

# DEMOCRATIC INSTITUTIONS FOR COMMUNITIES WITH LIMITED SELF-GOVERNANCE

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This analytical report examines the practice of operation of military administrations of population centres during martial law in Ukraine. The authors substantiated the need and proposed a series of targeted measures to preserve and strengthen the institution of self-governance through implementing deliberative democracy when military administrations exercise powers of local self-government bodies. Particular attention is paid to the prospects for using the practice of deliberative democracy in deoccupied communities in the transition period to create opportunities for reinstating local self-government bodies.

The proposed methodological recommendations can also be useful for local self-government bodies that seek to facilitate the development of participatory democracy in communities.

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## ABBREVIATIONS AND ACRONYMS

<b>ABs</b>	Advisory Bodies
<b>BSOP</b>	Body of Self-Organisation of the Population
<b>CA</b>	Civil Administration
<b>CO</b>	Charitable Organisation
<b>CSO</b>	Civil Society Organisation
<b>HOA</b>	Homeowners Association
<b>IDPs</b>	Internally Displaced Persons
<b>LSGB</b>	Local Self-Government Body
<b>MA</b>	Military Administration
<b>MCA</b>	Military and Civil Administration
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OMA</b>	Oblast Military Administration
<b>ORDLO</b>	Certain Areas of Donetsk and Luhansk Oblasts
<b>OSCE</b>	Organization for Security and Co-operation in Europe
<b>PIT</b>	Personal Income Tax
<b>PO</b>	Public Organisation
<b>PPP</b>	Public-Private Partnership
<b>RLA</b>	Regulatory and Legal Act
<b>RSE</b>	Renewable Source of Energy
<b>SC</b>	Smart Community
<b>TC</b>	Territorial Community
<b>TOA</b>	Temporarily Occupied Area

# INTRODUCTION

The country's resilience in the context of a full-scale war is measured not only by armed confrontation with the enemy, but also by its capacity to ensure, under existential risk of war, the stable operation of the entire social organism with the aim of achieving victory, preserving and enhancing the country's capacity to recover from the destruction after the war. Continuous and effective activities of territorial communities (TCs) as basic cells of the social organism are of key importance for economic, social, and civil resilience of the country. Due to decentralisation, recognised as the most successful reform throughout Ukraine's independence, communities became one of the cornerstones of the country's resilience in the first months of war and should retain this role in the long-term perspective of armed confrontation with the aggressor. This means that institutions and practices of effective inclusive governance acquired by communities *in the face of military challenges* should not only be preserved, but also tailored to the needs of the country's resilience. In view of the pivotal role of communities in the post-war recovery, the need to develop a practical vision of the *post-war* landscape of decentralisation in Ukraine is no less important.

Importantly, in the context of war, part of communities lost their constitutionally mandated local self-government bodies (LSGBs) for objective reasons. The matter concerns frontline and some deoccupied communities where LSGBs cannot carry out or resume their activities without holding local elections, which is impossible until the end of martial law, as well as communities in temporarily occupied areas (TOAs).

Such communities are currently operated by military administrations (MAs) which have proven their operational efficiency. At the same time, a prolonged lack of constitutionally guaranteed opportunities for citizens to influence decision-making important for communities threatens to erode the institutional principles of self-governance mapped out in previous years and deteriorate trust between communities and the government, represented by MAs at the local level. In actual fact, one-person governance of communities does not always contribute to the effective realisation of local potentials and full satisfaction of community needs, and may, over time, pose a risk of corruption schemes, especially when confronting wartime challenges is replaced with achieving recovery goals. The scale of the problem will significantly expand following the liberation of the areas occupied since 2014, where the matter will concern institutional recovery of communities which failed to learn the lessons of decentralisation along with the entire Ukraine.

Since the reinstatement of LSGBs through elections is possible only after the end of martial law, and after the transition period in the deoccupied areas, it is of primary importance to disseminate the developed practices of deliberative democracy and develop new ones, along with relevant formal and informal institutions that will help, during martial law, involve community members in the elaboration and implementation of decisions adopted by MAs. This should increase the effectiveness of decisions by MAs, focus them on community development, strengthen (or even reinstate) the institutional principles of self-governance in the absence of LSGBs, and foster greater inclusiveness and further operation of local self-governance in a more effective way.

**The objective of the study** the results of which are presented in this report was to analyse the specifics and experience of community governance in the context of suspended activities of LSGBs, including the experience of the operation of institutions of deliberative democracy in Ukraine, set requirements for these institutions in the context of war and post-war recovery, means of their interactions with MAs, and their role in the mechanisms for reinstating self-governance of communities liberated following a long-term occupation.

In view of the multi-faceted problems of post-war recovery, it has to be mentioned that the subject of this study is not the organisation of the recovery process, nor the imposition of special economic regimes, nor the determination of the post-war landscape of the economy and society's composition, nor transitional justice and the attitude to collaborationism, nor the reorganisation of the administrative and territorial structure and the assessment of community capacities, nor the organisation of long-term security and defence capabilities, etc. Although all these complementary objectives are extremely important, they require a separate study. However, policies for their implementation should be shaped with regard to the priority of the objectives of reinstating local self-governance. In deoccupied communities, a balanced policy of transitional justice will play a decisive role in establishing the principles of effective local self-governance.

After two and a half years of a full-scale war, perceptions of the discourse of deoccupation and post-war recovery are

ambiguous in Ukraine, and this discourse is often superseded by the current problems of confronting the enemy in the ongoing war. According to the authors, the availability of well-thought-out and already recognised strategies and tools of deoccupation and recovery is also one of the components of social resilience designed for a long-term perspective which makes the struggle for Ukraine's independence meaningful. Personnel, institutional, and organisational readiness for deoccupation reduces the recovery time lag which is critical for preserving the country's human capital in the post-war period. A practical vision of the future of deoccupied areas is an important part of communication with Ukrainian citizens who have found themselves in temporary occupation which will contribute to the harmonious reinstatement of Ukrainian authorities there and which will be a signal for domestic businesses and foreign partners as potential participants in the recovery process.

Hence, the methodological approaches and practical recommendations of this analytical report should be useful for the Cabinet of Ministers of Ukraine to implement the objectives of ensuring Ukraine's resilience and recovery, relevant ministries and agencies, members of parliament and staff of the committees of the Verkhovna Rada of Ukraine involved in the legislative support of self-governance, deoccupation and recovery, incumbent oblast and raion MAs and MAs of population centres, LSGBs, and civil society organisations (CSOs).

This report is prepared based on a series of expert interviews with heads of MAs of population centres, representatives of public organisations (POs), to whom the authors are indebted for their time and valuable experience which they kindly shared.

# 1. THE SPECIFICS OF IMPLEMENTING LOCAL SELF-GOVERNANCE IN UKRAINIAN COMMUNITIES IN WARTIME

The full-scale war unleashed by the Russian Federation radically changed conditions and objectives of the operation of the system of local self-governance of Ukraine. Since the outbreak of Russia's full-scale aggression, LSGBs, at a variety of levels, have been involved in implementing security and defence measures, ensuring resilience of rear areas, and meeting urgent humanitarian challenges. Specifically, the matter concerns cooperation with the military command and military administrations, organising support for the Defence Forces, providing warning and facilitating the evacuation of the population, strengthening food security in rural communities, etc. Communities played a pivotal role in supporting war refugees, arranging temporary accommodation of internally displaced persons (IDPs), registration, provision of administrative services, and humanitarian aid. **It is important that LSGBs of communities started to perform a significant part of their functions in the first hours of the invasion, having organised themselves, not needing or expecting administrative orders.**

The temporary occupation of some territorial communities by Russian troops has posed a serious challenge to local self-governance in Ukraine. However, even under the occupation, LSGBs of many communities continued to provide basic living conditions for a certain period of time.

## **During a full-scale war, local self-governance in Ukraine faced a number of *restrictions*, notably:**

- objective obstacles to the implementation of democratic procedures at the local level (difficulties of holding public gatherings, forced displacement of some community members, impossibility of holding local elections during martial law, etc.),
- temporary restrictions of some civic rights and freedoms in view of the needs of security, defence, and public order (restriction of the right to move, imposition of curfew, ban on mass rallies, etc.),
- priority of the security and defence objectives which, in particular, leads to an increase in relevant expenditure of local budgets, channelling of revenues from personal income tax (PIT) paid by militaries and employees of law enforcement agencies, mobilisation measures,
- creation of a centralised governance vertical for the effective implementation of security and defence measures at the regional, subregional, and, in some cases, local levels.

According to Article 17 of the Law of Ukraine "On the Legal Regime of Martial Law"<sup>1</sup>, LSGBs are obliged to facilitate the implementation of martial law measures and, in particular, activities of MAs. Their interaction can take place as co-governance of communities or as the extension of powers of LSGBs with partial subordination to a higher-level MA.

Part 2 of Article 10 of the Law of Ukraine "On the Legal Regime of Martial Law" also provides for the complete replacement of LSGBs with military administrations in cases where LSGBs (city, village, and settlement councils and/or their executive bodies) fail to exercise or, for objective reasons, cannot exercise powers assigned to them by Ukraine's legislation. It has to be mentioned that the criteria for exercising or not exercising these powers, as well as the entity that should set the above criteria, are not clearly defined.

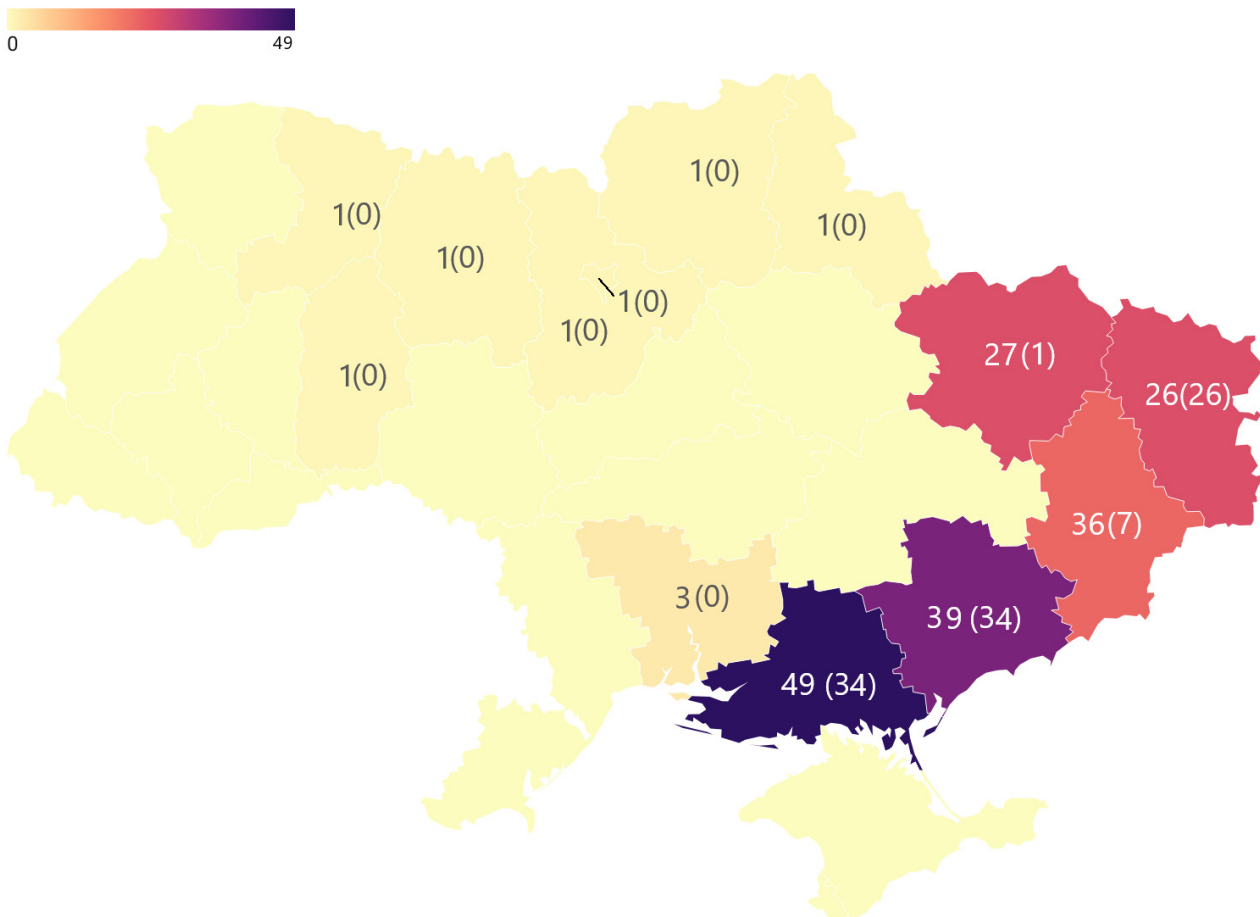
The possibility of transferring the powers of local councils to heads of MAs during martial law applies, first and foremost, to TOAs, frontline population centres or population centres in close proximity to the frontline, and population centres

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<sup>1</sup> Law of Ukraine No. 28 "On the Legal Regime of Martial Law" dated 12.05.2015: <https://zakon.rada.gov.ua/laws/show/389-19#Text> (last accessed: 30.07.2024).

where critical infrastructure facilities are located. For example, in Netishyn community, which is far from the frontline, a relevant MA is established because of the presence of Khmelnytskyi nuclear power plant on its territory. In this situation, the Verkhovna Rada of Ukraine has the mandate to approve by its resolution: a) the exercise of powers of relevant local councils, heads of local councils, and executive committees of local councils by heads of MAs of population centres, b) the mandate of MA heads to approve the temporary structure of executive bodies of relevant local councils. Offices of local councils, their executive bodies, municipal enterprises, institutions, and organisations are subordinated to heads of MAs. The duration of this decision extends to the period of martial law in Ukraine and 30 days following its termination or lifting.

In accordance with the Decree of the President of Ukraine No. 68/2022 "On the Establishment of Military Administrations"<sup>2</sup> dated 24 February 2022, military administrations were established on the basis of oblast and raion state administrations. Later, MAs were established, by separate decrees, in a number of community population centres (see Figure 1 "The total number of MAs established in Ukraine, by oblasts (the number of MAs of temporarily occupied population centres is indicated in brackets), as of July 2024" and Annex 1 "MAs of population centres established in Ukraine (as of July 2024)"). Meanwhile, the powers of military and civil administrations (MCAs) which operated in some population centres of Luhansk and Donetsk oblasts since 2015 were terminated from the day of commencement of operation of a relevant MA. In the spring of 2023, MAs were set up on large scale in communities occupied since 2022.



