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**DRAFT NATIONAL STRATEGY
ON THE REFORM
OF THE TERRITORIAL ORGANIZATION SYSTEM
OF THE AUTHORITIES
IN UKRAINE**

**STRUCTURE OF THE NATIONAL STRATEGY
OF THE REFORM OF THE TERRITORIAL ORGANIZATION SYSTEM
OF THE AUTHORITIES IN UKRAINE**

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INTRODUCTION

Current situation of state building in Ukraine requires qualitative reform of the system of the authorities both on state and regional and local levels. Such requirement is determined by a need not only to strengthen achieved results in Ukraine's formation as an independent state, but also to continue building it as legal, democratic, social one, where a person is the most value. After all only in such circumstances there is a possibility to improve people's well being, create efficient guarantees of implementation of human and civil rights.

Initiated in our state political reform currently involves mainly power mechanisms of the state level. However the state can be powerful only if there are strong regions. As the foreign and national experiences of state building prove, the system reforms might be effective only in the case when power relations and institutes on the territorial level are involved. That's why the political reform should find its logical prolongation in improvement of power relations on the level of oblast, rayon, city, town, and villages; in fact on these levels the effectiveness of the authority, its capacity to demonstrate possibilities through providing timely and qualitative management services are mostly expressively developed.

Permanent experiments on reforming of the institutes of territorial power organization on local levels, conducted without sufficient science-based grounds, mainly on the basis of the empirical experience during 90-th beginning of the 2000, haven't shown the desired results. As a consequence of these reforms there was creation of bulky and non-efficient power system. It is a main reason of vital disproportion in social and economical development of Ukrainian regions. Imperfect current legislation on these issues gives rise to numerous conflicts between different authority levels as on the horizontal and vertical lines, brings additional stress in relations between executive and local authorities. Abundant centralization of state authority that negatively influence the regional development, where direct state administration prevails local self-government, is one of the most essential evidence of contradictory and ineffective territorial authority structure in Ukraine.

Further improvement of power division on the horizontal line – between separate branches, single sub-systems of state authorities, - isn't possible without power division on the vertical line – between superior, central and local authorities, without improvement of the state administration system in centralization and decentralization issues, equilibration of state interests with regional and territorial communities' interests. As a necessary prerequisite for achieving interests' equilibration there is formation and implementation of rational state policy on regions, particularly in the financial support aspect of their social and economical development, co-ordination of competencies and activities of regional administration authorities and local self-government, local self-government institution development. State regional policy should give dynamism to regional social and economical development by more complete involving of regional resource potential, by using advantages of territorial division and labor cooperation.

It is possible to solve the problems mentioned only on the assumption of combination of institutional changes in the public authorities system with the reform of administrative territorial structure of Ukraine. Such reform, not disputing the Unitarian character of Ukrainian state, should regulate current system of administrative territorial units, rationalize their borders, and provide formation of all-sufficient territorial communities.

Correction of existing shortcomings in territorial authority organization and development of regions need strong scientific basis, clear conceptual base. The National strategy of the reform of the territorial organization system of the authorities in Ukraine should become such scientific methodological basis for future reforms. This strategy is developed taking into account the Concept of state regional policy, the Concept of stable development of localities, the Concept of administrative reform in Ukraine, as well as other legal acts, acts of the President of Ukraine and the Cabinet of Ministers of Ukraine.

1. GENERAL TERMS

1.1 Conceptual instrument

Administrative – territorial structure – is a spatial organization of a state with its division into component parts (administrative territorial units), according to which the local public authorities system functions. It is held taking into consideration the quantitative and national structure of the population, optimal allocation of productive forces, existence of the conditions and possibilities for providing the population with social, cultural, personal and other services, necessity of bringing executive authorities closer to the population, insurance of development and appropriate functioning of territorial self-government.

The administrative territorial structure is consisted of the Autonomous republic Crimea, oblasts, rayon, and rayon in the cities, towns, villages and settlements. In this system there are three levels: regional – the Autonomous republic Crimea, oblasts, cities Kyiv and Sevastopol; rayon and local level – villages, settlements, towns.

Administrative – territorial unit - is a part of the common state territory that is a spatial basis for organization and activity of local public authorities. It is divided by the geographic characteristics into inhabited localities and regions.

An inhabited locality – is a fully inhabited territory, composed by natural settling of the population and as a result of their economic and other public activity, has stable composition of the population, its own name and it is registered in legal way. There are village (villages, settlements) and town (towns under rayon, oblast, republic (in Autonomous republic Crimea) and State administration).

Rayon – is a territorial unit, provided by the legislation on the lower level after the State level, has legal status, regional executive authorities and self-government representative executive bodies, insubordinate to central state authorities.

Decentralization – is a purposeful process of broadening of competencies of local public authorities under simultaneous reduction of competencies of central state authorities with the aim to optimize and increase management effectiveness of public important affairs, to implement regional and local interests in the fullest way.

Deconcentration – is an organizational technique of state administration, presented by the redistribution of authoritative competencies in the framework of the state authorities structure – from the central to local authorities or between the authorities of one level and allows bringing the state mechanism closer to people.

Delegation of competencies – is a temporal transfer of their competencies by public authorities to other bodies or enterprises, organizations and institutions with simultaneous establishment of subordinated attitudes concerning their fulfillment with the purpose to provide efficiency and to increase effectiveness of management activity.

Public authority – is a state authority, an authority of the Autonomous Republic Crimea or a local self-government authority, which has own functions and competency, has administrative staff machinery, acts at the expense of budget, in legal forms and distributes its power on all subjects by the territorial

Regional policy – is a component part of the state policy concerning insurance of stable and balanced social economical development of regions, optimal concordance of local and regional interests with state interests, building efficient and effective system of local public authorities, support of local and regional self-government, improvement of state administrative territorial structure.

Regional program – is a plan of actions, in which depending on branch or functional orientation there are identified guidelines, priority tasks of regional development and the mechanism of their solving.

Regional development strategy – is a strategic development plan of a region, which identifies purposes, tasks, priorities, guidelines of stable economic and social development of the Autonomous Republic Crimea and oblasts for the medium-term (4-6 years) and long-term (10-15 years) periods.

Regional development - is a dynamic process of social economic increase and improvement of the process of providing management services to the population of a region.

Regional self-government - is a right of the territorial communities of regions directly or through created authorities to solve issues of regional value, related to their competency, in the framework of the Constitution and laws of Ukraine.

Regional development strategy – is a perspective definition of aims, tasks, main work guidelines and measures of regional development, that is a ground for appropriate activity of the public authorities in this sphere.

Territorial community – are people, united by permanent residence in the framework of a village, settlement, town, which are independent administrative territorial units; is a voluntary union of the populations of several villages that have common administrative center.

Territorial community of rayon – are people, united by permanent residence on the territory of inhabited locality of some region.

Territorial development – is a complex process, concerned with organization of the administrative territorial structure, guaranteeing effectiveness of organization and activity of local public authorities, improvement of social economic structure of localities and regions of Ukraine.

