – IMC) represents an excellent tool for improvement of the existing structure of the territorial organization of the country and further development of local democracy on the basis of the principle of the subsidiarity as one of the main principles of the European Charter of Local Self-Government [9].

In this regard, territorial communities’ cooperation (intermunicipal cooperation – IMC) represents an excellent tool for improvement of the existing structure of the territorial organization of the country and further development of local democracy on the basis of the principle of the subsidiarity as one of the main principles of the European Charter of Local Self-Government [9].

It is important to note that Ukrainian Parliament introduced in the mentioned legislative act the notion of territorial communities’ cooperation. At the same time, we could find in the legislation of other European countries the notion of intermunicipal cooperation (IMC). From our point of view, these two convertible terms could be observed as synonyms.

IMC could be indentified as relationship between two or several local authorities (i.e. entities of the first (basic) level of territorial administration) having a status of legal persons and enjoying political, legal and financial autonomy (in accordance with the European Charter of Local Self-Government [1].
It should be noted that local self-government reform in post-soviet countries (including Ukraine) was sometimes accompanied by territorial fragmentation; municipalities wanted to be more independent, especially in respect of the former “rayons” or districts. This desire for independence, paradoxically, must now be balanced by opportunities for cooperation.

Entering into a certain form of cooperation is often a clear answer to the challenges faced by territorial communities (municipalities). But it may not be easy; there can be obstacles that make it difficult (i.e. political differences between municipalities; the complexity of IMC legal procedures and forms; the lack of finance and expertise etc.).

Analysis of the situation in Ukraine and other European countries shows that IMC is more frequent than is thought because many municipalities actually practise it, mostly in very practical and modest ways, without specific additional resources and without even calling it IMC [3]. But it is clear that understandable national policy on IMC is needed, with special legal provisions and with incentives to facilitate its expansion. The greatest need is for central and local government to understand the benefits that can be obtained through IMC by municipalities and their citizens, and how they can be gained in a reasonable manner.

IMC is of special importance because it is municipal (local). Municipalities everywhere have vital competences (traffic management, transport, water supply, schools and kindergartens, health centres, sports facilities, waste collection, museums, theatres and music halls etc.) that determine the quality of life of citizens and their collective welfare.

Ukrainian territorial communities (hromadas) are the smallest territorial units of public administration and constitute the first tier of local self government. This does not mean that they are necessarily too small or weak, but very often they do not have sufficient size and resources to undertake all the functions they are required to carry out. There is no better way of strengthening the capacity of territorial communities (municipalities) than through partnership and cooperation [5].

Cooperation is essential for the welfare and development of any society and very common between public entities. At the same time, each territorial community (municipality) is in theory independent from its neighbouring municipalities and/ or other public authorities. It is also entitled to be self-administered.

Therefore it is not surprising that relationships between local authorities may sometimes be limited because they have no common challenges; or they have just one challenge (e.g. drawing water from the same water supply); or they face occasional challenges (e.g. a calamity).

However, national and international experiences show that municipalities are never totally self-sufficient (whatever the size of their territory and population may be). This is why IMC is both a universal challenge and a frequent practice. It is a logical solution for limiting the consequences of a non-optimal distribution of the competences and the resources or of inadequate municipal boundaries [7].

It is also important to underline that territorial communities (municipalities) have very ancient roots in the history, geography, demography and culture of their respective countries. They are also the products of the political and administrative organisation of old settlements in rural societies, industrial sites or cities with traditional political or commercial functions.

As it has been already noted, IMC represents an innovative tool for ensuring municipal consolidation, local sustainable development and economic growth. It is clear that forces for decentralisation are gathering pace in Ukraine [10]. There is increased awareness of the need to strengthen local government institutions in order to consolidate democracy and engage people in the decision-making that affects their daily lives; at the same time, these institutions have to deliver good governance and reinforce the capacity for local development.

Further European integration (in particular, the new EU-Ukraine Association Agreement) and meeting European standards (in particular, European Charter of Local Self-Government and European Strategy on Innovation and Good Governance on Local Level) in important local government policy areas are major incentives [2].

On the other hand, Governments and citizens need greater confidence in local self-government. Poor performance is less easily tolerated when people can see good practice elsewhere. Many municipalities have to prove themselves. This applies in particular to the many small municipalities that have
Insufficient capacity to provide quality services on their own or to respond effectively to the expectations of their communities [4]. For larger municipalities, there are many opportunities for investment in local services and infrastructure, but investors seek larger economies of scale and more integrated development that would make their investments more viable.

Inter-municipal cooperation (IMC) offers a serious way forward. It is not an easy option; it can be complex and it carries risk. But it has the potential to deliver significant advantages to all municipalities, both large and small.