**Figure 1.** The total number of MAs established in Ukraine, by oblasts (the number of MAs of temporarily occupied population centres is indicated in brackets), as of July 2024

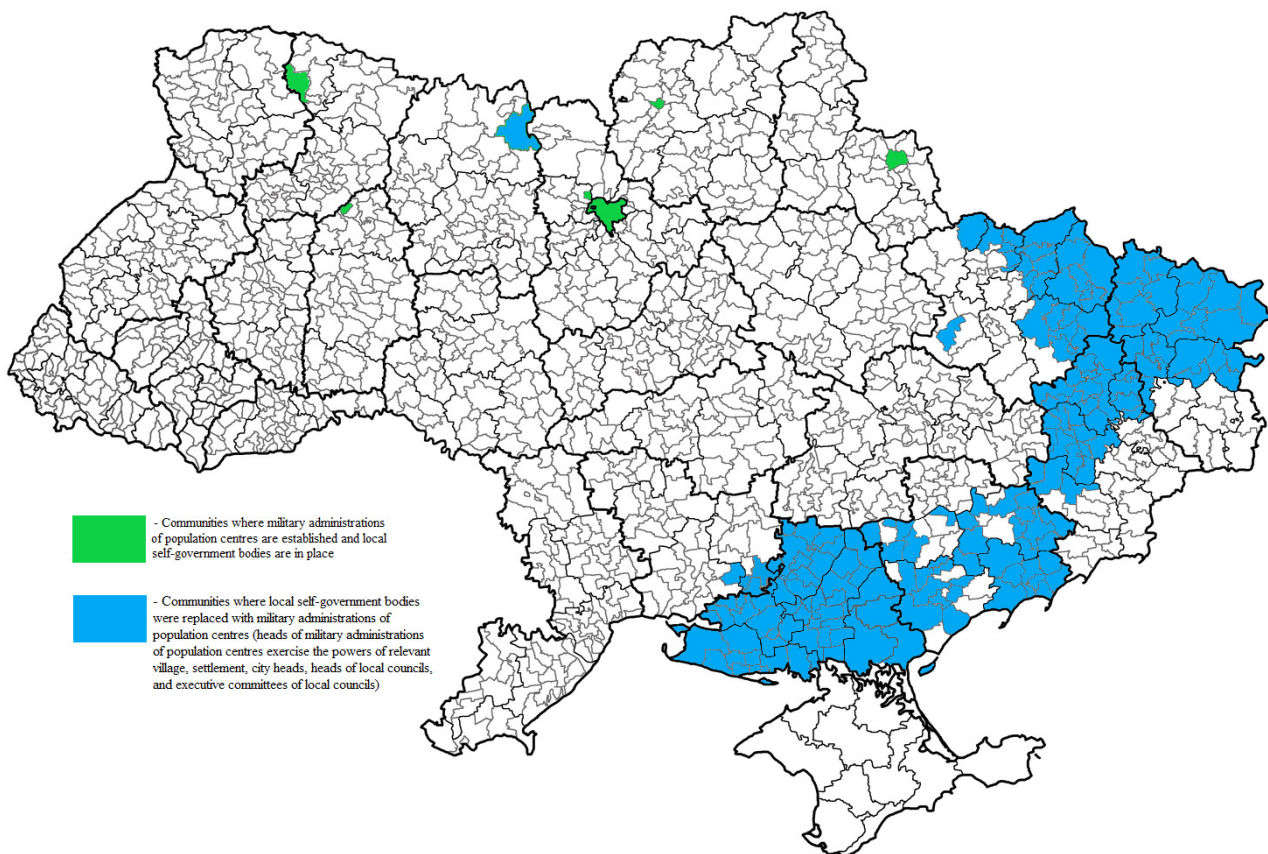
**As of May 2024, 186 MAs of population centres were established in Ukraine, of which 61 operate in cities (including Kyiv City MA), 60 in settlements, and 65 in villages (see Annex 1, Figure 1).** This amounts to 13% of the total number

<sup>2</sup> Decree of the President of Ukraine No. 68/2022 "On the Establishment of Military Administrations" dated 24.02.2022: <https://www.president.gov.ua/documents/682022-41405> (last accessed: 30.07.2024).



of communities in Ukraine. In Kherson oblast, MAs were set up in all communities, while in Zaporizhzhia oblast in 55% of communities.

Currently, in almost all population centres with MAs, the latter have temporarily replaced LSGBs (see Annex 2 “Communities where heads of military administrations exercise powers of local councils and their executive committees” and Figure 2 “Military administrations of population centres established in Ukraine (as of July 2024)”). This applies to areas in close proximity to the frontline and TOAs where the operation of LSGBs is currently impossible for objective reasons, or where members of local councils had to evacuate, were abducted and illegally detained by the Russian militaries, or, in some cases, agreed to collaborate with the occupying regime.



**Figure 2.** Military administrations of population centres established in Ukraine (as of July 2024)

However, not all occupied communities and even oblasts have set up MAs. Specifically, the matter concerns the Autonomous Republic of Crimea where no MAs have been established, most areas occupied since 2014 (the so-called ORDLO), as well as individual communities of Donetsk and Zaporizhzhia oblasts occupied after the onset of Russia’s full-scale invasion. LSGBs continue to de jure exercise public administration functions in six communities of Donetsk oblast occupied after 24 February 2022, whereas MCAs still exercise their powers in four communities (see Figure 2). A total of 147 TCs, occupied after 24 February 2022, were under temporary occupation as of 1 April 2024.

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Drastic changes in the public administration landscape of a large part of TCs of Ukraine significantly impede the objective of preserving the institutional principles of self-governance mapped out in previous years due to the reform of local self-government and territorial organisation of power. Along with that, **effective self-governance is one of the institutional pillars of Ukraine’s resilience in a time of war and should mark an important step towards the recovery and full reintegration of deoccupied areas in the future.**

## 2. POWERS AND FUNCTIONS OF PUBLIC ADMINISTRATIONS OF COMMUNITIES IN THE CONTEXT OF A FULL-SCALE WAR AND POST-WAR RECOVERY

### 2.1. Expansion of powers of MAs in wartime

Article 15 of the Law of Ukraine “On the Legal Regime of Martial Law”<sup>3</sup> defines the powers of *MAs of population centres* which, in the context of the topic of this study, can be generalised as follows

**a)** powers directly relating to the imposition and implementation of martial law measures, facilitating mobilisation and civil protection of population, supporting and promoting activities of the Armed Forces of Ukraine and the State Border Guard Service of Ukraine.

**b)** financial and budgetary sector: preparing and approving the local budget, making amendments to the budget and ensuring its implementation, setting rates of local taxes and fees, providing tax benefits, etc.

**c)** social infrastructure and property management: managing housing and municipal facilities, as well as municipally owned property, managing facilities jointly owned by TC, providing socially significant aspects of community life and economic activity (public transport operation, local markets operational services, etc.), as well as other powers defined by law.

However, **the realities of a long-lasting war pose much wider challenges to be faced by MAs and therefore indicate the need to expand the functions of MAs beyond ensuring community livelihood activities during the period of martial law.**

Amid war challenges, it is MAs that need to establish communication with community members to preserve and restore cohesion, counter post-war negative attitudes and expectations that erode faith in the community’s future; and build institutions for making community members engaged in governance in the absence of LSGBs. According to some MA leaders, there are communities where real self-governance was never implemented despite formal reorganisation of local self-governance that took place in the pre-war period within the framework of decentralisation reform. This is due to a number of factors that emerged at the phase of community amalgamation under decentralisation reform, primarily the administrative (‘forced’) way of amalgamating communities, as well as the low effectiveness of outreach activities among the population that should be carried out by interim community leadership.

Today, MAs’ tasks are additionally impeded by the forced need to make potentially conflicting decisions which objectively require a special dialogue in communities, for example, on rationalisation of expenses for education (closure of short-staffed schools) and health care, renaming of toponyms, etc. The capacity of MAs to take non-confrontational measures in the above areas is objectively lower than that of ‘typical’ LSGBs.

**Experience shows the need for developing and implementing special regulatory protocols, different from standard regulations<sup>4</sup>, in various areas for communities in specific conditions of war** (as a rule, MAs operate in such communities). This should enable both MAs and local authorities to duly consider security, humanitarian, and economic restrictions of community activities and not waste limited administrative resources on efforts to comply with unattainable standards. What is

<sup>3</sup> Law of Ukraine No. 28 “On the Legal Regime of Martial Law” dated 12.05.2015: <https://zakon.rada.gov.ua/laws/show/389-19#Text> (last accessed: 30.07.2024).

<sup>4</sup> Currently, there are special regulations in place relating to safety considerations only [author].

meant is the regulatory conditions of business activity, organisation of operation of transport companies, financial institutions, health care and educational facilities, regimes of provision of administrative and other public services, sanitary and hygiene requirements, environmental standards, etc.

**An important task is the reliable maintenance of law and order in communities**, in particular the prevention of the risk of looting in population centres that have been temporarily abandoned by most residents. Practice shows the insufficient effectiveness of policing in frontline communities. The extension of the mandate of the newly created military police to patrolling in these communities and detecting 'civil' offenses or to involving reserve military personnel in patrolling will probably have an effect.

**In the absence of an in-depth dialogue, it is difficult to set agreed priorities for the practical operation of communities.** Specifically, local budgets are planned and spent in accordance with decisions of MAs. It should be recognised that communities' current expectations regarding the priorities for the allocation of funds from local budgets are quite unbalanced. There are widespread expectations that community funds will be channelled to support the Armed Forces of Ukraine which sometime conflicts with the basic needs for rapid recovery. Meanwhile, in practice, this runs counter to the requirements of community members to be properly provided with basic living conditions (roads, transport, utilities) which is impossible to do without adequate funding. High-quality maintenance of local infrastructure and basic amenities are not only important for cohesion, community self-organisation, and trust in MAs, but also have direct economic effects through preventing excessive user costs (for example, damage to transport because of bad roads or difficult mobility due to a lack of transport communications), potential man-made disasters and so on, thereby contributing to the return of war refugees to their communities.

**The establishment of MAs of occupied communities a year after the occupation was an appropriate but very late decision.** Within a year, community leaders who also fled the occupation, attempted to ensure cohesion and meet the basic needs of members of these communities who left for the Ukrainian government-controlled areas. Communities whose heads of LSGBs chose the path of collaborationism found themselves in a much more difficult situation. Additional efforts were required to organise the operation of MAs and revive contacts with communities. This **has sparked a unique phenomenon of the so-called virtual community which exists as a whole, outside the territory of origin.** The task of consolidating such community is simplified due to the compact, as a rule, settlement of a large number of IDPs within the boundaries of the same or adjacent oblast. They keep stable contacts with community members who have relocated to other oblasts and even with those who have gone abroad through the mediation of social networks.

Although contacts with community members who remained under occupation have also been reported, they are associated with significant security risks for these people and therefore were maintained in private. Direct communication with the population that remained in TOAs has significantly decreased as compared to 2022–2023 due to the long stay under occupation, influence of Russian propaganda, repression and people's fear of possible punishment by the occupying regime for keeping contact with Ukrainian public authorities. Therefore, to spread information about the community life, it is important, apart from social networks, to support the functioning of community websites, both official and public, access to which does not require registration and can be obtained anonymously.

As of now, the main subject of communication with members of occupied communities is the receipt and distribution of humanitarian aid and the provision of some basic administrative services which is possible due to access to key registers available to heads of MAs. The organisation of remote schooling for children, including those living in Russia-occupied areas, is crucial for maintaining community cohesion. There is a practice of holding meetings with target groups of community activists to set priorities for resuming community activities following deoccupation. It is important that employees of budgetary institutions and administrative bodies who are currently on forced leave will help keep the staff potential of communities ready to resume activities following deoccupation. Conversely, heads of MAs of occupied communities emphasise the insufficient activities of citizens and a lack of contacts with business community regarding the prospects of resuming community activities following deoccupation.

## 2.2. Tasks of public administration of communities in the recovery process

The organisation of effective *recovery from the consequences of war* in areas that need it most (as a rule, MAs currently operate in these areas) imposes some new important obligations on public administration bodies of relevant communities which, in

turn, implies appropriate requirements for their competencies, powers, and institutions. Recovery processes take place, to a certain necessary extent, even during the war and will be considerably intensified following its end.

First, **a set of specific functions should be performed to ensure the recovery process** and shape the need for relevant competencies. These functions include:

- determine the structure and degree of damage and develop tools for rapid assessment of the needs and estimation of recovery cost, translate the recovery needs into projects,
- bring the sequence of recovery in line with national and oblast/local goals,
- set new priorities of local development with regard to post-war changes,
- attract, to a maximum extent, local resources for restoring the economy and infrastructure; the capacity to identify and assess resource potential and needs by means of up-to-date technologies,
- get from various sources and effectively use financial resources for recovery, including through increasing the number of face-to-face contacts with partner communities abroad,
- establish intermunicipal and interregional cooperation on recovery issues,
- stimulate the attraction of investment in specific types of activities important for priority recovery (in particular, demining of areas, restoration of infrastructure, mitigation of military pollution and man-made hazards, etc.),
- offer incentives for the return of IDPs and war refugees from abroad and assist the influx of new community members.

Second, **communities should re-identify themselves** both as subjects of self-government and as objects of administration regarding changes in their composition, total number and spatial location, as well as changes in the local economy's landscape. **The restoration of effective social structure of communities should determine the timeframe for a return to constitutional self-government.**

Third, **the establishment of large-scale communities** (through the amalgamation of existing ones) is likely due to population changes which makes the restoration/creation of transport and telecommunication networks a priority. The mobility of resources in the region will create conditions for the rationalisation of spatial placement of economic activities in the post-war period and will make it possible to shape an effective post-war settlement structure which would differ from the pre-war one due to critical damage scale and potential disappearance of the rational grounds for the existence of some population centres once built under the factory principle. Meanwhile, even in such communities, the basic level of provision of social and public services should be guaranteed regardless of the citizen's place of residence, along with the resumption of operation and accessibility of life-sustaining businesses (shops, banks, post offices, administrative services centres (ASCs), mobile and Internet operators, etc.).

**The limited resource capacity of communities will require the development of intermunicipal cooperation to set up full-fledged networks for providing health care, educational, utility, and administrative services.** The decision to amalgamate communities should provide for a certain time lag following the basic restoration of infrastructure to determine the prospects for population recovery. For separated areas where community recovery will be difficult or impossible (due to significant damage/pollution, increased security risks), it is necessary to provide for a special temporary status of oblast subordination, with the prospects of reinstating self-governance after a while. Population centres in these areas may have a special self-governing status.

It is likely that at the initial phases, people will rather actively return to deoccupied areas. However, **a decision to stay in communities will depend on the availability of employment, living conditions, safety and, last but not least, the restoration of community livelihoods.**

Fourth, **the imposition of special economic regimes** (e. g. special economic zones)<sup>5</sup> may be appropriate for some areas. In this case, public authorities should be vested with relevant special powers. The specific content of special regimes should become a subject of discussion at the international level with the involvement of main stakeholders of post-war recovery.

**The implementation of the above tasks in communities with MAs in their current form may be difficult due to their limited institutional capacity and mandate.**

One of the examples of the above restrictions is the possibility of **managing community property**. In accordance with the applicable legislation, MAs can lease property for a period of no more than one year and have no right to alienate property.

<sup>5</sup> Zhalilo Ya., Bakhur N., Holovka A. Territorially Oriented Mechanisms for Stimulating Investments in Ukraine's Post-War Recovery. Analytical report. Edited by Zhalilo Ya. Kyiv: NISS, 2023. P. 78: <https://doi.org/10.53679/NISS-analytrep.2023.09> (last accessed: 30.07.2024).

However, the transfer of certain destroyed municipal facilities into private ownership may be an optimal way to ensure recovery even during a long-lasting war, let alone the reconstruction period. The possibility of property privatisation may be important for attracting investors to communities.

Achieving the complementarity of recovery and realisation of the community development potential requires relevant **strategizing** which is impossible without the inclusive involvement of key stakeholders who are community members. At present, MAs have very limited opportunities for strategizing. However, according to the applicable legislation, draft programmes for the comprehensive recovery of oblasts and territories of communities, as well as amendments to them, are subject to mandatory public discussion. It will be even more difficult to establish relations with international partners who are potential donors for community recovery and who pay close attention to self-governance in communities when making decisions on recovery funding, selecting priorities, and ensuring public control of the implementation of projects.

When it comes to areas that have been under long-term occupation (since 2014), it should be noted that they will be subject to additional specific risks following deoccupation. These risks will imply *conflictual attitudes of some population groups and a lack of trust from those* who have been long influenced by Russia's propaganda. Furthermore, there will be serious challenges for national security due to the spread of weapons, enemy's subversive activities, proximity to the territory of the aggressor country, etc.