1.2 Purpose

The main purpose of the National strategy – is the creation of more rational and effective system of public authorities in administrative territorial units, able to guarantee the highest social human value, to form optimal circumstances for human development, ensure complex and stable development of all regions by means of the fullest usage of their potential. The independent, efficient local self-government on all levels of administrative territorial structure of Ukraine should be a necessary element of such system.

1.3 Strategic priorities

- Strengthen the role of public institutes in insurance of territorial development;
- Rationalize the system of public authorities (in the aspect of institutional and territorial reforms);
- Resume the control for a situation and development dynamic of regions;
- Form the effective system of local and regional self-government according to the standards of the Council of Europe;
- Ensure availability of management and public services;
- Ensure controllability of system changes on the level of regions.

1.4 BASIC DIRECTIONS AND TASKS OF NATIONAL STRATEGY

- Improve conditions for realization of the rights and freedom of the person and the citizen on territorial level
- Maintain system effectiveness of the territorial organization of public authority
- Improve administrative-territorial structure of Ukraine;
- Ensure regional development;
- State support and guaranteeing of local and regional self-government;
- Legal, methodical and informational support of the reform of the territorial organization of authorities;
- Material and financial support of reform of the territorial organization of authority.

Insurance of stable local and regional development, real organizational and financial independence of territorial communities, bringing them closer to the European standards requires complex settling of the tasks, among which the main are:

- Improvement of mechanisms of realization of the rights and freedom of the person and the citizen on territorial level;
- Development of effective mechanisms of public control for activity of system of territorial state authorities and local self-government;
- Increasing the responsibility of public officers of state authorities and local self-government for their actions and inactivity, accepted decisions and their consequences;
- Performing institutional reforms in the system of public authorities that provide territorial development;
- Forming adequate and effective structure of public management on the regional, rayon and local level;
- Decentralization of authorities, distinguishing of functions and competencies of the central and local executive authorities and institutions of local government on territorial development issues;

- Reforming system of granting of administrative, management and social services according to the European standards;
- Reduction of administrative regulation and organization of supervising functions of the state authorities;
- Creation of appropriate institutional, legal and organizational actions necessary for realization of reform of the administrative-territorial structure of Ukraine and providing stable development of regions;
- Combining efforts of territorial executive authorities and institutions of local government on regional development;
- Creation of conditions for appropriate resource support of performance of local self-government tasks and functions.

1.5. PRINCIPLES OF THE REFORM OF THE TERRITORIAL ORGANIZATION SYSTEM OF THE AUTHORITIES

Humanism – is a principle that provides absolute priority of the human rights in activity of public authorities.

Unitarizm – guarantees territorial integrity of Ukraine, excludes possibility of creation in the structure of Ukraine any state formations and provides unity of state mechanism. In administrative and territorial units the bodies, which compete with local state authorities, cannot be created. They can have only own local and regional self-government bodies, which procedure of formation and competence are defined by the legislation of Ukraine.

Legality – reform of the territorial organization of authority is carried out according to the Constitution and laws of Ukraine, acts of the President of Ukraine and the Cabinet of Ministers of Ukraine on the basis of precise distribution of competencies and responsibilities between state authorities and local and regional self-government.

Combining centralization and decentralization provides optimal distribution of competence between state authorities, local and regional self-government, establishment of organizational-legal framework of independent decision-making process, while local and regional self-government bodies can solve local issues that are identified by the needs of national development.

Coordination of state, regional and local interests promotes the fullest implementation of interests of citizens, territorial communities, people of Ukraine, serves for development of consolidation processes of a society and prevents central and distal social and political processes dangerous for the constitutional state structure, determines structure and character of legislative definition of competences of state authorities, local and regional self-government.

Partnership between state authorities and local and regional self-government bodies, as well as between enterprises, organizations, and institutions deals with development and implementation of actions on regional development.

Subsidiarity – is a principle of distribution of authorities, under which providing with management services mostly approaches its direct consumer taking into consideration completeness and appropriate quality of this service by concentration of material and financial resources on the appropriate territorial administrative levels.

Balanced development of regions determines differentiation of state support to regions taking into account features of their potential and according to conditions, criteria and terms determined by the legislation.

Publicity requires obligatory adherence to free movement of informational flows in the system of territorial organization of authority, wide awareness of citizens about organization and activity of public authorities.

State support and guaranteeing of local self-government is a responsibility of the state by legal, organizational, material and financial resources to promote development of local self-government with the purpose of strengthening democratic grounds of the society organization, increasing management efficiency of significant public affairs.

Territorial principle of local self-government characterizes implementation of this form of public authority on all territory of Ukraine without any restrictions and on territories, divided from each other.

Self-sufficiency of territorial communities requires real ability of territorial communities independently and in corpore to solve local and regional questions, referred to their competences, on the basis of own and sufficient material and financial assets on the level of social standards guaranteed by the state.

The accountability and the responsibility of local and regional self-government authorities to the territorial communities characterizes these bodies as such, that are created and function with the purpose of the fullest satisfaction of needs and realization of interests of population of administrative and territorial units, requires introduction of the effective control mechanisms of territorial communities for their activity.

2. MAIN STEPS IN STRATEGY IMPLEMENTATION

2.1 Improvement of the terms for realization of human and civil rights on the territorial level

Create necessary conditions for realization of constitutional human and civil rights on territorial level;

Set partnership relations between higher, central state authorities and local self-government structures, coordinate their efforts with purpose of settling urgent problems of territorial development, protection of human and civil rights and legal interests;

Follow minimal standards of social protection of population regardless of regional economic opportunities;

Introduce open consultations of executive authorities and local self-government bodies with representatives of public institutes, set cooperation of power structures and mass media;

Hold public hearings on implementation of strategy of system reform of territorial organization of authorities;

Promote development of social structures, which main activity guideline is satisfaction of different interests of various groups and great masses of population, bring management services closer to people, simplify procedures of their obtaining;

Reduce state regulation of human and civil private life;

Implement individual work direction of public authorities concerning identification and elimination of reasons, which prevent realization of constitutional civil and human rights;

Perform careful check, analysis of all civil appeals, which deal with work shortcomings of state authorities and local-self-government bodies, appeal against official decisions of these bodies;

Increase responsibility of state servants and local self-government officials, through whose fault there are violations of civil and human rights, bureaucracy and official circumlocution;

Systematically generalize and analyze existing conditions of realization of constitutional human and civil rights, consider analysis results during identification of system and structure of public authorities, regulation of functions and competences, forms and methods of their work;

Ensure comprehensive support to formation and development of public organizations, political parties, other institutes of civil society; Ensure realization of openness and clearance in activity of public authorities, draft on budget funds, and state and communal property;

Develop and implement additional measures, aimed at increasing the cultural and legal level of population, explain constitutional civil and human rights and measures of their protection, public authorities, as well as extension of juridical consultation network on a voluntary basis for free legal support to population, first of all to citizens, who need social protection and support;

Establish informational and educational TV- and radio programs, translation of thematic films, publication of popular scientific literature, methodic manuals on realization of constitutional civil and human rights;

Develop effective mechanisms of compensation of material and moral harm, committed to people and citizens by acts or inactivity, by decisions of public authorities in result of violation of their rights freedoms.