It is important to note that IMC has many stakeholders, in particular local authorities and their associations, citizens, NGOs, business and private companies, but also National Parliament and Government, including line ministries and agencies dealing with the different issues of local development. Governments have key responsibilities for creating the right legal, financial and administrative frameworks for IMC. Municipalities must also play their role. They need the right leadership, deep understanding and sufficient expertise to make good use of IMC. For that, they will need the support of their national associations of local/ regional authorities.

In order to develop IMC (in the framework of the ambitious decentralization reform), the Parliament of Ukraine approved in June 2014 the Law “On Cooperation of the Territorial Communities”. The Ministry of Regional Development, Construction, Housing and Municipal Economy of Ukraine defined by its Regulation the methodological recommendations and guidelines for the implementation of the mentioned law and further IMC development.

By 1st January 2017 69 territorial communities’ cooperation projects were officially registered by the Ministry of Regional Development, Construction, Housing and Municipal Economy of Ukraine and were included in the special State Register of IMC Projects. In accordance to the current Ukrainian legislation, these projects could be realized in 5 defined forms. It is important to note that Poltava oblast (region) with its 34 IMC projects is a pioneer in the territorial communities’ cooperation development in Ukraine.

At the same time, introduction of the new legislation, further IMC development should be supported by the realization of the pilot projects, collection and dissemination of the best practices in this field.

In this regard, GIZ Project “Reform of Municipal Services in Eastern Ukraine” offers technical, consultative, financial assistance for IMC development in Ukraine. It is being implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on the basis of the official agreement between the Ukrainian and German governments. Working on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ is supporting the Ukrainian Government in its reform process. It is the declared intention of the current government to boost the resources and expertise of the country’s municipalities and regions (oblasts).

Furthermore, the inter-municipal cooperation concept has been introduced as an instrument for more cost-effective public service provision. Inter-municipal projects have been implemented in the areas of health care, administration, economic development and waste management. It is important to underline five pilot IMC projects which were implemented with the support of GIZ Project in Poltava region, in particular:

- “Waste revolution in the communities of Chervonozavodskie, Tokari and Pisky villages as an example of successful cooperation of territorial communities”;
- “Introduction of a unified garbage-collection scheme and solid household waste management system in the village communities of Kovalivka, Novoselivka and Kulykove of Poltava Rayon”;
- “Inter-municipal cooperation: targeted social protection of communities of Reshetylivka Rayon - joint initiative of Malyi Bakai Village Council, Zhovtneve Village Council and Ploske Village Council”;
- “Rehabilitation of local fire protection service is a guarantee of personal and social safety in village communities of Semenivka Rayon - joint initiative of the Village Councils of Hrushyne, Pohrebnyst, Khudoliyivka, Stepanivka, Obolon, Narizhzhya and Ivanivka”; and
- “Integrating efforts of communities for clean environment of Pyryatyn Rayon- joint initiative of Pyryatyn City Council and the Village Councils of Bilotserkivka, Velyka Krucha, Deymanivka, Kalynivka, Oleksandrivka, Sasyvanya and Kharkivtsi”.

IMNOVACIЇ

Tolkovanov, V. V. Territorial communities’ cooperation (intermunicipal cooperation – IMC) as an innovative tool for ensuring local economic development and municipal consolidation
By the analysis of the best national practices in the field of IMC development, the following recommendations/proposals could be presented: development of public awareness and partnership between public authorities and citizens in the preparation and further realisation of IMC projects; organisation of the training programmes for local elected representatives and decision makers as well as the representatives of other target groups; strengthening the financial basis of local authorities etc. IMC could be also used for further realisation of the reform of the administrative and territorial structure of Ukraine as well as improvement of the quality of the municipal services to be provided by local authorities to the citizens.

Conclusions. Ukraine is going to implement ambitious decentralisation reform. Thus, the new legislation was adopted in order to promote cooperation and (possible) amalgamation of territorial communities on basic level.

The Government of Ukraine proclaimed the plans to modernize the administrative and territorial structure of Ukraine on the basis of the principle of voluntary amalgamation of the territorial communities (hromada). In this regard, IMC represents a flexible and innovative tool for further improvement of the territorial organization of the country, taking into account the different factors, i.e. cultural, social, economic and others.

The pilot projects on IMC development which were realized with the support of GIZ Project “Reform of Municipal Services in Eastern Ukraine” in Poltava region in 2014-2017 show excellent results for improvement of the municipal services to be provided by local authorities in favor of the citizens. In this regard, the national legislative framework should be improved. It is also important to pay attention to the issues of institutional and financial support to IMC projects, realization of wide informational campaign, promoting public awareness, realization of the training programmes for the representatives of the main target groups.

References

Бібліографічний опис для цитування:

Tolkanov, V. V. Territorial communities’ cooperation (intermunicipal cooperation – IMC) as an innovative tool for ensuring local economic development and municipal consolidation / V. V. Tolkanov // Науковий вісник Полисія. – 2017. – № 1 (9). ч. 2. – С. 76-80.

Received for publication 26.12.2016

© 2016

80