In these communities, it is necessary to provide for comprehensive measures for *institutional reconstruction* which implies the re-identification of residents of deoccupied areas in the Ukrainian political, legal and cultural space, creation of contemporary narratives for regional identity as a basis for Ukrainian identity, and step-by-step establishment of an effective system of local self-governance. Although the establishment of an effective local governance system with regard to the legislation on collaborationism will pose a formidable challenge, it is the most important factor in the reintegration of the above communities into Ukraine's economic, political, legal, humanitarian, and mental space<sup>6</sup>. Today, MAs have been set up only in communities occupied since 2022 which results in institutional uncertainty regarding the recovery prospects for communities occupied since 2014.

In the context of a full-scale war, it is very important to arrange monitoring and study of changes occurring in occupied communities due to actions of occupying administrations, including their interactions with the population. This will make it possible to more efficiently map out plans and tools for policies for the recovery of self-governing communities in these areas following deoccupation.

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Hence, the system of military administrative authorities of the state, shaped during martial law, is focused on facilitating the implementation of security and defence policy tasks at the community level. Against this background, it is becoming increasingly important to strike a balance between security and people power which, among other things, necessitates steps towards preserving self-governance and interactions between MAs and local populations, ensuring public influence on local decision-making, building state-public cooperation, and strengthening cohesion and resilience of communities in the face of military and political challenges. Moreover, it is impossible to build a stable and progressive post-war Ukraine without arranging the stable operation of self-government and local democracy institutions, including in deoccupied communities. To this end, it is necessary to take decisive steps and have a clear target to aim towards.

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<sup>6</sup> Zhalilo Ya., Bakhur N., Holovka A. Territorially Oriented Mechanisms for Stimulating Investments in Ukraine's Post-War Recovery. Analytical report. Edited by Zhalilo Ya. Kyiv: NISS, 2023. P. 78: <https://doi.org/10.53679/NISS-analytrep.2023.09> (last accessed: 30.07.2024).

### 3. RISKS AND CHALLENGES FACED BY COMMUNITIES OPERATING IN THE CONTEXT OF LIMITED SELF-GOVERNANCE

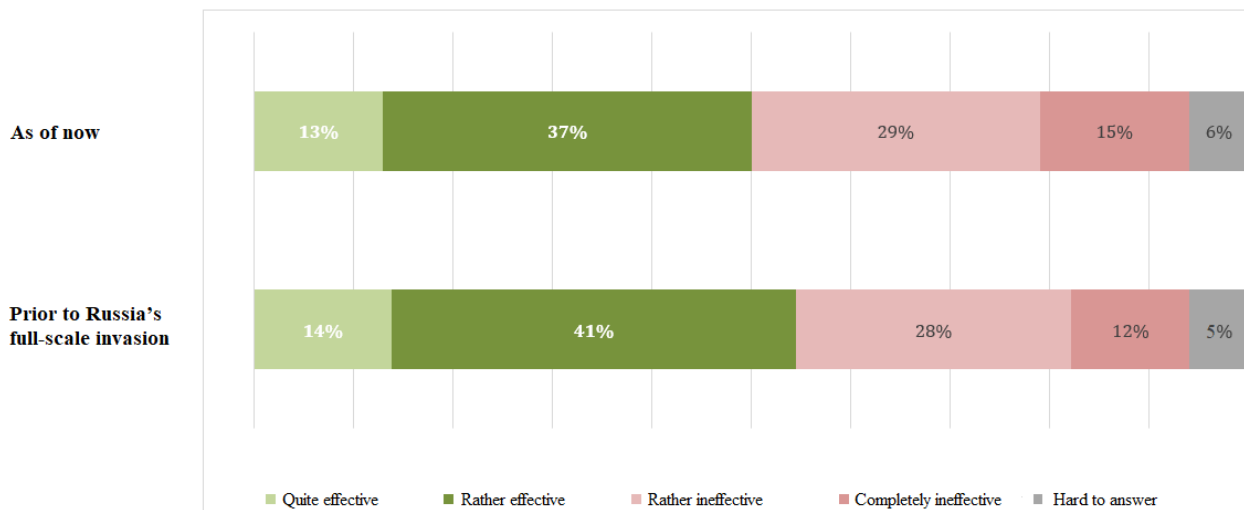
**The operation of territorial communities during martial law is accompanied by significant risks to cohesion and self-governance caused by changes occurring in and outside of communities due to the war, notably:**

- The subjectivity<sup>7</sup> of many communities is being changed due to changes in their composition (influx of IDPs, relocation of a large part of the population, mobilisation of reservists, etc.) and/or the loss, for some reason, of a significant part of local elites and public opinion leaders (for example, in the case of their departure from communities, deaths, service in the Armed Forces of Ukraine, abduction and unlawful detention by the Russian militaries, collaboration with the enemy and escape, etc.).
- The economic landscape of communities is being changed as a result of destruction of businesses, the impossibility of operation due to war pollution, and the loss of exogenous drivers (for example, the transit status). Consequently, employment opportunities are being lost, well-established professional associations and spontaneous clusters are being destroyed, and the influence of elites is being redistributed.
- Due to restrictions on local self-governance and the public sphere (in particular, on mass gatherings, especially in front-line areas), the temporary impossibility of holding local elections and updating the composition of local councils, trust in local self-government institutions is being eroded, and the level of social cohesion is decreasing.
- Due to the absence or ineffectiveness of mechanisms of influence of community members on decision-making directly related to issues of local concern, the involvement of citizens in the process of governance at the local level and the consistency of communication and cooperation of the public with local authorities are being lost. This applies both to communities where LSGBs operate and to communities where MAs operate.
- Internal potential conflict lines are being shaped due to changes in the status of some community members who have specific needs and visions of priorities for further community development (those who lost loved ones, who suffered from destruction, who fled frontline communities in the period of high risks or, on the contrary, remained in occupied communities; veterans, etc.). Potential conflicts can be fuelled by activities of individual local-, oblast-, and national-level politicians willing to reap political dividends.
- The enemy may launch targeted hybrid attacks on community cohesion through exploiting sensitive issues and conflict potential in relations with central authorities.
- Relations with the populations of TOAs are being deteriorating which, along with the spread of anti-Ukrainian propaganda and disinformation, can be used by Russia to 'legitimise' the illegal alienation of Ukraine's territories.

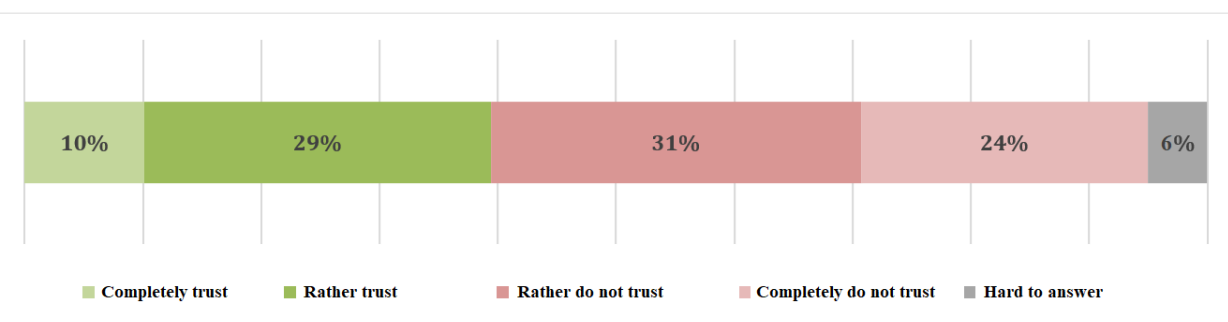
**The above drastic changes and influences erode the well-established institutional landscape of communities, impair their capacity for self-governance, and create additional difficulties for the involvement of community members in solving issues of local concern** even in communities where LSGBs operate and the more so if their powers are exercised by MAs. The centralisation of power, limited self-government powers, a cut in budgetary resources available in communities, and other factors may wipe out key achievements of the reform of local self-government and territorial organisation of power (decentralisation reform) which poses critical risks for Ukraine's post-war progress and its advancement towards European integration.

<sup>7</sup> By subjectivity we mean the capacity of communities to act and make responsible decisions.

Current sociological data show slightly positive dynamics of assessments of the effectiveness of interactions of residents of cities/villages and local authorities in solving important community issues as compared to the pre-war period (see Figure 3 “Public assessment of the effectiveness of interactions of residents of cities/villages and local authorities in solving important community issues”). At the same time, the above threat is realistic, because only 39% of the population currently trust local authorities (Figure 4 “Trust of the population in local authorities”). Local authorities are among institutions in which Ukrainians have little trust (along with political parties, the parliament, the government, trade unions). While determining obstacles to effective interactions of community members with local authorities, respondents most often point to corruption (in the opinion of almost every second respondent), a crisis of trust in local authorities and unwillingness of representatives of authorities to resolve citizens’ problems (in the opinion of every fourth person), bureaucratic procedures, and incompetence of representatives of authorities (in the opinion of every fifth respondent).



**Figure 3.** Public assessment of the effectiveness of interactions of residents of cities/villages and local authorities in solving important community issues<sup>8</sup>



**Figure 4.** Trust of the population in local authorities<sup>9</sup>

<sup>8</sup> Prepared based on the results of “Attitudes of Ukrainians During the War” study carried out by Info Sapiens for the Ukrainian Center for Independent Political Research as part of “Sustaining the Resilience of Ukraine towards the Emerging Risks and Consequences of the War” project. CATI, Omnibus (April wave). Kyiv, 12–14.04.2024.

<sup>9</sup> Prepared based on the results of “Attitudes of Ukrainians During the War” study carried out by Info Sapiens for Ukrainian Center for Independent Political Research as part of “Sustaining the Resilience of Ukraine towards the Emerging Risks and Consequences of the War” project. CATI, Omnibus (May wave). Kyiv, 10–20.05.2024.

**The destruction of institutions of self-government will have a systemic adverse impact which will cause negative economic, social, political, and security consequences linked to:**

- strengthening of community members' inclination to paternalism (passive waiting for administrations' decisions), the loss of motivation for public and economic activities, discredit of the idea of decentralisation in the eyes of community members,
- erosion of local identity, increasing efflux of people, and, in the long run, destruction of community subjectivity,
- deterioration of the quality of decisions of MAs, the loss of potential for synergy with communities, parallelism or inconsistency of actions, and, in the long run, difficulties in solving urgent problems, especially strategic tasks of development,
- increasing risks of corrupt practices of administrations' employees (MAs and executive committees) given the absence of public control,
- likelihood of de facto 'privatisation' of communities due to control of their resources and administrations' decisions established by a powerful local business entity (or a large corporation whose offices operates on community territory).

As mentioned above, **Ukraine's model of replacement, where appropriate, of LSGBs with military administrations made it possible to preserve the livelihood of communities that lost the institutional capacity for self-governance.** Consistent actions of MAs in most communities helped build the necessary trust and laid foundations for interactions with community members. International donor programmes that provided methodological support for activities of local POs, counselling, and successful experience sharing played an important role. However, not in all communities MAs have started to operate quickly enough. Apart from the unprecedented complexity of wartime challenges, some MA heads and employees apparently lacked practice.

**Experience of the operation of MAs allows to distinguish areas in which the MA model may show insufficient capacity.** Surveys conducted among some deoccupied communities<sup>10</sup> showed that community members find a number of shortcomings in activities of local MAs, including:

- Likelihood of non-transparent distribution of humanitarian aid which raises suspicions of corruption and misuse of humanitarian aid and budget funds,
- lack of understanding by MA employees, who are not local community members, of the specifics of communities and the region (according to estimates, more than half (33) of heads of 62 MAs of Donetsk and Luhansk oblasts had not formerly held administrative positions in these TCs, and according to Kyiv School of Economics, only a third of surveyed heads of local MAs are incumbent heads of communities elected in local elections in 2020<sup>11</sup>),
- lack of communication and reporting on MA activities to community members,
- lack of discussion with local populations on recovery and reconstruction plans.

Citizens often accuse MAs of insufficient proactivity, focus on addressing current problems, distribution and provision of humanitarian aid, construction materials for reconstruction, and so on, instead of consistent and long-term solutions important for communities.

It should be noted that MA heads also complain about the excessive passivity and reluctance of community members to get involved in solving current problems. **It is possible that in some cases, the real problem is represented by the lack of institutional organisation of community interactions with MAs, information transparency, and inclusion.** However, the lack of information transparency that restricts inclusion may also be due to security considerations.

On the other hand, there are many positive examples of effective organisation of activities of MAs in interactions with active community members. The involvement of executive committees of communities, members of defunct LSGBs, and starostas, parallel to mandatory consideration of the interests of all communities' population centres (which is especially important for urban communities with rural localities), serve as powerful mechanisms for maintaining and preserving inclusiveness in activities of MAs.

<sup>10</sup> The Situation in Deoccupied Communities of Kharkiv and Kherson Oblasts. Analytical report. Kyiv: "Ideas for Change" Centre of Public Initiatives, 2023.

<sup>11</sup> Darkovich A., Hnyda O. Where Is the Centralisation? Kyiv: Center for Sociological Research, Decentralisation and Regional Development, Kyiv School of Economics, 2024: <https://kse.ua/wp-content/uploads/2024/05/Full-version.-Ukrainian.-KSE.pdf> (last accessed: 30.07.2024).



Problematic issues may rather be caused by personal qualities of MA heads, understaffing of MAs due to some objective reasons (departure of people from communities and the country, mobilisation measures, and so on), the lack of relevant specialists, as well as the excessive number and complexity of problems given the insufficiently shaped institutional models of problem-solving. It is worth adding that the problem of staffing is also typical of LSGBs, as 85% of local self-government bodies face the problem of attracting skilled staff due to the lack of specialists' motivation and low salaries<sup>12</sup>.

A survey by Kyiv School of Economics<sup>13</sup> confirmed that MAs cooperate with oblast military administrations (OMAs) on a regular basis, primarily through promptly solving current problems, holding weekly meetings, making online calls, communicating via messengers, etc.

At the same time, within the framework of consultations conducted by the authors, **MAs emphasised insufficient communication with central authorities** regarding the explanation of decisions made, advance notification, and consultations on rationale for decisions. A weak point is coordination between MAs and local offices of central authorities, in particular bodies of the Ministry of Internal Affairs of Ukraine (regarding the maintenance of law and order in the community), the Prosecutor General's Office (regarding collaborationists), territorial recruitment centres (regarding the reservation of employees of critical sectors). Better communication with the Ministry of Community Development, Territories and Infrastructure of Ukraine (regarding the organisation of passenger transportations), the Ministry of Energy of Ukraine (regarding the involvement of local power generation companies), Ukrenergo (regarding the optimisation of power supply schemes and hourly power outages), and others would be important to optimise the operation of communities.

Most likely, an important role in the organisation and moderation of such communication should be played by oblast and raion MAs. The tasks of the latter appear to be fairly vague, as heads of settlement MAs underscore the problem of duplication of functions of OMA offices by raion administrations, the need to submit the same reports to raion and oblast authorities, etc. However, **in the current circumstances, enlarged raions could potentially take over, under the guidance of MAs, the tasks of accumulating and aggregating information flows from communities, providing methodological and legal support, and conducting trainings for representatives of LSGBs, MAs, and CSOs.**

Raion-level MAs may also be tasked with ensuring construction and further maintenance of defence fortifications in border communities. Assigning this task to communities, as is currently practiced, goes beyond their financial and organisational capacities and may reduce the effectiveness of its implementation.

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Difficulties in the implementation of self-governance principles in the operation of a large number of communities considerably restrict the institutional capacity of MAs and thereby the implementation of the MA-centred public policy. Limited opportunities for the operation of LSGBs in a large number of communities, primarily those under temporary occupation, will be a long-term trend even after the end of martial law.