2. 2 Insurance of the effectiveness of the territorial organization system of public authorities

- Perform institutional reforms in the system of public authorities that provide territorial development;
- Create central executive body, responsible for realization of state regional policy, reform of territorial organization of authorities and local self-government support (appendix # 1);
- Create network of regional agencies of territorial development as territorial bodies of central executive authority, that on regional level take measures on implementation of state policy of regional development, administrative reform, local self-government support (appendix # 2);
- Create National council of territorial development as consultation-advisory body at the President of Ukraine, which assists to coordination of activity of public authorities, scientific and public organizations concerning implementation of state regional policy, reform of territorial organization of authorities and local self-government support (appendix #3);
- Liquidate local state administrations on rayon level; establish representative bodies of local state executive authorities in regions, which function in intermediate stage;

- Change status of oblast state administrations, reduce their local self-government functions and reorient at control functions, as well as functions, which cannot be delegated to local self-government bodies;
- Eliminate competition of competences of local state administrations and local self-government bodies on regional level; create mechanisms of partnership relations between local state executive authorities and local self-government bodies;
- Introduce valid local self-government on regional and rayon territorial levels; grant to rayon and oblast councils right to create own executive bodies;
- Demarcate competences between public authorities on local levels on the basis of subsidiarity; redistribute responsibilities between local self-government bodies and local state executive authorities, local self-government bodies of different territorial levels on the basis of decentralization and deconcentration;
- Change existing approaches to defining the list of collective subjects of local self-government; implement local self-government system in Ukraine, which doesn't consists of one type of collective subjects (territorial communities), but three: territorial communities (inhabitants of localities that are administrative-territorial units), rayon territorial communities (inhabitants of rayon) and regional territorial communities (inhabitants of oblasts);
- Admit the right of local councils to define independently a system of own executive bodies within local budget funds;
- Improve the procedure of formation of local self-government bodies; formation of electoral districts on elections to rayon and oblast councils not by geographic indications (number of localities and cities with status of rayon within rayon, number of rayons and cities with status of oblasts within oblasts), but by demographic approximately equal number of population in each electoral district);
- Increase responsibility of local self-government bodies of regional level to territorial communities; recognize the right of territorial communities of regions and rayons and oblasts to terminate authorities of appropriate local councils in advance by referendum;
- Further development of publicity in activity of local executive authorities and in local self-government system; introduce clear procedures of adoption and implementation of management decisions; ensure organizational, legal and material-financial conditions for informing members of territorial communities about activity of appropriate local self-government bodies;
- Legislatively identify the list of exclusive authorities of territorial communities that can be adjusted only by referendum;
- Set parity relationships between state authorities and local self-government system, coordinate their efforts with purpose of settling urgent problems of territorial development;
- Introduce completely new training system, retraining and professional development systems of officials of local self-government bodies and municipal servants, workers of communal enterprises and institutions on the basis of usage of new technologies of municipal management;
- In the system of local self-government create special law enforcement formations – municipal police, which ensures implementation of the decisions and authorities of local self-government in the sphere of ensuring legality, law and order, guaranteeing rights and legal interests of citizens;
- Create self-government unions of citizens both by territorial and functional criterion;
- Widely attract people, general public to solving issues of local value.

2.3 Improvement of the administrative territorial structure of Ukraine

- Create three-level administrative territorial structure: regional level (the Autonomous Republic Crimea, oblasts, cities Kyiv and Sevastopol), rayon level (rayons), primary (local) level (towns, settlements, villages);
- Identify the criteria (financial-economic, demographic, geographic, administrative-political etc.) of formation of administrative territorial units of primary (local) level, territorial communities;
- Identify the criteria of inhabited localities (under rayon, oblast, the Autonomous Republic Crimea's, state's administration) and the criteria of their belonging to the proper category;
- Analyze issues on expediency of increasing of administrative territorial units of rayon and primary (local) level; taking into consideration geographic, natural-climatic, historic, social-economic, demographic and public-political factors;
- Form self-sufficient inhabited localities (villages, settlements, towns), h.i. which could have necessary financial and material opportunities to provide valuable state and public services for the population; constitute them as local link of the administrative-territorial structure;
- Deprive the localities that are under the powers of local self-government bodies of other administrative – territorial units of the status of independent administrative territorial units; deprive the territorial communities of such localities of the status of an independent subject of local self-government;
- Include the territory of appropriate locality and abutting lands into the territory of a town, a settlement, a village as local (primary) self-governed administrative territorial unit;
- Take into account the principal of availability of public services, provided in the local self- government system, while determining the administrative borders of a territorial community;
- Work on demarcation and delimitation of the borders of all administrative territorial units and prepare proper cartographical documentation;
- Legal adjustment of the issues on administrative territorial structure of Ukraine, particularly determination of the procedure of renaming, changing of the borders, category or status of administrative territorial communities.

2.4 Insurance of regional development

- Maintain complex approach to solving regional development issues;
- Combine state regulation of regional development with increasing of the role and responsibility of local public authorities for implementation of regional policy;
- Change of views on state administration: from super centralized system to methods of regulation policy;
- Change to strategic planning of regional development by development, implementation and support of regional development programs, in particular, development and implementation of the National program of local and regional development, as well as the programs of stimulated regional investment policy;
- Substantiate the principles of state stimulation of regional development, including depressed territories;
- Set intersector cooperation of local public authorities, non-government, public organizations, politic parties, scientific institutes, enterprising structures;
- Fulfill complex tasks on forming investment attractive environment of the regions;

- Create optimal efficient economic structure of the regions, using advantages and possibilities of their geopolitical situation;
- Use contractual principals while identifying joint actions of central and local executive authorities and local self-government bodies in stimulating of regional development, in particular depressed territories;
- Conduct actions on increasing the role of regions in foreign-economic collaboration, active participation of regions in international organizations and institutions, activization of interregional and transborder cooperation;
- Contribute to forming of infrastructure on support of regional development through attracting economic subjects, public institutes to the participation in implementation of the state regional policy and their own policy of regional development;

2.5 State support and guarantees to the local and regional self-government

- Constitute the term of regional self-government as a right territorial community directly or through created bodies to solve the regional questions, referred to their competency, in the framework of the Constitution and laws of Ukraine;
- Clearly distinguish competences of local and regional self-government bodies;
- Improve control for realization of delegated competencies by regional and local self-government bodies;
- Encourage consolidation of territorial communities as primary subjects of local and regional self-government; on the basis of their statutes – encourage implementation of the forms of direct solving of local and regional issues, citizen participation in local and regional self-governance, which could stimulate the development of local democracy;
- Legislatively determine the role of territorial communities in the systems of local and regional self-government, their exclusive competencies;
- Solve the questions concerning establishment and activity of rayon councils in the cities;
- Promote increasing of the role of bodies of people self-organization in settling the local and regional affairs, in providing social services for the population;
- Improve the procedure of formation of local self-government executive bodies;
- Legislatively determine the legal status of voluntary unions of local and regional self-government bodies, establish organizational legal mechanisms of their cooperation with state authorities with the purpose of protection the rights and interests of territorial communities, guaranteed by the Constitution;
- Legislatively determine clear procedures of reference to the court with the purpose of protection the rights and interests of territorial communities and civil servants of local self – government;
- Complete to form the system of administrative courts; their full staffing with professional judges;
- Provide qualified training of judges for administrative courts;
- Give to the local self-government bodies a right to refer to the Constitutional Court of Ukraine with a constitutional appeal on constitutionality of laws, acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, legal acts of the Parliament of the Autonomous Republic Crimea;
- Improve the mechanisms of responsibility of civil servants of local self-government, to a territorial community and the state;
- Increase the educational work for the local population with the purpose of revival of social and political activity of territorial communities as primary subjects of local and regional self-government;