Hence, **in communities where, for some reason, LSGBs will not be reinstated for a certain period of time, self-governance practices in the form of institutions of deliberative democracy should be developed and implemented** which would contribute to the involvement of experts, academicians, project managers, and others for the expert support of activities of MAs, help consolidate communities for solving their major problems, advocate the interests of the main social groups and communities in general, and pave the way for reinstating full-fledged self-governance. Consistent interactions of local authorities and the public in the process of administrative decision-making, political activist culture of local populations have effects not only on local and regional development, but also on social cohesion and resilience in general during a full-scale war, as well as on Ukraine's advancement towards European Union accession.

12 "Public Discussion as a Tool for Developing the Institution of Starostas" study carried out by DESPRO at the request of the Committee of the Verkhovna Rada of Ukraine on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning in 824 starosta districts in 131 territorial communities (18 oblasts). *Committee of the Verkhovna Rada of Ukraine on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning*: <https://komsamovr.rada.gov.ua/uploads/documents/43981.pdf> (last accessed: 30.07.2024).

13 Darkovich A., Hnyda O. Where Is the Centralisation? Kyiv: Center for Sociological Research, Decentralisation and Regional Development, Kyiv School of Economics, 2024: <https://kse.ua/wp-content/uploads/2024/05/Full-version.-Ukrainian.-KSE.pdf> (last accessed: 30.07.2024).

## 4. INSTITUTIONS OF DELIBERATIVE DEMOCRACY IN COMMUNITIES WITH LIMITED SELF-GOVERNANCE

### 4.1. Tasks and forms of deliberative democracy in the context of limited self-governance

Experts of the Organization for Economic Cooperation and Development (OECD) distinguish three main dimensions that create community members' sense of well-being, and therefore, awareness of identity and motivation to get engaged in joint community actions. The first dimension is the efficiency and quality of basic social infrastructure (schools, health services, roads, and public transport). The second is the focus of local economic development strategies on improving the quality of life of community members. The third is the involvement of communities in regional planning and priority setting to ensure that the interests of all local community groups are properly considered<sup>14</sup>.

Hence, **the preservation and comprehensive development of self-government as a realised capacity for self-governance is an important factor for restoring and strengthening the human and social capital of communities even in the context of high military risks.** Given the temporary impossibility of operation of LSGBs in communities in the constitutionally mandated form, the content of the self-government institution should be implemented to the fullest extent through the involvement of citizens in solving local development issues using deliberative democracy mechanisms.

**The main real outcomes of the operation of the self-government institution should include:**

**a) for communities:**

- possibility of organising joint actions for community needs,
- joint setting of requirements (expectations) for actions of local authorities (including MAs),
- ensuring community control of actions of local authorities as a basis for trust,

**b) for local authorities:**

- optimising governance due to understanding of community needs,
- achieving synergy of actions to implement governance tasks,
- strengthening positions in relations with higher-level authorities due to community reputation.

**A dialogue with a wide range of communities should take place, based on both formal and informal relevant institutional mechanisms, regarding acute issues of their development, their place and role in regional and national processes.** A very important function of the above mechanisms is to focus activities of community members on addressing specific life-sustaining and development tasks. This will make it possible to shift public activism from hands-off control of actions of authorities, usually combined with paternalistic passivity when communities feel outside of even the most successful projects of local authorities, to a really inclusive self-governance. Along with that, global (for example, combating climate change) or national (for example, maintaining the country's defence capability) tasks should be localised at the community level, with

<sup>14</sup> OECD Regional Outlook 2016: Productive Regions for Inclusive Societies. Paris: OECD Publishing, 2016. P. 190: <https://doi.org/10.1787/9789264260245-en> (last accessed: 30.07.2024).

clearly defined areas of responsibility of communities, possible joint actions and expected positive effects for communities, and opportunities to influence national policy through relevant channels of vertical communication. This should contribute to the **convergence of local (regional) and national (Ukrainian) identities.**

**The following steps are needed for an effective public dialogue in communities:**

- determine its main discourses based on expert discussions and sociological (expert) surveys,
- set restrictions (red lines) for holding a dialogue and making decisions suitable for communities,
- ensure the launch (catalysis) of a dialogue through relevant events and public messages,
- ensure the involvement of various circles of participants and representatives of interest groups using relevant communication technologies,
- ensure the necessary depth and scale through setting relevant qualifications and informing participants.

While identifying **means of optimising the involvement of community members in the modern context**, Polish researchers<sup>15</sup> proposed the following principles:

- proactivity (delegation of powers to civil society institutions and their partnership with authorities),
- transparency and openness of local authorities,
- targeted work with public leaders,
- increased emphasis on work with youths,
- high-quality methodological and information support of self-governance,
- wide use of information and communication technologies,
- digital gap in communities to be taken into account and bridged,
- duration (continuity) instead of campaigns (episodic nature),
- qualified approaches of authorities to the organisation of communication.

**Ukraine's applicable legislation defines a wide range of tools of deliberative democracy at the community level to ensure the implementation of self-governance functions which can potentially be applied in communities with MAs, including:**

- a) **advisory bodies (ABs)** under LSGBs and their officials can be created directly at MAs, local authorities and executive bodies of local councils. ABs monitor the body's activities, conduct public examination of decisions, contribute to their preparation, etc. The legislation does not limit their functionality. It is appropriate to distinguish ABs depending on the participants' contingent: expert, industry, youth, veterans', IDP councils, etc.,
- b) **public assessment (examination) of activities of councils' executive bodies and officials**<sup>16</sup> enabling civil society institutions and public councils to get involved in assessing activities of executive authorities, effectiveness of their decisions, draft regulatory and legal acts (RLAs), and developing expert proposals. As a special case, the Law of Ukraine "On Providing Population Centres with Amenities"<sup>17</sup> envisages the appointment by local administrations of public inspectors to control the implementation of amenities works,
- c) **public consultations on issues of local concern** initiated by LSGBs through publishing a special consultation document. Public consultations can be held in electronic format, as well as in the format of public discussions and face-to-face consultations. First and foremost, the possibility of holding consultations in electronic (remote) format is important for the operation of MAs; convenient electronic platforms have been developed for this purpose. At the same time, according to the law, a **public discussion should be held** where the subject of consultation concerns the constitutional rights, freedoms and duties of citizens; the interests of TCs, the exercise of powers of LSGBs (provided that public consultations are delivered by public authorities); lays down a new legal regulation in a particular area of social relations in connection with which stakeholders have new rights or obligations, as well as benefits or restrictions; concerns

<sup>15</sup> 25 Lat Trójstopniowego Samorządu Terytorialnego w Polsce. *Raport Europejski Kongres Samorządów*. Wrocław, Luty, 2024.

<sup>16</sup> Resolution of the Cabinet of Ministers of Ukraine No. 976 "On Approval of the Procedure for Facilitating Public Examination of Activities of Executive Authorities" dated 05.11.2008: <https://zakon.rada.gov.ua/laws/show/976-2008-%D0%BF#Text> (last accessed: 30.07.2024).

<sup>17</sup> Law of Ukraine No. 49 "On Providing Population Centres with Amenities" dated 06.09.2005: <https://zakon.rada.gov.ua/laws/show/2807-15#Text> (last accessed: 30.07.2024).

funding and legal status, granting benefits or setting restrictions for public associations, public unions, other not-for-profit organisations; sets strategic goals, priorities, and tasks in the relevant areas of public and regional policies; addresses issues of local concern; affects the natural environment condition, environmental, biological, and genetic safety. It should be noted that violations of the requirements for holding public consultations may be grounds for revising the adopted act<sup>18</sup>,

- d) **general meetings or conferences (meetings of authorised representatives) at the place of residence.** The problem of using this tool in communities with MAs is that meetings are considered eligible if more than half of community members participate which is difficult to achieve in such communities, even in the case of remote meetings,
- e) **local initiatives** meaning subject proposals or draft decisions prepared by the initiative group which received the required number of signatures in support. LSGBs and, consequently, MAs are obliged to consider the initiative on its merits. Electronic petitions can be deemed as a subtype of this tool,
- f) **public hearings on important community issues** are held at least once a year. It is important to properly standardise the procedure for their conduct in the community charter, including (for communities with MAs) in the remote format. Proposals submitted as a result of public hearings are subject to mandatory consideration by LSGBs. **Hearings must be held on the following issues:** making and approval of amendments to TC charters, draft policy papers on TC development, draft community budgets,
- g) **individual tools for interaction of community members with LSGBs/MAs such as citizens' appeals, requests for public information, and personal reception of citizens** are important for building trust, but they are not always linked to the implementation of self-governance.

Although the **Law of Ukraine No. 7283 "On Amendments to the Law of Ukraine "On Local Self-Government in Ukraine" and Other Legislative Acts of Ukraine on Democracy at the Level of Local Self-Government"** adopted in May 2024 also provides for the mechanism of a local referendum, a procedure for its holding is at the stage of drafting the Law No. 5512 dated 19 May 2021. In accordance with the draft Law, the following may be the subject of referendum: approval of the charter of the TC or amendments to it; approval of the development programme of the TC or amendments to it; early termination of powers of the village, settlement, or city council; early termination of powers of the village, settlement, city mayor; invalidation of the RLA of LSGBs or its particular provisions; another matter of local concern assigned by the Constitution and laws of Ukraine to the jurisdiction of the TC, its bodies and officials<sup>19</sup>. The decision adopted at the local referendum should be mandatory for the implementation on the territory of relevant TC. If adopted, the draft Law should provide, from our point of view, for transition periods and the postponement of the entry into force of its provisions in communities with limited self-governance in connection with the specifics of creation of the base of voters/referendum participants and the need to reinstate the key institutions of self-government.

**The multifaceted nature of objects and tasks of self-governance in communities creates a basis for the development of various forms and other tools of self-governance not provided for by the legislation on local self-government which in the context of a full-scale war are effective for strengthening cohesion of communities and involving their members in practical solutions of important community issues in the format of everyday democracy.** Among them are a variety of public events such as forums, festivals, conferences, organisation of so-called tolukas (collective community works), public works, calls for proposals, and municipal grants for CSOs, volunteer and crowdfunding projects, etc. Experts emphasise the importance of setting up local and national networks for sharing knowledge, expertise, practices, and legal approaches among proactive citizens<sup>20</sup>.

The availability and development of **informal gathering places** (so-called third places<sup>21</sup>) such as parks, public gardens, alleys, recreation areas, libraries, clubs, art spaces, and others with appropriate arrangements for active interactions of people is important for establishing communication in communities. For larger communities, there should be more such places with relevant transport connections between them.

18 Draft Law of Ukraine No. 4254 "On Public Consultations" dated 23.10.2020: [http://w1.c1.rada.gov.ua/pls/zweb2/webproc4\\_1?pf3511=70235](http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=70235) (last accessed: 30.07.2024).

19 Draft Law of Ukraine No. 5512 "On Local Referendum" dated 19.05.2021: <http://w1.c1.rada.gov.ua/pls/zweb2/webproc34?id=&pf3511=71942&pf35401=547636> (last accessed: 30.07.2024).

20 Sztóp-Rutkowska K. *Demokracja codzienna*. Warszawa: Fundacja im. Stefana Batorego, 2024: [https://www.maszglos.pl/wp-content/uploads/2024/06/demokracjacodzienna\\_fin.pdf](https://www.maszglos.pl/wp-content/uploads/2024/06/demokracjacodzienna_fin.pdf) (last accessed: 30.07.2024).

21 Oldenburg, R. *The great good place*. NY: Paragon House, 1991.

According to researchers<sup>22</sup>, during a full-scale war, communities with MAs use in practice the tools of public consultations, public hearings, citizens' appeals and the opportunities for personal communication with community members, engage public representatives in working groups and commissions. Public councils, councils of IDPs, youth councils, industry councils under executive bodies of local councils, as well as public commissions under MAs are in place. Specifically, in Mykolaiv, the system of public advisory bodies established ten years ago under the executive bodies of the City Council continues to operate as a mechanism for participation and representation of the locals' interests in the elaboration and implementation of decisions on recovery and urgent problems of survival, resilience, and security. The system is based on the expert public council of the executive committee of Mykolaiv City Council.

Digital tools of communication of the public with authorities are used. The public is informed via official websites (if available) and social networks such as MA official Facebook pages, or Viber and Telegram chatbots.

The monitoring of **information resources** carried out by us in late June – early July 2024 makes it possible to conclude that in almost all communities (94%) where MAs have been established, the latter have operational websites although with different levels and frequency of updates. These websites are most often created on the basis of websites of local councils, or as special sections of websites of TCs or local councils dedicated to basic information about MAs and coverage of their activities. Also, almost all MAs have official accounts on social networks (most often on Facebook and/or Telegram, less often on Instagram) and chatbots (on Telegram and Viber). At the time of monitoring, MA websites were either not available or had not been updated for more than a year only in 12 communities although almost all MAs have official pages on social networks (primarily Kherson oblast). Publications on MA websites, especially ordinances of MA heads, emergency messages on security issues or other socially important information, are usually duplicated on MA pages on social networks.

Meanwhile, most MAs have been reported to become more closed and passive in cooperation with the public, while the above tools were often used in a pro forma manner. According to the results of a study by DESPRO, only half of communities have approved the procedure for holding public discussions, whereas more than 40% failed to hold public discussions for various reasons<sup>23</sup>.

A rather popular tool is represented by **recovery councils** acting as a platform for advisory interactions between MAs, community members, foreign partners, local businesses, and potential investors. Specifically, since 2023, Zaporizhzhia Recovery Council<sup>24</sup> has been operating as a voluntary, informal advisory association of public and charitable organisations, representatives of the expert community, academicians, and entrepreneurs to coordinate issues of post-war recovery and sustainable development of the city of Zaporizhzhia and Zaporizhzhia oblast. Its experience as a pilot project can be used in other communities, including those under temporary occupation.

When organising local self-governance in Ukraine, it should be taken into account that **the incompleteness of building a balanced system of civil society in the pre-war period, along with the impacts of a full-scale war, determine the tangible specificity of the subject of self-governance in Ukraine which is much more volatile and amorphous than in European practice.**

Specifically:

- large number of POs are not 'traditional' CSOs. They de facto perform commercial functions or transmit political influences,
- structure of civil society is dominated by informal groups and individuals not united in POs,
- structure of the actual population of communities with MAs is dominated by older people who have specific needs and are less involved in digital communications,
- people who left communities, including those who stay abroad, can play a significant role in activities of ABs at a variety of levels,

22 Specifics of Organising the System of Public Administration in Donetsk and Luhansk Oblasts. Analytical note. Odesa: Association for the Promotion of Self-Organisation of the Population, 2023: <https://static1.squarespace.com/static/65fd5f0c74095b1aa764ee10/t/664ae4666ec1a728d2b7a6af/1716184168152/Analytics4.pdf> (last accessed: 30.07.2024).

23 "Public Discussion as a Tool for Developing the Institution of Starostas" study carried out by DESPRO at the request of the Committee of the Verkhovna Rada of Ukraine on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning in 824 starosta districts in 131 territorial communities (18 oblasts). *Committee of the Verkhovna Rada of Ukraine on the Organization of State Power, Local Self-Government, Regional Development and Urban Planning*: <https://komsamovr.rada.gov.ua/uploads/documents/43981.pdf> (last accessed: 30.07.2024).

24 Arabadzhiev D. The Recovery Council as a Tool for Public Engagement in Shaping an Ecosystem of Sustainability, Resilience and Democracy. Analytical report. Zaporizhzhia: Ecosense NGO, 2024. 32 p.: <https://vidnova.info/wp-content/uploads/2024/03/Recovery-Committee-Analytical-Report-24-UA.pdf> (last accessed: 30.07.2024).

- volunteering makes up a significant percentage of community activities; however, due to its focus on supporting the Defence Forces, it often does not pay attention to the tasks to be addressed by self-governance.

Hence, **apart from organising self-governance in communities, MAs should contribute to additional structuring of the civil community and shaping of consolidated interests.** For this reason, the communication dimension of activities should be taken into account, accordingly staffed, and structurally provided as early as during martial law to become one of the decisive transformations in the post-war period.

Activities of MAs in deoccupied communities are significantly complicated by the need to consider the consequences of collaborationism, which is not properly regulated in Ukraine, and the consequences of influences of Russian propaganda. It is possible that in some deoccupied communities (in particular, in 100% of communities occupied since 2014), a priority should be given to the development of interactions between community members which has a depoliticised dimension (in respect of some practical aspects of community development and recovery). This can pave the way for resolving possible political differences.

The above legally enshrined tools of deliberative democracy are designed to ensure effective interactions within communities and between community members and MAs. However, *the readiness of communities for self-governance* is decisive in these interactions and implies relevant structuring of communities with the division of social roles, articulation of the interests of social groups and communities in general, and institutionalised practices of interaction of community members. Localised business in the form of local enterprises, cooperatives, production clusters, and so on can also be considered as an element of self-governing communities.

Therefore, **the process of building deliberative democracy in communities with limited self-governance should provide for the creation of a relevant institutional basis for local self-governance** represented by a network of public associations, local self-government associations, institutions of economic democracy, and the institutional system of smart communities.

## 4.2. Public associations

Synthesis of civil society at the community level occurs in the interactions of community bodies of public administration (LSGBs or MAs) and public associations. However, it is possible only if associations operate as a tool for the inclusion of community members, therefore, constituting a diversified network, not as enclaves representing a limited range of public activists.

Pursuant to the Law of Ukraine “On Public Associations”<sup>25</sup>, public associations operate in the form of **public organisations (POs)** where founders and members can be natural persons only, or **public unions** where founders are legal entities and members can be both legal entities and natural persons. According to statistics, prior to Russia’s full-scale aggression (as of late 2021), 6,369 POs were registered in Donetsk oblast and more than 3,300 in Luhansk oblast. Functions of POs imply *the protection of the interests* of their members, whereas those of **charitable organisations (COs)** as a type of CSOs are geared towards direct *provision of aid* to promote the legitimate interests of beneficiaries. The principles of the establishment and operation of COs are laid down by the Law of Ukraine “On Charitable Activities and Charitable Organisations”<sup>26</sup>. 883 COs were registered in Donetsk oblast and 481 in Luhansk oblast as of late 2021<sup>27</sup>.

Therefore, when it comes to building the institutional basis of self-governance, **the priority should be given to the maximum involvement of existing POs and COs having institutional experience in cooperation with MAs.** However, to achieve inclusiveness of the PO network, its expansion should be promoted through institutionalising social groups with similar interests in the PO format, including professional associations, creative communities, youth, the elderly, disabled people, hobby groups, etc. Small forms of POs, even despite their insignificant number, have a direct impact on the involvement of community members and can be effective in solving issues of local concern. Veterans’ organisations have a powerful potential, because, apart from protecting their own interests, they have an active public position aimed at the entire community. The initiation of POs may become one of the areas of conversion of volunteer activities in the post-war period. The proactivity of communities’

<sup>25</sup> Law of Ukraine No. 1 “On Public Associations” dated 22.03.2012: <http://zakon2.rada.gov.ua/laws/show/4572-17> (last accessed: 30.07.2024).

<sup>26</sup> Law of Ukraine No. 25 “On Charity and Charitable Organizations” dated 05.07.2012: <http://zakon3.rada.gov.ua/laws/show/5073-17> (last accessed: 30.07.2024).

<sup>27</sup> Studying the Possibilities of Using Tools of Local Democracy in the Context of Transitional Public Administration in Donetsk and Luhansk Oblasts. Analytical note. Odesa: Association for the Promotion of Self-Organisation of the Population, 2023: <https://static1.squarespace.com/static/65fd5f0c74095b1aa764ee10/t/664ae4666ec1a728d2b7a6af/1716184168152/Analytics4.pdf> (last accessed: 30.07.2024).

networks of POs will also be enhanced due to creation of public unions of entrepreneurs or territorial offices of nation-wide unions. The process of institutionalisation of POs should be deformed to the maximum extent.

New POs can be established as part of grant programmes of international organisations or authorities. However, MAs should intentionally involve them in the tools of deliberative democracy to ensure their further sustainable operation. It is the involvement in the above tools that allows to overcome a conflict between the goals of POs set by their members who may represent relatively narrow social groups and the goals of LSGBs/MAs whose activities are aimed at communities as a whole. Tools of deliberative democracy should systematically integrate the goal of representing the interests of members, for whom a particular PO works, into community tasks, with relevant community resource and institutional capacities and restrictions. Therefore, **the synergy of POs and MAs not only complies with the statutory goals of POs, but also strengthens the capacity to attain these goals in case of constructive movement of both parties towards each other.**

The attitude of POs to the institution of the State will take shape through the prism of MAs, especially since in the eastern oblasts of the country and in the pre-war period, LSGBs were often perceived by community members as public authorities, while MAs were treated as de jure personification of the state in communities.

**An additional element of resilience of POs is the establishment of their horizontal interactions** both within communities to jointly take on important tasks (based, to a large extent, on joint participation in tools of deliberative democracy) and with similar POs of other communities to share experience and mutual capacity building.

Where MAs are burdened with solving current urgent problems, POs can take on the initiation and holding of public dialogue regarding the vision of community future, recovery priorities, future drivers of development, addressing key conflict issues, etc. Long-term visions should be integrated with narratives of meeting national and global challenges. **Promoting the institutionalised inclusion of communities into global processes, POs thereby contribute to the strengthening of community cohesion in the face of challenges of global turbulence.**

### 4.3. Local self-governing associations

Local self-governing associations differ from POs in their role as representative bodies for coherent, clearly defined social groups of communities and are therefore capable of assuming delegated powers. POs are created on the basis of common interests and rely on weaker ties shaped by situational interactions (bridging social capital according to the classical definition by R. Putnam)<sup>28</sup>, whereas self-governing associations are, as a rule, established on the basis of less volatile attributive characteristics (place of residence, profession, etc.) and therefore can be associated with a much stronger and sustainable bonding social capital. Classical self-governing associations include **bodies of self-organisation of the population** (BSOPs) and **homeowners' associations** (HOAs). They may potentially include **professional self-governing associations** which represent professional communities in particular areas and do not have the clear territorial binding. However, in Ukraine, activities of the above associations are not regulated, and they operate, as a rule, as POs which lowers their representative status.

BSOPs<sup>29</sup> are established on the initiative of residents of a house, quarter, street, micro-district, district in a city, village (villages), settlements to solve particular issues of local concern, have their own powers and can perform powers delegated by LSGBs or MAs. According to the legislation, they can also be given funds and property of TCs needed to perform these powers. The representative status of BSOPs enables them to be empowered to organise, ensure, and control post-war recovery in communities due to which they can raise external donor funding and ensure its targeted use more confidently than POs.

The Law defines a fairly wide range of powers that can be conferred on BSOPs, including:

- represent the interests of residents in relevant LSGBs and their executive bodies,
- foster compliance with decisions of LSGBs, their officials and executive bodies,
- make proposals for draft programmes of local socio-economic and cultural development,
- organise the participation of residents in environmental protection and amenity activities,

28 Robert D. Putnam. Bowling alone: America's declining social capital. *Journal of Democracy*. 1995. Vol. 6(1). Pp. 65–78: <https://muse.jhu.edu/article/16643> (last accessed: 30.07.2024).

29 Law of Ukraine No. 48 "On Bodies of Self-Organisation of the Population" dated 11.07.2001: <https://zakon.rada.gov.ua/laws/show/2625-14#Text> (last accessed: 30.07.2024).

- organise the participation of residents in the implementation of measures for the protection of cultural heritage monuments and natural disaster relief,
- control the quality of provision of utility services and rules for the area's improvement,
- support education, culture, tourism, physical culture and sports facilities in carrying out cultural and educational, sports, recreational, and training activities,
- arrange the provision of aid to vulnerable population groups, submit proposals on these issues to LSGBs, etc.

**At present, BSOPs have been set up in communities with MAs on the basis of the starosta districts.** This makes it possible to reinstate self-governance at the grassroots level and decrease the burden of organisational functions placed on MAs, notably the balanced distribution of humanitarian aid or aid for the reconstruction of the damaged and destroyed material goods. At the same time, bureaucratised procedures for the establishment and operation of BSOPs remain a concern.

In 2023, the Verkhovna Rada of Ukraine approved in principle the draft Law of Ukraine "On Amendments to the Law of Ukraine "On Bodies of Self-Organisation of the Population" regarding the Improvement of the Procedure for Establishment, Operation and Dissolution of the Body of Self-Organisation of the Population" (reg. No. 6319)<sup>30</sup> which, if adopted, has to improve and simplify the procedures for establishing, registering, and terminating the powers of BSOPs, to update their powers in accordance with the current situation of local self-government, to improve opportunities to elect and to be elected to BSOPs, and to encourage the publicity of activities of BSOPs.

In compliance with the draft Law, the functions of BSOPs are extended to the participation in *developing* socio-economic, cultural, and other local programmes within the jurisdiction of BSOPs, *representing the interests of the population* in relations with business entities operating within the jurisdiction of BSOPs, making *proposals for draft budgets* of communities, assistance to law enforcement agencies in community policing, etc.

According to the organisational principle, HOAs can also be classified as local self-governing associations. The clearly defined principles of representation, determined by real estate ownership, also make it possible to delegate some governance powers to HOAs and encourage even passive residents to get engaged in self-governance. Unlike BSOPs, HOAs unite homeowner members, regardless of their place of residence. However, **the clear territorial binding of property objects in respect of which self-governance decisions are made makes it possible to consider HOAs as effective subjects of self-government in communities.**

From the standpoint of the goals of developing the institutional basis of self-governance of MAs, it is expedient to take special action to encourage the establishment of BSOPs and HOAs, with further delegation of some narrow, localised self-government powers to them. This would decrease burden on MAs on the one hand, increase the efficiency of the use of resources, and enhance trust of communities in the expediency of their use on the other hand. **Pragmatically, the economic nature of activities of HOAs gives reason to view them as a mechanism for involving public activists, regardless of their political views, in self-governance.**

It is promising to integrate BSOPs and HOAs into communities' CSO space through promoting their interactions, sharing experiences, and involving deliberative democracy tools.

Yet, it is necessary to realise that the establishment of self-governing associations amid the consequences of the war is complicated due to a breach of the integrity of communities (for example, the physical absence of part of homeowners in the country). However, the use of remote mechanisms can at least partially eliminate the above impediment.

## 4.4. Institutions of economic democracy

Economic democracy is a system based on the direct participation of the majority of citizens in making and implementing decision in the economic domain, promoting their economic interests<sup>31</sup>. This participation is possible through a number of specialised institutions which regulate and direct, in an appropriate manner, activities of community members and public

<sup>30</sup> Draft Law of Ukraine No. 6319 "On Amendments to the Law of Ukraine "On Bodies of Self-Organisation of the Population" regarding the Improvement of the Procedure for Establishment, Operation and Dissolution of the Body of Self-Organisation of the Population" dated 18.11.2021: <https://itd.rada.gov.ua/billInfo/Bills/Card/28346> (last accessed: 30.07.2024).

<sup>31</sup> Economic Democracy and Development of Local Self-Governance in Ukraine. Collection of Scientific Articles edited by Zhalilo Ya. Security of Economic Transformations series, Issue No. 23. Kyiv: Alterpres, 2003.



administration bodies. Among these institutions, we primarily consider the following: participatory budgeting, public-private partnership (PPP), and social entrepreneurship.

In accordance with the Law of Ukraine “On Local Self-Government in Ukraine” (as amended), residents have the right to participate in decision-making on the use of part of local budget funds by submitting relevant proposals for the development of TCs. Meanwhile, **the forms and procedure for submitting proposals by residents for the distribution of local budget funds are set by the decision of the council or the community charter.**

This opens up wide opportunities for using, at the local level, the tool of **participatory budgeting or participatory budget** (public budget), defined as a process in which community members directly decide how to spend part of a local budget through voting whose outcomes have a direct effect. Under the Order of the Ministry of Finance of Ukraine No. 94 “On approval of Methodological recommendations on mechanisms of public participation in the budget process at the local level” dated 3 March 2020, public budget means a tool of direct democracy enabling every community member to participate in the budget process, understand its principles and influence decisions on spending from local budget.

It has been proven that **relations between local communities and local public institutions are transformed based on participatory budgeting towards repairing and enhancing trust and building fruitful cooperation**<sup>32</sup>. Co-creation of solutions to address important issues of community life through setting priorities of spending part of community budget not only contributes to greater effectiveness and efficiency of local development measures, but also increases the inclusion of community members, their satisfaction with community affairs, strengthens social cohesion, and fosters the creation of high-quality social capital of communities<sup>33</sup>.

According to researchers, the public budgeting tool was quite successfully used in Bakhmut, Kramatorsk, Mariupol, Sloviansk, Sievierodonetsk, and some other communities of Donetsk and Luhansk oblasts prior to the full-scale aggression<sup>34</sup>. The transition to community budgeting on the basis of administrative decisions of MAs in no way contributes to either the effectiveness of budget expenditure plans or trust of community members in the effective spending of local budgets. Therefore, **the wide implementation of elements of participatory budgeting can mark an important step towards reinstating self-governance in communities with MAs.**

In organisational terms, the implementation of the participatory budget is as follows: allocating a part of the community budget and setting the main categories of expenditure (headings) based on competitive procedures established by law, through electronic voting or public hearings, etc. In the context of a full-scale war, the structure of local expenditure is determined quite rigidly, and the wide implementation of a classical participatory budget (with an imperative public decision) is therefore hardly possible. However, even under such conditions, there is a possibility of local use of this tool, in particular funds for the provision of amenities, construction/arrangement of shelters, rapid recovery, etc. In parallel to that, budget counselling should be developed through submitting a significant portion of budgets being prepared to public and expert discussion.

**In the post-war recovery period, participatory budgeting can be widely used to set recovery priorities.** The implementation of participatory budgeting can be supported by a public policy through earmarking a subvention from the state budget to local budgets to be distributed depending on public budgets, or through co-funding draft local budgets selected by the participatory budgeting method and, thus, obliging communities to effect part of expenditure through mechanisms of participatory budgeting. It is also possible to provide for the use of a certain part of funds of the State Fund of Regional Development of Ukraine based on public budgets.

To achieve flexibility in the application of the participatory budgeting mechanism for different purposes and target groups, **it is possible to foresee the implementation of specialised participatory budgets at a variety of levels, access to decision-making on which can be limited by social groups for whom budget spending categories are of decisive importance.** Specifically, the above implies educational, cultural, entrepreneurial, youth budgets, community participatory budgets, etc. This will help increase the coverage of key social groups, raise the effectiveness of decisions and targeted spending.

It is important that even if the submitted draft budgets do not meet the competitive requirements, a budget competition

32 O’Hagan A., MacRae C., O’Connor C.H., Teedon P. (2020). Participatory budgeting, community engagement and impact on public services in Scotland. *Public Money & Management*. 2020. 40(6). P. 446–456: <https://doi.org/10.1080/09540962.2019.1678250> (last accessed: 30.07.2024).

33 Voorberg W., Tummers L., Bekkers V. A systematic review of co-creation and co-production: Embarking on the social innovation journey. *Public Management Review*. 2014. 17(9). P. 1333–1357: <https://doi.org/10.1080/14719037.2014.930505> (last accessed: 30.07.2024).