2.6 Legal, methodical and informational support of the reform of the territorial organization of the authorities

- Form a new legislative basis for local self-government by adopting the Municipal Code (the Code of local self-government), which should include the following laws of Ukraine: “On local self-government in Ukraine”, “On grounds of material and financial support of local self-government in Ukraine”, “On self-governance of territorial communities”, “On rayon self-government”, “On oblast self-government”, “On associations and other voluntary unions of local self-government bodies”;
- Submit changes and additions to the Law of Ukraine “On local state administrations” according to the change of their territorial base and competency;
- Develop and adopt the laws “On administrative territorial structure of Ukraine”, “On communal property“, “On municipal police”, “On regional accounting chambers”, “On conducting the state legal experiments on regional development issues”;
- Adapt the national legislation on regional policy to the norms and standards of the European Union”;
- Create the analytical research center on territorial development as a state scientific research institute, which fulfills scientific analytical and forecasting research on public-political, social-economic, ethnic-political, humanitarian, informational and ecological aspects of territorial development in Ukraine (Appendix #4);
- Develop a flow sheet of distribution of competencies and spheres of activity between local state administrations and local self-government bodies on regional and rayon levels, as well as on the level of territorial communities;
- Develop minimal register of management services that should be provided by the authorities of regional, rayon and local levels concerning guaranteeing the urgent needs of proper territorial communities;
- Perform systematic monitoring and sociological research on regional, rayon and local levels with the purpose to provide effective feed-back of activity of territorial authorities and population;
- Use new informational technologies in the activity of local public authorities;
- Create state and regional informational systems about regions, their potential and needs, as well as about inhabited localities of Ukraine;
- Develop the complex of measures concerning illustration of the implementation process of this Strategy in mass media;
- Develop target program of preparation, publishing and distribution of comments to the laws of Ukraine, scientifically-methodical literature, training programs, scientifically-practical books on local self-government and state administration issues for informational and scientifically-methodical support of the activity of local public authorities and civil servants;
- Encourage the constitution of municipal law as an independent branch of law; conduct fundamental scientific research and provide trainings for professionals in this sphere;
- Organize permanent scientific assistance for the reform of the organization system of the authorities; improve the conceptual instrument of the system of power relations according to the requirements of the European standards.

2.7 Financial support of the reform of the territorial organization of the authorities

Develop new financial economic basis of functioning of local executive authorities and local self-government bodies;

Increase effectiveness of the state financial control;

Introduce new forms and methods of financial control;

Improve the resource support of local and regional development;

Institutional reform in the financial system of Ukraine with the purpose of attraction non-budget forms of financing of the territorial development;

Implement investment models of financing of social-economic projects on the regional and local levels;

Stimulate economic growth of regions by increasing regional and local budget incomes;

Reform budget and tax structure of Ukraine with the purpose of optimization of financial of the territorial organization of the authorities;

Ensure observance of the requirements of independent budget policy in the process of realization of competences by regional and local authorities, and local self-government bodies;

Create tax structure on the basis of the principal of optimal balance of interests of different management levels;

Finally adjust the problems of demarcation of tax competences;

Coordinate the state, regional and local financial interests in the process of building of a new model of budget and tax system;

Legislatively adjust a principal of ansurance of incomes of local budgets: at the expense of independent local incomes or at the expense of introducing additional rise in the state taxes;

Ensure financial independence of local authorities;

Delimit sources of tax incomes with the purpose of elimination of clash of interests of different power levels and local self-government bodies;

Include into the local self-government competences the tax sources, which administration from the center is rather difficult, and which on local levels are used more completely and rationally.

The system of local taxes and dues should meet the following requirements:

- be independent, not limited to additions to the state taxes;
- includes only direct taxes;
- Fixes the paying capacity taking into account the pressure of the state taxing;

The change of existing order, when the main amount of finances of local budgets is formed at the expense of deductions while paying the state taxes and dues, deprives the local authorities of their financial independence, fixes their dependence on the central authorities;

Reduce the part of transfer incomes of local budgets at the expense of appropriate increasing of own tax incomes;

Increase the amount of incomes to local budgets from taxes on income of enterprises;

Provide regional and local authorities with competences on regulation of substantial subjects of taxation taking into account inadmissibility of significant tax fluctuations;

Introduce regional level of budget and tax systems (the Autonomous Republic Crimea, oblast). With this purpose it's necessary to amend the Budget Code of Ukraine in the part, where the list of regional budgets and the sources of earnings to these budgets are determined. In the law of Ukraine "On taxation system" it's necessary to distinguish regional taxes and dues, as well as to determine the mechanism of their administration and principles of their allocation between proper budgets;

Increase the expenses of local budgets (in the perspective and regional) on the development of enterprising sector on the proper territory;

Create necessary prerequisites for transferring earnings from shadow economic sector to legal one and attract them to financing of regional and local investment projects.

2.9 Material support of the reform of the territorial organization of the authorities

From these positions the main directions of increasing the efficiency of the local self-government mechanism are the following:

- Stimulate enterprising activity on the territory of a community by all existing regulation measures that are appertained to the competency of local self-government bodies;
- Develop economic activity of local self-government bodies on the basis of using communal property as the important financing source of local investment programs, implemented on the territory of a community.

Implementation of these directions predicts:

- Without fail create registers of communal property and implement the regime of its support according to the real situation and regime of free access to information concerning its matter;
- Adopt proper normative legal act on the level of a Law or Resolution of the Cabinet of Ministers of Ukraine, which legally regulates the procedure of creation of such registers and the grounds of responsibilities of the officials for violation of regime of access to information, contained in the registers;
- Activate the economic activity on the territory of a community by setting concessive relations on communal property;
- Develop normative-legal basis for each object of concession (recycling of wastes, conveyance of passengers, real assets, etc);
- Encourage and support realization of investment projects on the territory of a community, that can have profitable character;
- Develop complex of normative acts on regulation of the processes of emission, control over circulation and procedure of fulfillment of municipal bond liabilities;
- Legislatively adjust a question concerning possibility of mortgage of communal property objects on insurance of credit instruments.

3. STAGES OF STRATEGY IMPLEMENTATION

Stages of strategy implementation

The strategy will be implemented in three stages:

First stage (2004) – creation of the central executive authority and the network of regional agencies of territorial development, responsible for development and implementation of the territorial development policy of Ukraine;

Creation of the National council of territorial development as a consultative-deliberative body attached to the President of Ukraine and the analytical center on research of territorial development as a state scientific-research institute.