34 Studying the Possibilities of Using Tools of Local Democracy in the Context of Transitional Public Administration in Donetsk and Luhansk Oblasts. Analytical note. Odesa: Association for the Promotion of Self-Organisation of the Population, 2023: <https://static1.squarespace.com/static/65fd5f0c74095b1aa764ee10/t/664ae4666ec1a728d2b7a6af/1716184168152/Analytics4.pdf> (last accessed: 30.07.2024).

would provide local authorities with information on community-sensitive issues to be used to channel planned expenditure<sup>35</sup>, or receive donor funds, or develop private investment projects.

**The main positive implications of the implementation of participatory budgeting for self-governance in communities are as follows:**

- implementing practices of deliberative democracy in the form of procedures for the development, presentation, and promotion of projects, enhancing on this basis POs' skills in deliberative democracy which will make it possible to further apply the latter in other areas of community life,
- strengthening the local identity of community members who will gain a capacity of making important community decisions, practical skills of interaction and communication,
- achieving the inclusion of previously excluded social groups in decision-making (there are examples of involving even school children in discussions),
- developing the culture and practices of cooperation and dialogue between active community members, as well as between active community members and authorities which will increase the level of trust in communities and make further interactions easier,
- strengthening social cohesion in communities due to consolidation of social groups around project development and advocacy, structuring communities around public activists, and creating contemporary social capital of communities,
- easing social tensions in communities due to a constructive dialogue on the most important problems of local development and real opportunities for improving the situation,
- increasing transparency of decision-making on the allocation of budget funds which will reduce opportunities for corruption and eliminate negative stereotypes being spread in communities due to the lack of awareness of the real situation in the budgeting area.

The effective implementation of the participatory budget mechanism needs to be properly regulated in the budget legislation, strategic and methodological documents on budget planning, as well as in community charters. For their part, local authorities should promote the maximum awareness of participants in discussions through disseminating information on the key challenges and specifics of local development, possibilities and processes of implementing participatory budgets through central, oblast, and local media, and visual information tools. The submission of project proposals by POs, BSOPs and HOAs should be encouraged. Also, communities should, in partnership with international partners and oblast educational institutions, train community activists in basic competencies and skills in planning, local budgeting and participatory processes, and aid them in practical planning.

The institution of participatory budgeting will play an important role in reinstating self-governance in deoccupied communities. Meanwhile, **a number of specific requirements for the implementation of this tool in such communities should be taken into account**, including:

- tightened requirements for technologies for public dialogue moderation, prevention of mistrust in authorities, mitigation of potential conflicts,
- fairly quick and tangible results to build communities' trust in authorities,
- targeted interventions to facilitate the development of intermunicipal and interregional cooperation,
- projects focused on the creation of new social groups and public leaders, implementation of social innovations to ensure the accelerated development of contemporary, proactive social capital in these communities.

**The use of the PPP institution offers wide opportunities for expanding the participation of members of communities in ensuring their operation.** Generally speaking, a public-private partnership (PPP) means a partnership between the public sector and the private sector for the purpose of delivering services traditionally provided by the public sector<sup>36</sup>. PPPs make it

<sup>35</sup> Bednarska-Olejniczak D., Olejniczak J., Svobodová L. How a Participatory Budget Can Support Sustainable Rural Development – Lessons from Poland. *Sustainability*. 2020. 12(7) 2620: <https://doi.org/10.3390/su12072620> (last accessed: 30.07.2024).

<sup>36</sup> Public-Private Partnership (PPP). ICAO: <https://www.icao.int/sustainability/Pages/im-ppp.aspx> (last accessed: 30.07.2024).

possible to more effectively use money of taxpayers to obtain a very wide range of services, from utility and health care to prison maintenance or operation of a large-scale transport infrastructure. PPPs enable communities to diversify service providers and thus influence the quality of services, involve a larger number of community members, employed by partner businesses, in service provision. The selection of partners on a competitive basis in line with the PPP Principles by OECD<sup>37</sup> will imply a competition for participation in community affairs and periodic rotation of participants.

In Ukraine, PPPs are legally regulated by the Law of Ukraine “On Public-Private Partnership”<sup>38</sup>. As seen from its name, the Law primarily regulates large-scale projects that involve investment in the public-private partnership facilities and their maintenance. However, partnerships in the framework of ‘light’ projects, which do not imply the transfer of management rights or the purchase/creation of an object of ownership, are governed by general economic legislation. In our opinion, to encourage the conclusion of long-term (for a year and more) agreements between LSGBs and private companies for the performance of functions important for community life, such agreements should be implemented within the framework of special regulations providing for enhanced guarantees to both parties. Changing the term “state partnership” to “public partnership” would make it possible to consider BSOPs, HOAs, and public associations involved in providing particular public services in communities as partners. The applicable Law defines a wide range of areas of partnership, from construction and utility services to management of cultural heritage objects or blood donation.

**While creating the institutional basis for economic democracy, it is also worth paying attention to social entrepreneurship.** This is a specific type of for-profit and self-sustaining business aimed at achieving particular social goals and solving social problems, apart from making profit. Hence, social enterprises take over the community leadership’s authority of tackling some problems and organise community members to work towards fulfilling these tasks.

According to the European Commission, social enterprises mainly operate in the following four fields<sup>39</sup>:

- *work integration* – training and integration of people with disabilities and unemployed people,
- *personal social services* – health, well-being and medical care, professional training, education, health services, child-care services, services for elderly people, or aid for disadvantaged people,
- *local development of disadvantaged areas* – social enterprises in remote rural areas, neighbourhood development/rehabilitation schemes in urban areas, development aid and development cooperation with third countries,
- *other* – including recycling, environmental protection, sports, arts, culture or historical preservation, science, research and innovation, consumer protection and amateur sports.

According to research data, the main goals of social enterprises in Ukraine are the employment of members of socially vulnerable population groups and the provision of services to particular population groups<sup>40</sup>. Given the complexity of social tasks faced by communities with MAs, especially by deoccupied ones, social entrepreneurship can significantly strengthen the resource and organisational capacity of these MAs. Social entrepreneurship will play an important role in the policy for facilitating the return of war veterans to peaceful life. A certain part of social enterprises can be established through the ‘commercialisation’ of social capital of volunteer groups and networks in the post-war period.

The draft Concept of Developing Social Entrepreneurship in Ukraine elaborated under the auspices of the Organization for Security and Co-operation in Europe (OSCE) is currently in place in Ukraine<sup>41</sup>. A special law of Ukraine on social entrepreneurship to regulate consistent social interaction between the government, businesses, and society should be drafted and adopted based on the principles set out in the draft Concept and with regard to the need to overcome the consequences of war.

37 Public finance and budgets. *The Organisation for Economic Co-operation and Development (OECD)*: <https://www.oecd.org/governance/budgeting/PPP-Recommendation.pdf> (last accessed: 30.07.2024).

38 Law of Ukraine No. 40 “On Public-Private Partnership” dated 01.07.2010: <https://zakon.rada.gov.ua/laws/show/2404-17#Text> (last accessed: 30.07.2024).

39 International Experience of Social Entrepreneurship and Prospects for its Application in Ukraine. *NISS*: <https://www.niss.gov.ua/doslidzhennya/sotsialna-polityka/zarubizhnyy-dosvid-sotsialnoho-pidpryemnytstva-i-perspektyvy-yoho> (last accessed: 30.07.2024).

40 Social Entrepreneurship Ecosystem in Ukraine: Challenges and Opportunities. *Pact Ukraine*: [https://pactukraine.org.ua/sites/default/files/2018-06/APEA\\_REPORT\\_ukr.pdf](https://pactukraine.org.ua/sites/default/files/2018-06/APEA_REPORT_ukr.pdf) (last accessed: 30.07.2024).

41 Concept of Developing Social Entrepreneurship in Ukraine. *The Organization for Security and Co-operation in Europe*: <https://www.osce.org/files/f/documents/e/6/417257.pdf> (last accessed: 30.07.2024).

## 4.5. Smart communities

A smart community (smart community, smart city) is a brand-new tool for organising community life. The creation of a smart community (SC) implies the consistent evolution from the fragmented application of adaptive information technologies to their synergistic interaction and implementation in management practices and in everyday behaviour of community members, the integration of digital technologies into the decision-making system<sup>42</sup>. This requires drastic institutional changes in communities which can significantly improve their capacity for self-governance. **The integration of digital and organisational solutions enables SCs to effectively manage their resources based on self-organisation and self-governance, including in the context of incomplete information and significant environmental variability.** The current stage of development of SCs is characterised by institutional innovations taking precedence over digital technologies as community enablers<sup>43</sup> which leads to a significant improvement in their capacity for integrated long-term planning and shared responsibility of local development stakeholders to ensure synergy, communication, mobility, and social inclusion.

According to international practice, smart networks are primarily focused on:

- integration of infrastructure assets,
- sustainable urban mobility based on the rationalisation of public transport,
- smart logistics and environmentally friendly transport,
- energy efficiency of buildings and structures, increased share of renewable energy sources (RES),
- strengthened resilience of communities to major risks.

Ukraine, which joined the SC trend later than other countries, has prioritised digital tools for providing public services and organising important spheres of life (health care, purchase/sale and registration of vehicles, aid to IDPs, aid for renovation or purchase of new housing instead of that destroyed, keeping reservists' records, even marriage registration, etc.). The proper organisation and integration of existing electronic registers has played a significant role in the above processes. At the same time, the inclusion of physical infrastructure facilities in smart networks has a large potential for development.

To lay foundations for the full-scale introduction of SC toolkit, the following institutional changes are needed<sup>44</sup>:

- reorientating communities to have a **long-term effect** from smart networks instead of a focus on quick non-systemic results from small improvements,
- enhancing the capacity of communities to **make decisions** that contribute to the integration of smart networks and the use of its results in the organisation of community life,
- deploying network communication infrastructure, standardising **network communications** for smooth data exchange,
- training employees in **digital competencies**,
- mainstreaming the examples of smart networks in community activities (**network literacy**),
- integrating smart networks into **the decision-making system** in communities, including sectoral policies that are not within the direct competence of communities (energy, security, etc.).

The inclusion of smart decisions in the system of territorial and sectoral governance is a kind of **trigger due to which local users turn into participants in decision-making, thus being a part of a new self-governance network.** Public participation through the involvement of community members in local development planning, identifying problematic issues, setting directions for change, and finding solutions is considered by researchers as one of the key methodological goals to implement *Smart City 3.0* concept<sup>45</sup>.

42 Cohen B. The 3 Generations of Smart Cities. *Fast Company*: <https://www.fastcompany.com/3047795/the-3-generations-of-smart-cities> (last accessed: 30.07.2024).

43 Joost van Lersel. New Concepts for the City of the Future. *City: One*. October 2018. No. 2. P. 5: [https://issuu.com/cityone/docs/city-one\\_cz\\_09-18\\_s](https://issuu.com/cityone/docs/city-one_cz_09-18_s) (last accessed: 30.07.2024).

44 Smart-Infrastructure in the Sustainable Development of the City: World Experience and Prospects of Ukraine. Analytical report. Kyiv: Razumkov Centre, 2021. P. 400. URL: <https://razumkov.org.ua/uploads/other/2021-SMART-%D0%A1YTI-SITE.pdf> (last accessed: 30.07.2024).

45 Cohen B. The 3 Generations of Smart Cities. *Fast Company*: <https://www.fastcompany.com/3047795/the-3-generations-of-smart-cities> (last accessed: 30.07.2024).

**The implementation of SC tools makes it possible to attain some key objectives of strengthening the institutional principles of self-governance amid challenges faced by communities with limited self-governance.**

Due to the qualitative improvement of information support, SC tools substantially increase the efficiency of public governance in communities. The divided subjectivity acquired by objects of local governance as elements of smart networks allows them to be vested with some regulatory powers. The use of traditional tools of deliberative democracy is simplified due to the possibility of transferring part of them to the virtual space, as well as a significant improvement of the availability of information on discussion subjects and opinions of participants. **The divided decision-making within SCs considerably increases public participation through the involvement of community members in local development planning, identifying problematic issues, setting directions for change, finding solutions, and making decisions.** SC tools strengthen the inclusive development and cohesion of communities. Favourable conditions are created for crowdfunding to solve important community issues which enhances the sense of belonging among community members.

**During martial law**, especially in communities in high-security risk areas, SC tools make it possible to expand experiences of remote provision of administrative, social, educational, and payment services, humanitarian and other aid, etc. The opportunities of remote employment in some sectors make it possible to maintain the inclusion of people forced to temporarily leave their homes. The opportunities of identifying community needs for humanitarian and economic aid, reconstruction of destroyed property and so on are expanding. As mentioned above, up-to-date digital tools are important for creating virtual communities of evacuees from occupied or destroyed areas.

**Examples of benefits of SC tools in the context of war and post-war recovery can be as follows:**

- setting up distributed energy grids, coordinating the use of alternative generation sources, optimising the use of electricity and hourly power outages,
- ensuring security in communities (a network of surveillance cameras, alarm buttons, integrated security systems, threat notification systems, etc.),
- identifying, accounting and evaluating recovery and reconstruction needs, prioritising and implementing projects,
- monitoring air, water, and soil pollution, primarily in areas of high risk of man-made pollution and significant military footprint,
- taking anti-mine measures, including maps of mined and demined areas, provision of information on demining needs, etc.,
- optimising transport networks with regard to the state of rolling stock, roads, and changes in displacement and pendular movements of the population.

The tasks of creating working groups should be included in policy papers at the national, sectoral, and oblast levels. The Strategy for the Development of Digital Economy and Society in Ukraine should become an integral document laying down the principles of smart development of the country and communities. At present, the Strategy's concept<sup>46</sup> has been approved which provides for the implementation of the smart city tool through updating urban infrastructure and implementing effective resource management, transforming the urban governance system based on the integration of systems and data, supporting the development of innovative ecosystems in Ukrainian cities, and involving residents in urban decision-making.

**The State Strategy for Regional Development until 2027** adopted in 2020 also emphasizes the promotion of the uptake of innovative technologies into the system of governance of urban development based on the smart city concept. There is a clear need to adjust conceptual and programmatic approaches, taking into account decentralisation achievements (to consider communities as the subject of the process in accordance with the EU concept of Smart Cities and Communities, SC&C) and the prospects for using SC tools for community resilience and recovery.

Hence, the post-war recovery strategy should provide for the introduction of smart digital technologies and networks in the restoration of infrastructure facilities and networks, as well as the enhancement of the capacity of communities to make decisions that contribute to the integration of smart networks and the use of its results in the organisation of community life.

<sup>46</sup> Resolution of the Cabinet of Ministers of Ukraine No. 67-p "On Approval of the Concept of the Development of Digital Economy and Society in Ukraine for 2018–2020 and the Action Plan for Its Implementation" dated 17.01.2018: [https://zakon.rada.gov.ua/laws/show/67-2018-%D1%80?find=1&text=cmapr#w1\\_1](https://zakon.rada.gov.ua/laws/show/67-2018-%D1%80?find=1&text=cmapr#w1_1) (last accessed: 30.07.2024).

## 5. PROSPECTS FOR THE USE OF INSTITUTIONS OF DELIBERATIVE DEMOCRACY IN THE SYSTEM OF LOCAL SELF-GOVERNANCE IN UKRAINE

As mentioned in the previous section, the targeted formulation of institutional principles of self-governance in communities with MAs, coupled with the wide-spread use of tools of deliberative democracy provided for by law, should ensure the preservation, reinstatement, and, in the case of some communities, building of the institution of self-governance during martial law, thereby paving the way for the early recovery, as well as proper and constitutionally-based operation of LSGBs in the post-war period.

**In the context of a full-scale war**, institutions of deliberative democracy are important to strengthen the capacity of MAs for meeting daily needs of communities and creating conditions for the early recovery of constitutionally legitimated self-governance. **As the war continues, the spread, taking into account security considerations, of deliberative democracy in communities with limited self-government is becoming increasingly important to maintain the institutional principles of self-governance.** The above-mentioned institutions of deliberative democracy can also be useful for enhancing the capacity of communities with active LSGBs, in particular the consolidation of public activities.

This fully applies to the operation of virtual communities in occupied areas. Deliberative democracy helps maintaining the identity of community members forced to leave their homes, including those outside of Ukraine, and significantly increases the likelihood of their return following deoccupation. In this context, of special attention are communities in the areas occupied since 2014 where no MAs have yet been established. In our opinion, MAs need to be established in these communities prior to deoccupation, in accordance with the real prospects of their liberation in the projected timeframe. Since TCs did not amalgamate there, it is initially recommended to set up MAs at the level of administrative raions in line with the pre-reform administrative division.

Along with that, it is necessary to realise that the so-called grouping of displaced persons within the boundaries of virtual communities impedes their integration in host communities. **Hence, the real prospects for deoccupation are a decisive criterion for the appropriateness of the operation of MAs in occupied communities where their activities extend beyond the standard necessary procedures, e. g. issuing extracts and certificates.**

**After the war**, the influence of challenges and tasks to be faced by communities, as well as the concentration of opportunities for resource provision for the recovery and development of communities will dramatically grow. In accordance with the Action Plan of executive authorities for the recovery of deoccupied territories, as approved by the Resolution of the Cabinet of Ministers of Ukraine No. 1219-p<sup>47</sup> dated 30 December 2022, the activities of LSGBs are expected to be resumed within one month from the date of the end of temporary occupation. Powers of MAs should be terminated within 30 days following deoccupation and termination/lifting of martial law. However, **there will be a fairly large group of communities where it will be impossible to reinstate operational LSGBs within the specified timeframe.**

The first round of local elections never took place in 50 out of 103 TCs of Donetsk and Luhansk oblasts. Moreover, 31 communities have been under temporary occupation since April 2014. Even in communities where LSGBs operated prior to a full-scale war, it is not always possible to resume their activities due to the loss, for a variety of reasons, of some members of local authorities and/or community leaders. The preparations for elections in this situation also takes time, primarily for implementing a set of measures of transitional justice, restoring the required numerical strength and composition of voters, and

<sup>47</sup> Resolution of the Cabinet of Ministers of Ukraine No. 1219-p “On Approval of the Action Plan of Executive Authorities for the Recovery of Deoccupied Territories of Territorial Communities” dated 30.12.2022: <https://www.kmu.gov.ua/npas/pro-zatverdzhennia-planu-dii-orhaniv-vykonavchoi-a1219r> (last accessed: 30.07.2024).

rebuilding cohesion and trust in communities needed to meet the objectives of representative democracy. According to various expert estimations, the transition period can last for 5 to 15 years<sup>48</sup>. Throughout this period (its timeframe and completion criteria need to be set separately), interim administrations established on the basis of MAs, special MCAs (for communities in the high-risk areas), or civil administrations (CAs) should exercise powers of LSGBs in communities.

**The wide spread of tools of deliberative democracy, coupled with the targeted establishment of relevant institutions, can considerably step up the development of institutional principles of self-governance** in the transition period and thus, most importantly, foster positive dynamics of the implementation of self-governance and increased effectiveness of interim administrations in promoting community development. Hence, it is expedient to legally enshrine procedures for the use of tools of deliberative democracy in activities of MAs and CAs. To fulfil the provisions of the applicable legislation, special administrations should be responsible for adjusting the existing or preparing provisional charters of communities detailing the mechanisms for community engagement.

One of the options of the transitional model of democracy, according to some surveyed community leaders, could be the holding of local election in the community to a local representative body with advisory voice (people's council) as, for example, having the status of BSOP.

On 12 May 2023, the Resolution of the Cabinet of Ministers of Ukraine No. 486 "On Preparing Actions for the Stabilisation and Reintegration of the Deoccupied Territories of Donetsk and Luhansk Oblasts" was approved. According to the Resolution, Donetsk and Luhansk OMAs were recommended to establish coordination councils on stabilisation of the situation in deoccupied areas of the oblasts and their reintegration. The councils were tasked to draft plans for priority actions needed to stabilise the situation there and reintegrate deoccupied areas, including the resumption of activities of oblast-level public authorities. The relevant draft plans were prepared and approved<sup>49</sup>.

The following priority actions was included in the "Resumption of activities of public authorities" dimension:

- take action to facilitate the operation of raion MAs and MAs of population centres and make proposals for the composition of their leadership,
- create a reserve of employees of public authorities for working in deoccupied areas,
- promote the resumption of activities of public authorities,
- provide personnel, financial and logistical support of activities of public authorities,
- ensure budgeting,
- make proposals to regulate inter-budgetary relations,
- create material and technical, as well as other reserves (stocks) by relevant dimensions,
- perform needed procurements.

In May 2024, the draft Strategy for reinstating public authorities and reintegrating the populations of deoccupied areas of Ukraine until 2026<sup>50</sup> and the operational Action Plan for its implementation, developed on the instructions of the Prime Minister of Ukraine, were made open for discussion.

**The following vectors of public policy were prioritised:**

- synchronise actions of public authorities and LSGBs and resume their activities in deoccupied areas,
- create conditions for the full reintegration of the areas and populations into Ukraine's legal, administrative, social, cultural, informational, educational, and other spaces,
- reinstate human and civil rights and freedoms,

48 Draft Concept of Public Administration in the Deoccupied Territories of Donetsk and Luhansk Oblasts after the termination or lifting of martial law Kyiv: Centre of Political and Legal Reform, 2024. URL: [https://drive.google.com/file/d/12xRlNk61r7CijykRI87pyX9QcuW15bGg/view?usp=drive\\_link](https://drive.google.com/file/d/12xRlNk61r7CijykRI87pyX9QcuW15bGg/view?usp=drive_link) (last accessed: 30.07.2024).

49 Specifics of Organising the System of Public Administration in Donetsk and Luhansk Oblasts. Analytical note. Odesa: Association for the Promotion of Self-Organisation of the Population, 2023: <https://static1.squarespace.com/static/65fd5f0c74095b1aa764ee10/t/664ae4666ec1a728d2b7a6af/1716184168152/Analytics4.pdf> (last accessed: 30.07.2024).

50 Draft Strategy for reinstating public authorities and reintegrating the populations of deoccupied areas. *The Ministry for Reintegration of the Temporarily Occupied Territories of Ukraine*: <https://minre.gov.ua/wp-content/uploads/2024/03/proekt-strategiyi-.pdf&ved=2ahUKUWj4Ynb0M-HAxVUEXAIHTcNIXIQFnoECBAQAQ&usq=AOvVaw2SSzQhZvN54XA9WjoDIUie>

- 
- create security guarantees for the populations of deoccupied areas,
  - overcome the consequences of temporary occupation of Ukrainian areas in all spheres of public life.

**Unfortunately, as the above policy papers do not provide for targeted steps for the entablement and development of institutions of deliberative democracy in communities, their effectiveness may be limited.**

In view of serious challenges of the post-war recovery and reintegration, the reinstatement of local self-governance should be included in an integral *strategy* for the comprehensive post-war recovery of deoccupied areas (taking into account the specifics of communities occupied since 2014) and their full integration into a common legal, informational, socio-economic, cultural, and educational space of Ukraine. Specifically, the strategy should provide for the procedure for resuming the operation of LSGBs in deoccupied communities, transition periods, and tools of deliberative democracy in terms of limited opportunities for reinstating LSGBs.

The objective of rebuilding local self-governance in Crimea is somewhat different, because the occupiers extensively built there branched administrative verticals and pursued a consistent policy of ideological integration which creates a potential for stronger institutional inertia and social conflict. Consequently, much tougher requirements will be imposed on the implementation of transitional justice measures and the institutional recovery strategy to be based on the specifics of the peninsula's multinational population.



## 6. POLICY OF FACILITATING THE DEVELOPMENT OF INSTITUTIONS OF DELIBERATIVE DEMOCRACY AND THEIR INCLUSION IN THE SYSTEM OF LOCAL DECISION-MAKING

The strategic importance of development of institutional principles and tools of deliberative democracy calls for the need to map out a consistent multi-level policy to regulate the entire area of territorial self-governance in Ukraine, with a focus on communities with limited self-governance where MAs operate during martial law. We assume that MAs will later be replaced (at least, in some communities, as well as in communities occupied since 2014 and then liberated) with special provisional administrations (PAs).

This policy should be geared towards:

### 1. **Optimising governance mechanisms in local communities with limited self-governance:**

- develop and adopt a special law of Ukraine to regulate the operation of special PAs during the period of limited capacities of territorial self-governance, legally define criteria for the possibility of reinstating constitutionally mandated LSGBs in deoccupied communities,
- revise powers of MAs of population centres set out in Article 15, paragraph 2 of the Law of Ukraine “On the Legal Regime of Martial Law”. It is expedient to remove powers related to the construction and maintenance of defence fortifications, except for those of local importance, and instead provide for objectives of developing tools and institutions of deliberative democracy and preparing to reinstate the operation of LSGBs,
- review the possibilities of engaging organisational and institutional capacities of MAs of enlarged raions to meet urgent challenges of wartime, including through facilitating the coordination of efforts of TCs to ensure resilience and rapid recovery, construction and maintenance of defence fortifications; accumulating and aggregating information flows from communities; providing methodological and legal support; carrying out trainings for representatives of LSGBs, MAs, and CSOs on the implementation of principles of self-governance and the use of tools of deliberative democracy,
- instruct relevant executive bodies to develop special regulations for communities in high-security risk areas (including at the initial phases following deoccupation),
- elaborate effective tools for maintaining security, law and order in communities in high-security risk areas, including through the engagement of resources of the Defence Forces where appropriate,
- establish communication and interaction of MAs of population centres (directly or through the mediation of OMAs and raion MAs) with relevant ministries to optimise the operation of infrastructure in communities, primarily the Ministry of Community Development, Territories and Infrastructure of Ukraine (regarding the organisation of passenger transportations) and the Ministry of Energy of Ukraine (regarding the involvement of local power generation companies, optimisation of power supply schemes and hourly power outages), etc.

### 2. **Incorporating objectives of developing deliberative democracy and reinstating self-governance in the system of strategizing and programming:**

- clarify areas and objectives for implementing the cohesion goal of the State Strategy for Regional Development until 2027 in accordance with the objectives of preserving and reinstating the principles of self-governance, ensuring the operation of the main forms of deliberative democracy, including in the process of reintegration of deoccupied areas,
- identify a set of tasks for MAs in the context of a full-scale war and for PAs in the period of post-war recovery and reintegration of deoccupied areas within the framework of relevant deoccupation and recovery strategies,
- incorporate the task of reinstating local self-governance in policy papers and strategic documents on post-war recovery and reintegration of the populations of deoccupied areas,
- develop key indicators for measuring the effectiveness of deliberative democracy at the local level which should include, among other things, public councils operating at MAs/LSGBs, approved procedures for public discussions being in place, the number of discussions held throughout a year, the use of other forms of deliberative democracy, etc.,
- create monitoring groups with the participation of experts and academicians, representatives of civil society to conduct, on an ongoing basis, annual or quarterly monitoring and evaluation of the effectiveness of local deliberative democracy in Ukraine (with a special focus on areas where local councils and executive committees were replaced with MAs).

### 3. Promoting the improvement and development of tools of deliberative democracy in the context of current opportunities and challenges:

- provide methodological and legal support for the establishment of local bodies of self-organisation of the population (BSOPs, HOAs) and their engagement in interactions with MAs through delegation of relevant powers,
- develop typical methods for identifying community development problems that need to be addressed and translate them into practice of MAs, organise discussions, and search for solutions in line with tools of deliberative democracy,
- develop methodological recommendations on model provisions of community charters regarding the use of deliberative democracy tools in decision-making, provision of instructions to MAs on finalisation, where appropriate, and organisation of approval of necessary changes and amendments in community charters,
- develop methodological recommendations on organisational and technical support for up-to-date electronic and communication technologies in the use of tools of deliberative democracy,
- focus MAs on promoting the spread of digital literacy among community members for their potential involvement in procedures of deliberative democracy,
- develop and implement methodological recommendations on moderating public dialogue and preventing risks of conflicts in deoccupied areas,
- involve local experts and academicians in the provision of expert scientific and analytical support of activities of local authorities (both LSGBs and MAs), notably in mapping out or finalising strategies and programmes of local development, preparing and implementing recovery projects, establishing and developing institutions of deliberative democracy, etc.

### 4. Expanding a talent pool for the development of deliberative democracy:

- organise trainings of representatives of LSGBs, with a priority given to MA employees, in basic competencies and skills in using tools of deliberative democracy, organise public dialogue,
- take into account the position of public relations specialists when preparing the personnel schedule and personnel reserve of CAs,
- train, on the basis of specialised institutions of higher education in public administration, specialists in the areas of public relations, deliberative democracy, involvement of citizens in decision-making to potentially work for agencies of LSGBs, MAs, POs and BSOPs; provide for orders for such specialists at the national and oblast levels,
- include the study of principles of participatory democracy into school education, out-of-school learning, curricula of universities of the third age, etc.,
- explore the prospects for the use of digital tools and possibilities of remote work to involve public relations specialists in cooperation with MAs.

## 5. Promoting the involvement of CSOs in developing deliberative democracy:

- facilitate, taking into account the intrinsic limitations of transitional justice, the creation of POs by MAs to consolidate community activists, primarily volunteers, veterans, etc.,
- organise work with international donors on outlining areas of potential support to encourage the participation of POs and BSOPs in tools of deliberative democracy and the development of institutions of deliberative democracy; incorporate these areas in intergovernmental programmes of support to Ukraine,
- ensure maximum (within security restrictions) transparency of ongoing activities of MAs, information about problems, potentials, and prospects of the operation of communities to keep community members aware of tools of deliberative democracy,
- promote the development of regional and local resource centres to facilitate POs and BSOPs<sup>51</sup> through assisting in the determination of their optimal structure, initiation, creation, and operation,
- popularise political activist culture in communities, promote the identification and approval of public opinion leaders, strengthen the expertise of participants in public dialogue, notably through:
  - ▶ creating open online or face-to-face training and facilitation courses, dissemination of audiovisual materials for outreach purposes,
  - ▶ carrying out media campaigns, placing social advertisements, publications in mass media and on social networks, etc.,
  - ▶ holding public meetings, discussions, consultations with representatives of local authorities and experts regarding urgent problems of resilience, recovery and development of communities in general and self-governance in particular,
- create, or plan to create as part of the recovery process, informal gathering places at the local level such as parks, public gardens, alleys, recreation areas, art spaces, and others with appropriate arrangements for active interactions of people,
- adopt the draft Law of Ukraine “On Amendments to the Law of Ukraine “On Bodies of Self-Organisation of the Population” regarding the Improvement of the Procedure for Establishment, Operation and Dissolution of the Body of Self-Organisation of the Population” (reg. No. 6319)<sup>52</sup>,
- include BSOPs and HOAs in communities’ CSO space through promoting their interactions, sharing of experience, involvement of tools of deliberative democracy in their activities.