Second stage (2004 – 2005) – development of legislative amendments by formed bodies and institutions concerning making changes to the Constitution of Ukraine and legislative acts, necessary for reforming administrative territorial structure, territorial organization of authorities and systematization of the legislation that regulates this process;

Third stage (2005 – 2008) – reforming of local public authorities according to new approaches of realization of territorial development policy;

Bring the system of subordinate legislative normative acts into accordance with the Constitution and the laws of Ukraine for forming stable relations in the system of territorial organization of authorities.

APPENDIX # 1
Draft

REGULATION
on the Ministry of the territorial development of Ukraine
OR (regional development and local self-government support)

1. The Ministry of the territorial development of Ukraine is a central executive authority, which activity is directed, coordinated and controlled by the Cabinet of Ministers of Ukraine.

The Ministry of the territorial development of Ukraine is the main (leading) body in the system of the central executive authorities in providing implementation of the common state policy of the territorial development of Ukraine or the policy of the regional development and local self-government support.

2. The Ministry in its activity is directed by the Constitution and the Laws of Ukraine, the acts of the President and the Cabinet of Ministers of Ukraine.

The Ministry summarizes the practice of use of the legislation on issues that belong to its competency, develops proposes on improvement of the legislation and in accordance with established procedure submits them for consideration of the President of Ukraine and the Cabinet of Ministers of Ukraine.

Within its competencies the Ministry organizes execution of the legislative acts, performs control for their implementation.

3. The main tasks of the Ministry are:

Preparing proposes on formation of the state policy of the regional development and local self-government support, as well as development of the mechanisms of its realization.

Taking measures on transformation of the territorial organization of the authorities according to the principals of the European Charter of local self-government.

Ensuring dynamic, balanced social-economic development of the regions.

Ensuring consistence with social standards guaranteed by the state for each citizen irrespective of the place of residence.

Reinforcement of the market transformation processes on the basis of increasing the efficiency of potential of the regions.

Improving the work of the state authorities and local self-government bodies, increasing the effectiveness of management decisions.

Taking part in development and realization of the National strategy of the reform of the territorial organization of the authorities in Ukraine, the state regional programs.

Grounding the state stimulation of the regional development, including depressed territories.

Encouraging implementation of the main principles of the state policy on attracting and effective usage of foreign investments, aimed at realization of the program of territorial development of Ukraine.

Organizing and coordinating of the acts, aimed at support of economic, scientific, ecologic, cultural and educational cooperation of the regions of Ukraine with each other and with the regions of foreign states (including the states – members and candidates into members of the European Union).

Researching and monitoring of the regional aspects of economic and social development.

Participating in formation and realization of the state policy in the sphere of regulation of intraregional and interregional labor migration.

Developing proposes on the strengthening of transborder and interregional economic cooperation, building infrastructure of the regional development.

Participating in formation and realization of the state policy in the sphere of cooperation with foreign and regional organizations concerning regional development issues, local self-government development and support.

Participating in formation of attractive environment of the regions of Ukraine between potential foreign investors.

Developing standards and criteria for identifying depressed territories and all-national programs of decreasing of regional convergences.

Developing state standards for supplying the public authorities with management services.

Identifying and securing support to regional and branch priorities that stimulate the process of creation of new, additional and reservation of existing highly productive workplaces.

Increasing territorial population mobility with the purpose of labor transfer between labor-sufficient and labor-surplus regions.

Promoting development of enterprise, attraction of investments, creation of the programs of interregional cooperation and development.

Encouraging creation of conditions for forming the national training system on regional development.

Providing interested enterprises, institutions, and organizations with information about regional achievements in the economic, cultural and educational branches.

Setting direct scientific, productive and cultural ties between enterprises, institutions, organizations and foreign partners by carrying out national, international, branch and regional exhibitions.

4. The Ministry of the territorial development of Ukraine according to its tasks:

1. Participates in implementation of the state policy of the regional development and local self-government support, administrative reform on the local and regional levels on the grounds of decentralization, subsidiarity, partnership of the state authorities with local self-government bodies; coordinates the activity of central and local executive authorities in this sphere;

2. Participates in development of drafts of normative-legal acts on regionalization, territorial development and local self-government development;

3. Prepares propositions on improvement of the mechanism of strategic state planning of the regional development, the system of regional forecasting and planning of the social-economic development;

4. Develops criteria of the territorial division and submits propositions for consideration of the Cabinet of Ministers of Ukraine and the Parliament of Ukraine on changing the administrative-territorial division of Ukraine;

5. Within the competencies works on propositions to the draft Program of the activity of the Cabinet of Ministers of Ukraine, measures on its implementation and exercises control over their execution;

6. Monitors and analyses implementation process of the resolutions of the President of Ukraine and the Cabinet of Ministers of Ukraine on regional development and economic reform and submits proper analytical materials for consideration of the President and the Cabinet of Ministers of Ukraine;

7. Prepares propositions on creation and functioning of special economic areas; introduction of special investment regime on the territories of priority development;

8. Participates in development of normative-legal acts on improvement of mechanisms and procedures of conflict resolution regarding competencies on the local and regional levels;

9. Develops mechanisms of demarcation of responsibility for providing the population with services between different levels of public authorities;

10. Provides organizational-methodical support and coordinates work, concerned with formation and fulfillment of regional development strategies by central and local executive authorities and local self-government bodies;

11. Promotes creation of economic, organizational and normative-legal prerequisites for implementation of main principles of stable and balanced regional development;

12. Develops criteria and indicators of depressed territories. Executes control over implementation of the programs on overcoming depressed situation of the territories;

13. Coordinates development of interregional social projects. Provides conditions for conducting competitions of these projects on the interregional level;

14. Coordinates activity of regional agencies of territorial development and proper subdivisions of local state administrations;

15. Assists introduction of competitive basis for distribution of state investment funds in the regions;

16. Takes part in the actions on implementation of the regional policy within the European Union;

17. Provides organizational-methodical support and coordinates work, concerned with formation and fulfillment of regional and interregional programs, which are fully or partially financed from the state budgets, by central and local executive authorities, local self-government bodies, keeps records of these programs and participates in preparation of expert recommendations regarding appropriateness of their adoption and in execution of complex analysis and assessment of these programs, efficiency of usage of budget funds;

18. Composes and submits to the Ministry of Finances of Ukraine the draft list of interregional, regional and local programs, which are proposed for financing in proper budget period;

19. Provides economic substantiation of some items of incomes and expenses of the state budget, particularly on financing of interregional and regional programs; within its competency participates in formation and realization of budget, tax, money-and-credit, monetary and customs-tariff policies;

20. Ensures realization of the state foreign-economic policy, develops concept and development strategy of foreign-economic potential of Ukrainian regions, mechanisms of state regulation of transborder interregional economic cooperation;

21. Organizes partnership of government structures with local self-government bodies regarding development of proper territorial communities, regional and rayon communities;

22. Analyzes current situation and forecasts development tendencies of regional goods markets, their mutual influence, as well as influence on them by foreign markets;

23. Promotes development of transborder cooperation within created Euroregions, develops recommendations on new forms of transborder interregional economic cooperation and improvement of trade and economic ties with foreign regions; in accordance with established procedure participates in the work of international organizations and intergovernmental commissions, committees, working groups etc;

24. In cooperation with other ministries, central and local executive authorities, local self-government bodies, enterprises, institutions, organizations conducts regional exhibitions, trade fairs, tenders, conferences, colloquies, seminars etc;

25. Creates informational data bank of know-how and new products, organizes publishing of informational bulletins, promotional materials, prospects, bulletins etc;

5. The Ministry has right to:

- 1) attract specialists of central and local executive authorities, enterprises, institutions and organizations (in coordination with their officials), consulting and

- expert organizations for consideration of issues that belong to their competency;
- 2) on behalf of the Cabinet of Ministers of Ukraine represent it in international organizations and during signing of international agreements of Ukraine;
- 3) in case of need in coordination with other interested central executive authorities within its competency create commissions and expert groups, including attracting specialist on a contractual basis;
- 4) make inquiries to central and local executive authorities, local self-government bodies and receive from them full information, documents and materials, necessary for execution of their tasks and responsibilities;
- 5) on a free basis use information data, created and led by executive authorities;
- 6) in accordance with established procedure hold conferences on issues, belonged to its competency;
- 7) according to the law of Ukraine "On local state administrations" cancel the orders of the officials of proper subdivisions of local state administrations;
- 8) within its competency conduct checks in local executive authorities;

6. The Ministry executes its responsibilities directly and through governmental bodies of state administration that act within the Ministry, and subordinated territorial bodies.

7. The Ministry during execution of its tasks cooperates with other central and local executive authorities, local self-government bodies, the unions of citizens, and with proper bodies of other countries.

8. The Ministry within its competency on the basis and according to the legislation of Ukraine issues orders, organizes and controls over their fulfillment.

In case of need the Ministry together with other central and local executive authorities issues joint acts. The normative-legal acts of the Ministry should be registered in established by the legislation procedure.

In cases, predicted by the legislation, the decisions of the Ministry are compulsive for central and local executive authorities, local self-government bodies, enterprises, institutions and organizations of all ownership forms and for citizens.

9. The Minister is at the head of the Ministry; he (she) is appointed and discharged by the President of Ukraine in established by the legislation procedure.

The Minister leads the Ministry, directs and coordinates the activity of other executive authorities concerning issues on territorial development of Ukraine, is personally responsible for development and implementation of the Program of the activity of the Cabinet of Ministers of Ukraine regarding proper questions, for realization of the state policy in this sphere.

The Minister is personally responsible to the President of Ukraine and the Cabinet of Ministers of Ukraine for execution of imposed on the Ministry tasks and execution of his (her) functions.

The Minister has deputies, appointed and discharged in accordance with the legislation. The Minister distributes responsibilities between deputies, determines the amount of the responsibility of Minister's deputies and executives of structural departments of the Ministry.

10. The board is created for coordinated solving of questions, belonged to the competency of the Ministry, discussion of the most important guidelines of its activity. The board consists of the Minister (the chairman of the board), the Minister's deputies, the executives of governmental state administrations, created as the part of the Ministry, other officials of the Ministry.

The board can also include the executives of other central executive authorities, which activity is directed and coordinated by the Cabinet of Ministers of Ukraine through the minister; enterprises, institutions and organizations, managed by the Ministry, as well as representatives of proper public organizations (with deliberative vote).

The members of the board are appointed and discharged by the Cabinet of Ministers of Ukraine with recommendation of the minister.

The decisions of the board are enforced by the orders of the Ministry.

11. Scientific, scientific-consulting councils, commissions and other advisory and consultation bodies can also be created in the Ministry for examination of scientific recommendations and other propositions concerning main directions of the Ministry's activity.

The Minister ratifies the staff of these bodies and their regulations.

12. The Cabinet of Ministers of Ukraine can create governmental bodies of state administration in the Ministry.

13. The Cabinet of Ministers of Ukraine approves the maximum amount of workers of the Ministry. The Minister with coordination of the Ministry of Finances of Ukraine approves the list of members of the staff and estimate of expenditures of the Ministry.

The Minister approves the structure of the Ministry and regulations on its structural departments.

14. The Ministry is a legal person, has independent balance sheet, stamp with the National Emblem of Ukraine and with its name.

The structure of the central apparatus of the Ministry of the territorial development of Ukraine:

Department on strategic planning of regional development

Department on monitor of regional development

Department on Euroregional collaboration and cooperation with the regions of the Commonwealth of Independent States

Department on state stimulation of territorial development

Department on special economic areas and the territories of priority development

Department on development of depressed territories

Department on partnership with governmental structures and local self-government bodies

Department of domestic trade and personal services

Department on regulation policy in the entrepreneurship sphere

Department on economic of housing and communal services

APPENDIX # 2
Draft

REGULATION
on the regional agencies of the territorial development
in oblasts, cities Kyiv and Sevastopol

1. Regional agency of territorial development (further - agency) is the territorial body of the Ministry of territorial development of Ukraine, accountable to it and under its control.

Agency within its competencies provides implementation of the state policy in the sphere of regional development and local self-government support.

2. In its activity agency is governed by the Constitution of Ukraine, the laws of Ukraine, the acts of the President of Ukraine and the Cabinet of Ministers of Ukraine, the orders of the Ministry of territorial development of Ukraine, the decisions of the local executive authorities, the local self-government bodies, as well as by this Regulation.

3. The main tasks of the agency are:

Realization of the state policy on regional development and local self-government support,

Realization of the State strategy on regional development of Ukraine, state regional programs,

Introduction of propositions on state stimulation of regional development,

Participation in implementation of the state policy on attraction and effective usage of foreign investments in region's economy'

Ensuring economic, scientific, ecological, cultural and educational cooperation with other regions and regions of foreign countries,

Analysis and forecast of social-economic processes in appropriate region,

Participation in realization of the state policy in sphere of regulation of intraregional and interregional labor migration,

Realization of the state policy in sphere of cooperation with international and regional organizations on regional development, local self-government development and support,

Taking measures on forming attractive regional environment for foreign investments,

Promoting development of entrepreneurship in a region, attraction of investments, realization of interregional cooperation and development programs,

Supplying interested enterprises, organizations, and institutions with information about regional achievements in social-economic sphere,

Encouraging activization of foreign-economic ties and entrance on foreign market of enterprises, organizations and institutions, situated on the territory of a region,

Taking measures and promoting creation of proper conditions, aimed at development and organization of interregional, border and offshore cooperation.