## 6. Creating favourable conditions for the development of institutions of economic democracy:

### a) *public budget:*

- make amendments to the Budget Code of Ukraine to regulate principles of participatory budgeting at the local level, including ensuring equal access to this mechanism, preventing the distortion of democratic procedures, offering the possibility of robust and transparent state and public control,
- provide for co-funding, from the state budget, of recovery projects developed on the basis of participatory budgets,
- elaborate a free-access toolkit for local development projects with preset approximate prices for works and materials, technological procedures, and so on to simplify the preparation of initiative projects for public budgets,
- share experience of public budgeting and execution of public budgets in the context of TCs and oblasts,
- incorporate provisions on state promotion and support of participatory budgeting in the new wording of the State Strategy for Regional Development for 2021–2027 and the Action Plan for its implementation,

<sup>51</sup> Krupnyk A. Organising the Work of Regional Resource Centres for Local Democracy Development. Organisational and Methodological Recommendations. Odesa: Odesa Regional Institute for Public Administration of the National Academy for Public Administration, 2017: [http://www.oridu.odessa.ua/9/buk/new\\_29\\_08\\_17.pdf](http://www.oridu.odessa.ua/9/buk/new_29_08_17.pdf)

<sup>52</sup> Draft Law of Ukraine No. 6319 “On Amendments to the Law of Ukraine “On Bodies of Self-Organisation of the Population” regarding the Improvement of the Procedure for Establishment, Operation and Dissolution of the Body of Self-Organisation of the Population” dated 18.11.2021: <https://itd.rada.gov.ua/billInfo/Bills/Card/28346>

- train representatives of LSGBs in basic competencies and skills in planning, local budgeting, and execution of participatory budgets,
- carry out outreach activities (consultations) on mechanisms of interaction of local authorities with the public regarding the specifics of participatory budgeting, monitoring and assessment of draft budgets, their execution, reporting etc.,
- map out and implement conceptual principles of the use of participatory budgeting in setting priorities for post-war recovery,

b) *public-private partnership:*

- revise and amend the Law of Ukraine “On Public-Private Partnership” regarding the following:
  - ▶ introducing the PPP concept in line with the current international practice,
  - ▶ easing criteria for PPP,
  - ▶ including, in the list of partners, BSOPs and HOAs, as well as public associations providing public services in communities,
- set special regulations for PPP projects, in particular regarding guarantees of stability in ensuring compliance with obligations by both parties for the period of project implementation, the possibility of easing the local tax burden, property lease on preferential terms, etc.,

c) *social entrepreneurship:*

- draft and adopt the Law of Ukraine “On Social Entrepreneurship”, with respect to provisions of the draft Concept of Developing Social Entrepreneurship in Ukraine<sup>53</sup>,
- identify means of state and local support for social entrepreneurship, taking into account its social importance,
- simplify conditions for participation of social enterprises in local procurements of goods and services,
- promote sharing of experience and best practice in carrying out social entrepreneurship,
- incorporate principles of social entrepreneurship development in the public veteran policy,
- offer training and qualification training of business entities that intend to carry out social entrepreneurship and their employees regarding the specifics of this activity.

## 7. Promoting SCs as the institution of local self-governance:

- develop a relevant concept of the Strategy for Development of the Digital Economy and Society in Ukraine as an integral document setting out principles of smart development of the country and communities, including areas for regulatory and legal support, development of digital infrastructure of network systems, principles and areas of partnership between the government, businesses and communities, areas of involvement of SC tools for community resilience and recovery,
- adjust conceptual and programmatic approaches to smart development with respect to decentralisation achievements (it is expedient to consider communities as the subject of the process in accordance with the EU concept of Smart Cities and Communities, SC&C),
- make projects aimed at creating and/or developing smart networks part of national, oblast, and local recovery programmes,
- target fundamental and applied research, provide for national- and oblast-level orders for research in the area of developing and integrating elements of smart networks and create their topology in communities,
- implement training programmes and provide national- and oblast-level orders for training of specialists with the competencies needed to ensure the operation of SCs.

53 Concept of Developing Social Entrepreneurship in Ukraine. *The Organization for Security and Co-operation in Europe*: <https://www.osce.org/files/f/documents/e/6/417257.pdf> (last accessed: 30.07.2024).

# CONCLUSIONS

In the context of Russia's full-scale aggression, systemic humanitarian and economic consequences of the war, local self-governance in Ukraine continued to operate and played an important role in ensuring security and defence, maintaining the resilience of rear areas. Along with that, the operation of constitutionally mandated LSGBs was impossible in some communities due to factors objectively caused by the security situation or the loss of their legitimate powers. The establishment of MAs to exercise the powers of LSGBs in some communities was pivotal for the sustainable development and resilience in communities. At the same time, limited possibilities of implementing democratic procedures at the local level pose a risk of erosion of the principles of self-governance in communities and, in the long run, may complicate the reinstatement of LSGBs following the end of term of MAs.

An important task of the full-scale war period is to preserve the institutional principles of self-governance, mapped out as part of decentralisation reform, which calls for the need to introduce, in communities with MAs, special tools and institutions for involving community members in decision-making on public administration outside of the temporarily non-operating institution of LSGBs.

This task should be approached through launching a system of tools of deliberative democracy to preserve and strengthen communication of the public with authorities in local decision-making, public influence on governance and local decision-making. At the same time, the effectiveness of the use of these tools depends on the availability of high-quality institutions of self-governance in communities consolidating public activities and focusing them on problems and tasks of local development.

Deoccupied communities, including those (ORDLO, the Autonomous Republic of Crimea) where decentralisation reform did not actually take place, will face the difficult task of reinstating self-governance. The period of mass recovery and the impossibility of holding local elections may be quite long. Therefore, taking into account the intrinsic limitations of transitional justice in this period, the introduction of tools and institutions of deliberative democracy should be a cornerstone for reintegration and building the principles of self-governance in communities to reinstate legitimate LSGBs.

The experience of communities with MAs shows that they use certain tools of deliberative democracy during a full-scale war. This use needs to be expanded in the period of reintegration and recovery. This will be facilitated by the planned development of self-governance institutions, including public associations, local self-governing associations (BSOPs and HOAs), institutions of economic democracy (participatory budgeting, PPP, social entrepreneurship), and the institution of SCs.

The strategic importance of developing the institutional principles and mechanisms of deliberative democracy calls for the need to map out a consistent multi-level policy to ensure the development of deliberative democracy in communities with MAs.

Given the complex tasks of post-war recovery and reintegration, the reinstatement of local self-governance should be made part of a comprehensive strategy for the post-war development of deoccupied areas and their full integration in a common legal, informational, socio-economic, cultural, and educational space of Ukraine.

## Annex 1

## MA of population centres established in Ukraine (as of July 2024)\*

Oblast	Number of military administrations of population centres, including in temporarily occupied areas	Grounds
Donetsk	36 military administrations of population centres (including 7 in temporarily occupied areas)	Decree of the President of Ukraine <a href="#">No. 188/2022</a> Decree of the President of Ukraine <a href="#">No. 469/2022</a> Decree of the President of Ukraine <a href="#">No. 620/2022</a> Decree of the President of Ukraine <a href="#">No. 226/2023</a> Decree of the President of Ukraine <a href="#">No. 225/2022</a>
Luhansk	26 military administrations of population centres (including 26 in temporarily occupied areas)	Decree of the President of Ukraine <a href="#">No. 192/2022</a> Decree of the President of Ukraine <a href="#">No. 665/2022</a> Decree of the President of Ukraine <a href="#">No. 406/2022</a> Decree of the President of Ukraine <a href="#">No. 181/2023</a>
Zaporizhzhia	39 military administrations of population centres (including 34 in temporarily occupied areas)	Decree of the President of Ukraine <a href="#">No. 673/2022</a> Decree of the President of Ukraine <a href="#">No. 681/2022</a> Decree of the President of Ukraine <a href="#">No. 197/2023</a> Decree of the President of Ukraine <a href="#">No. 374/2023</a> Decree of the President of Ukraine <a href="#">No. 587/2022</a> Decree of the President of Ukraine <a href="#">No. 525/2022</a> Decree of the President of Ukraine <a href="#">No. 319/2022</a>
Kherson	49 military administrations of population centres (including 34 in temporarily occupied areas)	Decree of the President of Ukraine <a href="#">No. 658/2022</a> Decree of the President of Ukraine <a href="#">No. 738/2022</a> Decree of the President of Ukraine <a href="#">No. 760/2022</a> Decree of the President of Ukraine <a href="#">No. 865/2022</a> Decree of the President of Ukraine <a href="#">No. 268/2023</a> Decree of the President of Ukraine <a href="#">No. 12/2023</a> Decree of the President of Ukraine <a href="#">No. 3/2023</a> Decree of the President of Ukraine <a href="#">No. 867/2022</a> Decree of the President of Ukraine <a href="#">No. 387/2022</a>
Mykolaiv	3 military administrations of population centres in Ukrainian government-controlled areas	Decree of the President of Ukraine <a href="#">No. 778/2022</a>
Rivne	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 82/2024</a>
Sumy	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 720/2023</a>
Khmelnyskyi	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 690/2023</a>
Chernihiv	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 69/2023</a>
Zhytomyr	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 260/2022</a>
Kyiv	1 military administration of a population centre in Ukrainian government-controlled area	Decree of the President of Ukraine <a href="#">No. 156/2022</a>
Kharkiv	27 military administrations of population centres (including 1 in temporarily occupied area)	Decree of the President of Ukraine <a href="#">No. 680/2022</a> Decree of the President of Ukraine <a href="#">No. 737/2022</a> Decree of the President of Ukraine <a href="#">No. 875/2022</a> Decree of the President of Ukraine <a href="#">No. 319/2023</a> Decree of the President of Ukraine <a href="#">No. 876/2022</a>

\* The Table does not include Kyiv City Military Administration established by the Decree of the President of Ukraine No. 68/2022 dated 24 February 2022, along with oblast and raion military administrations.

## Annex 2

## Communities where heads of military administrations exercise powers of local councils and their executive committees\*

Oblast	Number of military administrations of population centres, including in temporarily occupied areas	Grounds
Donetsk	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Druzhkivka, Kostiantynivka, Kramatorsk, Lyman, Mykolaiv<sup>1</sup>, Sviatohirsk, Kurakhove, Dobropillia, Myrnohrad, Pokrovsk, Selydove, Belozerske, Novohrodivka, Sloviansk city MAs Velyka Novosilka, Cherkaske<sup>2</sup> Hrodivka, Novodonetske, Oleksnadrivka, Udachne settlement MAs Komar, Shakhove, Andriivka, Kryvorizhzhia village MAs</p> <p><b>Temporarily occupied:</b> Avdiivka, Mariinka, Svitlodarsk, Bakhmut, Siversk, Sole-dar city MAs Ocheretyn settlement MA</p> <p><b>Frontline:</b> Chasiv Yar, Toretsk, Vuhledar city MAs Zvanivka, Illinivka village MAs</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2397-IX</a> dated 18.07.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2542-IX</a> dated 30.08.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2616-IX</a> dated 21.09.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2703-IX</a> dated 03.11.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3134-IX</a> dated 30.05.2023</p>
Luhansk	<p>Temporarily occupied: Kreminna, Rubizhne, Shchastia, Svatove, Starobilsk, Ly-sychansk, Hirske, Popasna, Sievierodonetsk city MAs Stanytsia Luhanska, Bilovodsk, Bilokurakyne, Bilolutsk, Krasnorichenske, Loz-no-Oleksandrivka, Markivka, Milove, Nyzhnia Duvanka, Novoaidar, Novopskov, Troitske settlement MAs Nyzhnioteple, Shyrokyi, Kolomyichykha, Chmyrivka, Shulhynka village MAs</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2333-IX</a> dated 01.07.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2670-IX</a> dated 18.10.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2705-IX</a> dated 03.11.2022</p>
Zaporizhzhia	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Huliaipole, Orikhiv city MAs Kamianske, Stepnohirsk settlement MAs</p> <p><b>Temporarily occupied:</b> Dniprorudne, Enerhodar, Kamianka-Dniprovska, Molo-chansk, Berdiansk, Prymorsk, Tokmak city MAs Kamianka, Komyshe-Zoria, Rozivka, Chernihivka<sup>3</sup>, Andriivka, Vesele, Myrne, Ya-kymivka settlement MAs Blahovishchenka, Voskresenka, Mala Bilozerka, Novobohdanivka, Osypenko, Plodorodne, Preobrazhenka, Smyrnove, Sofiivka, Andriivka, Berestove, Nove, Semenivka, Velyka Bilozerka, Kostiantynivka, Novouspenivka, Oleksandrivka, Fedorivka village MAs</p> <p><b>Frontline:</b> Malynivka village MA</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">№ 2669-IX</a> dated 18.10.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2671-IX</a> dated 18.10.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2704-IX</a> dated 03.11.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2831-IX</a> dated 13.12.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3045-IX</a> dated 11.04.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3059-IX</a> dated 02.05.2023</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3340-IX</a> dated 23.08.2023</p>

\* (as of July 2024)

1 The city of Mykolaivka, Kramatorsk raion, Donetsk oblast.

2 The urban-type settlement of Cherkaske, Kramatorsk raion, Donetsk oblast Ідеться про селище Черкаське Краматорського району Донецької області.

3 The settlement of Chernihivka, Berdiansk raion, Donetsk oblast.

Oblast	Number of military administrations of population centres, including in temporarily occupied areas	Grounds
Kherson	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Kherson, Beryslav city MAs Kalynivske, Velyka Oleksandrivka, Vysokopillia, Kalanchak, Bilozerka settlement MAs Borozenske, Mylove, Stanislav, Novooleksandrivka, Novoraisk, Tiahynka, Darivka, Chornobaivka village MAs</p> <p><b>Temporarily occupied:</b> Tavriisk, Hola Prystan, Kakhovka, Skadovsk, Oleshky, Nova Kakhovka, Henichesk city MAs Askania-Nova, Velyka Lepetykha, Verkhni Rohachyk, Hornostaivka, Myrne, Novotroitske, Ivanivka, Lazurne, Liubymivka, Nyzhni Sirohozy, Novovorontsovska, Chaplynka settlement MAs Muzykivka, Prisyvaska, Tavrychanka, Vynohradove, Bekhtery, Velyki Kopani, Zelenyi Pid, Novomykolaivka, Yuvileine, Kostiantynivka, Kochubeivka, Rubanivka, Chulakivka, Dolmativka, Khrestivka village MAs</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2706-IX</a> dated 03.11.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2778-IX</a> dated 16.11.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2830-IX</a> dated 13.12.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2860-IX</a> dated 12.01.2023</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2898-IX</a> dated 06.02.2023</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3009-IX</a> dated 21.03.2023</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">3179-IX</a> dated 29.06.2023</p>
Mykolaiv	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Snihurivka city MA Pervomaiske settlement MA Horokhivske village MA</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2861-IX</a> dated 12.01.2023</p>
Zhytomyr	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Narodychi settlement MA</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2831-IX</a> dated 13.12.2022</p>
Kharkiv	<p><b>Controlled by the Ukrainian government (non-occupied):</b> Balaklia, Derhachi, Izium, Chuhuiv, Kupiansk city MAs Borova, Velykyi Burluk, Zolochiv, Malynivka, Rohan, Pechenihi, Chkalovske, Savyntsi, Stryi Saltiv, Shevchenkove settlement MAs Vilkhivka, Oskil, Tsyrukuni, Kindrashivka, Kunie, Petropavlivka, Vilkhuvatka, Natalyne, Kurylivka village MAs</p> <p><b>Frontline:</b> Vovchansk city MA; Lyptsi village MA</p> <p><b>Temporarily occupied:</b> Dvorichna settlement MA</p>	<p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2777-IX</a> dated 16.11.2022</p> <p>Resolution of the Verkhovna Rada of Ukraine No. <a href="#">2897-IX</a> dated 06.02.2023</p>



# DEMOCRATIC INSTITUTIONS FOR COMMUNITIES WITH LIMITED SELF-GOVERNANCE

Analytical report

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