9. Agency according to its tasks:

1) Takes measures on introduction of the state policy of regional development and local self-government support, the administrative reform;

2) Submits propositions to the Ministry of regional development of Ukraine on normative regulation of regional policy and local self-government support;

3) Monitors and analyzes the implementation of the acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, the Ministry of territorial development of Ukraine concerning regional development and gives the information and propositions to the Ministry of territorial development of Ukraine;

4) Prepares propositions on regional development, which are aimed at the implementation of the acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, the Ministry of territorial development of Ukraine, and takes measures for their implementation;

5) Participates in development of propositions concerning administrative reform and reform of administrative-territorial structure of Ukraine;

6) Analyzes situation and tendencies of economic and social development of a region, participates in determination of its priorities, in implementation of structural changes, and in formation of guidelines of investment policy;

7) Conducts regional forecasting and planning of social-economic development of a region for short-term, medium-term and long-term periods;

8) Takes measures on increasing the territorial population mobility with purpose of distribution of labor force between labor-insufficient and labor-surplus regions;

9) Encourages settlement of competency debates and conflict situations on local and regional levels;

10) In a region ensures implementation of standards of supplying the population with social services and the mechanisms of responsibility for their adhering into activity of local executive authorities and local self-government bodies;

11) Coordinates work on formation and fulfillment of regional development strategies by local executive authorities and local self-government bodies, develops scenarios of these strategies, evaluates opportunities and dangers of selected strategies;

12) Participates in project development of regional programs, together with public organizations of employers develops regional programs on entrepreneurship support, promotes their implementation;

13) Promotes creation of infrastructure of regional development support, conditions for equal development of all economic forms and enterprising development on the territory of a region, gives advisory, informational and other support for subjects of enterprising activity;

14) Takes organizational, economic, financial and other measures on guaranteeing stable and balanced development of the region;

15) Analyzes situation and participates in elaboration of propositions on consumer market development, market of services and in formation of their infrastructures, in organization and quality improvement of rendering of services for population in appropriate region;

16) Participates in working on propositions concerning structure development and improvement of export and import of goods (works, services) in appropriate region;

17) Promotes development of science and engineering, know-how implementation, growth of production technical level and product quality, creation of territorial innovative centers, technoparks;

18) Takes measures on creation of favorable conditions for foreign investment activity, gives advises about opportunities of attraction of foreign investments, solves problems, which restrain investing;

19) Prevents conflicts between investors and local executive authorities and local self-government bodies, adjusts the ways of their out-of-court regulation;

20) Develops and organizes realization of measures, aimed at investment growth, formation of attractive environment of a region for potential foreign investors;

21) Participates in work on attraction of investments and credit resources for social-economic potential development of appropriate region;

22) With participation of enterprises, organizations, institutions promotes creation of funds with purpose of accumulation of material-financial and other assets for implementation of programs and individual projects of social economic development of a region;

23) Participates in preparation of recommendations regarding establishment and

functioning of special economic areas on the territory of appropriate region, introduction of special investment regime on the territories of priority development, analyzes economic and social consequences from functioning of special economic areas and territories of priority development and submits appropriate information to the Ministry of territorial development of Ukraine;

24) Organizes regional and participates in national and international exhibitions and fairs;

25) Identifies demand for investments in appropriate region and on the basis of priorities, determined by the state, develops recommendations on distribution of state investment funds in appropriate region;

26) Submits to the Ministry of territorial development of Ukraine propositions on the list of interregional, regional and local programs, recommended for financing from the state budget funds of Ukraine; assists and coordinates work of local executive authorities, local self-government bodies concerning formation and implementation of such programs, keeps records of them, prepares expert recommendations on appropriateness of their confirmation, analysis and assessment, efficiency of spending budget funds;

27) Take measures for development of interregional economic ties, prepares appropriate draft agreements;

28) Takes measures on development of foreign-economic potential of a region, transborder interregional economic cooperation;

29) Participates in implementation of state foreign-economic policy in the part of Ukrainian integration to the world economy and widening of economic and social cooperation with EU, submits appropriate conclusions to the Ministry of territorial development of Ukraine;

30) Monitors financial-economic situation of enterprises, in particular those, which are of strategic value for regional economy or are monopolists on the regional market of goods (works, services);

31) Together with territorial bodies of other central executive authorities, local executive authorities, local self-government bodies conducts regional exhibitions, fairs, conferences, seminars etc;

32) Develops propositions on improvement of the training (retraining) system in the sphere of regional development;

33) In accordance with established procedure acts as a customer of scientific, research, expert, analytical and other works on regional development;

34) Participates in implementation of methodical support and software of informational and analytical systems, which are used for research of social-economic development of a region;

35) Creates informational and reference data bank of enterprises of a region, new technologies, product types, prepares appropriate informational materials about economic potential and investment opportunities of a region, organizes publishing of informational bulletins, promotion materials etc;

5. Agency has right to:

1) in accordance with established procedure receive information, documents and other materials, necessary for execution of imposed tasks, from other local state authorities, local self-government bodies, enterprises, institutions and organizations;

2) in accordance with established procedure attract specialized agencies and organizations, well-qualified specialists and scientific workers for performing expert-analytical support of regional development, appropriate specialists and scientists for consideration of issues that belong to the agency's competence;

3) perform publishing activity regarding regional development and local self-government support;

4) in accordance with established procedure convene meetings on issues, which belong to its competency;

5) organize conferences, seminars, exhibitions, fairs etc.

6. The activity of regional agency is coordinated by the chairman of oblast (city) state administration within his (her) competence in the sphere of regulation of relations on regional development and local self-government support.

7) The agency is led by the chief who is appointed by the Minister of territorial development of Ukraine in accordance with established procedure.

The chief of the agency has the first deputy and deputies, who are appointed by the Minister of territorial development of Ukraine.

The chief of the agency distributes responsibilities between deputy-chiefs.

8)The chief of the agency:

leads the activity of agency, is personally responsible for execution of tasks imposed on the agency;

within his (her) competence issues orders, organizes and controls their implementation. The orders of the chief of agency, which deal with human and civil rights and legal interests or which are of interdepartmental character, should be registered in oblast, Kyiv and Sevastopol city administration of Justice;

approves and coordinates with the Minister the structure and list of members of staff of agency within maximum number and within wages-fund, determined by the Ministry of territorial development; approves regulations on structural departments, job descriptions for workers of territorial administration;

determines competence for the deputy-chiefs of agency, for the chiefs of its structural departments;

according to the legislation appoints and discharges the workers of agency;

commands finances within approved estimate of expenditures for agency's activity.

9) In the agency the college is created for coordinated adjustment of issues, which belong to the agency's competence, for discussion of the most important directions of its activity. The college consists of the chief of the agency (the chairman of the college) and deputy-chiefs, as well as other workers of the agency.

The directors of appropriate subdivisions of oblast (city) state administration, the representatives of local self-government bodies, the enterprises, the institutions, organizations and other persons can be included to the number of the college.

The number of the college is approved by the Minister of territorial development of Ukraine and recommended by the chief of the agency.

The decisions of the college are enforced by orders of the agency.

10) In the agency the scientific councils and commissions can also be created for consideration of scientific recommendations and propositions on regional development and local self-government support.

The chief of the agency approves the personnel of these councils and commissions and their statements.

11)The agency is kept at the expense of the state budget funds.

12) The agency is a legal person, has its own balance sheet, registered accounts in the bodies of the State Board of Treasury, stamp with the State national emblem of Ukraine and with its name.

Structure of regional agency of territorial development:

- Administration of social economic monitoring
- Administration of strategic planning of regional development
- Administration on entrepreneurship
- Administration on investments and foreign-economic activity
- Administration on interregional cooperation
- Administration of informational and methodical support of regional development

Appendix # 3
Draft

REGULATION
on the National council of the territorial development of Ukraine

1. The national council of the territorial development of Ukraine (further – National council) is a consultation-advisory body at the President of Ukraine.

2. National council in its activity is governed by the Constitution and the laws of Ukraine, the acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, as well as by this regulation.

10. The main tasks of National council are:

Develop propositions on reform of the system of territorial organization of authorities;

Evaluate current situation of realization of national strategy on reform of the system of public authorities of Ukraine;

Expertise draft laws of Ukraine, other normative-legal acts on territorial development of Ukraine;

Analyze the national, state and regional draft programs, the propositions on compliance of priority guidelines of territorial development with all-national economic priorities, environmental protection, main grounds and directions of the effective system of ecological policy, international cooperation in this sphere;

Develop and introduce propositions to the strategy of stable regional development, coordinated functioning and cooperation of state authorities with local self-government bodies on implementation of regional policy;

Develop and improve the legislation on regional policy and local self-government;

Assist coordinated activity of the state authorities, local self-government, and scientific and public organizations regarding territorial development of Ukraine;

Develop and introduce propositions on the priorities of balanced social-economic development of regions;

Develop propositions, aimed at fulfillment of recommendations of international organizations regarding implementation of regional policy of Ukraine;

Prepare propositions on financing of scientific-practical works concerning regional development of Ukraine; analyze effectiveness of draft on funds, allocated for this.

4. National council has right to:

in case of need create temporary working and expert groups, in accordance with established procedure attract to their work representatives of state authorities and local self government, scientific institutions;

in accordance with established procedure receive from state authorities and local self-government bodies the information, materials and documents, necessary for execution of imposed tasks;

on its meetings hear information on issues, which belong to its competence.

5. National council consists of the Chairman, 2 first-deputies and 2 deputies, a responsible secretary and members of the Council.

The President of Ukraine is at the head of the council.

The President of Ukraine approves the personnel of the National council.

The chairman, first0deputies and deputies, responsible secretary and members of the National council participate in its activity on a voluntary basis.

6. Meetings are the organizational form of work of the National council. Meetings are convened as needed, but not rare than one time per quarter. Meetings are considered authorized as if more than half members of the council are present.

7. Analytical research center on territorial development provides scientific support of the activity of the National council.

8. The responsible secretary of the National council organizes National council's work, preparation of the materials for its meetings.

9. The decisions of the National council are accepted by voting. A decision is considered accepted if majority of members of the council vote for it. In case of equal distribution of voices the voice of the Chairman is conclusive.

10. The decisions of the National council are validated in the form of protocols and in case of need they can be enforced by adopting the acts of the President of Ukraine, Cabinet of Ministers of Ukraine, submitting draft laws to the Parliament of Ukraine or propositions to the central and local executive authorities, local self-government bodies, scientific institutions, educational institutions.

11. National council systematically informs the publicity about its activity and accepted decisions.

12. The Administration of the President of Ukraine provides financial and material-technical support to the activity of the National council.

13. In its work the National council uses headed notepaper with its name.

Appendix # 4
Draft

REGULATION
on the analytical center of research of territorial development problems

1. Analytical center is a state scientific-research institution, which performs scientific-analytical and forecasting research on public-political, social-economic, ethno politic, humanitarian, informational and ecological aspects of territorial development of Ukraine.

Analytical center is subordinated to the President of Ukraine.

2. Priority guidelines of the activity of the Analytical center are:

development of new scientific guidelines of territorial development of Ukraine;

scientific support of the state policy of territorial development of Ukraine;

scientific grounding of the national and state programs, concepts, forecasts, propositions and normative base concerning main directions of territorial development of Ukraine;

methodical and scientific-methodical support of scientific research on territorial development of Ukraine;

analytical-forecasting support of the activity of the state authorities and local self-government bodies in the process of implementation of the regional policy of Ukraine;

3. Analytical center provides scientific research and applied development concerning actual issues of territorial development of Ukraine, implementation of the state regional policy, Ukraine's participation in interstate relations on regional development, research of problems of domestic and foreign influences on the regional development of Ukraine.

4. The main tasks of the Analytical center are:

scientific grounding, analysis and evaluation of problems and perspectives of territorial development of Ukraine;

support state authorities and local self-government bodies with conceptual and informational-analytical materials concerning actual issues of territorial development of Ukraine, international tendencies of regional development, and scientifically grounded propositions on formation of the strategy of territorial development of Ukraine;

research of problem issues of economic, demographic, social, humanitarian, ethno politic, foreign-politic, informational, ecological development of Ukrainian regions, scientific grounding of propositions on assurance of their complex development;

scientific research on theory and practice issues of state, regional and local administration;

forecasting creation of economical, political and social aggravations in Ukraine, which can have negative impact on the regional development of Ukraine;

preparation of draft program documents and normative-legal acts, concerned with problem solution of territorial development;

scientific expertise of draft legislative and other normative-legal acts on territorial development;

development of forecasting scenario on regional development of Ukraine, formation of mechanisms and effects on their development, evaluation of possible development of the situation in Ukraine in the result of social transformations;

monitoring of the territorial development processes of Ukraine;

generalization of international experience and development of propositions on possible usage in Ukraine of some elements of programs on territorial development of other countries;

coordination of scientific researches of departmental scientific informational-analytical institutions, institutes of the National academy of sciences of Ukraine, non-governmental centers and individual researchers concerning concrete actual problems of territorial development of Ukraine;

qualified scientific-practical, advisory assistance to the state authorities, local self-government bodies, enterprises, institutions and organizations, other legal and physical persons concerning main guidelines of scientific activity of the center;

organization and conduction of scientific conferences, colloquies, seminars on territorial development problems and research guidelines of the center;

creation and replenishment of actualized electronic data bases concerning territorial development problems of Ukraine;

analysis of effectiveness of measures aimed at formation of positive image of Ukraine and its regions;

development of ties with appropriate international scientific research and informational-analytical key centers, conducting joint researches and other scientific measures;

publishing and distribution (including by Internet) of scientific research results, operative publishing of materials concerned with main guidelines of scientific activity of the center;

advanced training of specialists and experts on territorial development of Ukraine.

5. To fulfill imposed tasks the Analytical center has right to:

in accordance with established procedure receive necessary materials and information from state and local self-government authorities, enterprises, institutions and organizations;

in case of need establish temporary commissions, expert and working groups, in accordance with established procedure attract to their work officials of state authorities and local self-government bodies, workers of enterprises, institutions and organizations, scientists and professionals;

in accordance with established procedure use informational databanks of state authorities and local self-government bodies.

6. In the process of execution of imposed tasks the Analytical center cooperates with state authorities and local self-government bodies, their consultation-advisory bodies, scientific organizations, public organizations.