

Monthly Flash Report

February 2020



The Purpose of this report is to sum-up the activities, services and products delivered by the Project in February 2020

Fiscal Decentralisation

- On 25 February, project expert Jasmina Djikic presented the international experience of equalisation mechanisms to the AATC Finance Platform.
- Project experts continued cooperation with the Ministry of Finance on municipal financial equalisation, with two meetings held in January.
- Experts of the Decentralization Support Office, Igor Gerasimchuk and Igor Onyshuk, carried out the following activities in February:
 - Range of analyses of the local government financial data (both revenues and expenditures) comparing annual data for 2018 and 2019 with key indicators. Analysis was usually coupled with development of graphic materials to showcase the results.
 - Preparation of analytical and visual materials for analysis of the distribution of state support for territories in 2020.
 - Preparation of analytical materials on the distribution of powers between different levels of government in accordance with the concept of reforming the administrative and territorial structure of Ukraine.
 - Participation in the preparation of the monthly brochure "Monitoring the process of decentralization of power and reform of local self-government" with indicators for 2018 and 2019 annual data including new diagrams and information - <https://decentralization.gov.ua/en/finance/analytika-ta-monitorynhy>.
- Support to development of software "Calculation of financial capacity of perspective AHs".
- Preparation of materials on certain indicators of implementation of local budgets of 806 AHs for the 12 months of 2019 (preparation of text and graphic materials on 5 groups by population) <https://decentralization.gov.ua/news/12192>.
- Analysis of annual financial data on 4 oblasts (Donetsk, Lugansk, Poltava and Lviv) for MinRegion at oblast level, AH and oblast centres.
- Developing financial indicators for amalgamated hromadas whose elections took place in December 2019.
- Assessment of financial capacity of all oblasts and rayons, looking at amalgamation potential to present to the MinRegion.
- Review of local government budget implementation in 2019, at request of the MinRegion.
- Preparing data for assessing amalgamated hromadas and potential hromadas following Methodology of formation of capable hromadas.
- Calculating potential revenue compensations in case of specific grant cuts for the MinRegion.

Decentralisation of Education Work on national level

- During February 2020, the work of the education decentralisation team focused on:
 - Guidance and support to the MES in introduction of the use of the most recent student population data as a component to Education subvention Allocation mechanism.
 - Update of an electronic (MS Excel based) "Simulator" tool for allocation of the Education Subvention from State to local budgets to accommodate the transition of data use.
 - Finalisation of analysis of the aggregated movement of funds across treasury accounts of all local governments in which funds for education subvention are stored.
- Finalisation of the analytical paper describing Changes in Networks of Secondary Schools in Ukraine over 2017-2019.
- Establishment of the new direction of work on analytical support to MES in design of the structure, composition and approaches to the salary reform of pedagogical staff.
- On the job training for the team of the Ministry of Education and the Institute of Education Analytics responsible for the performance monitoring of the use of education subvention by local governments.

Support to the Association of Amalgamated Territorial Communities (AATC)

- Representatives of the AATC took part in the consultations on perspective plans of the ATC formation in Vinnytsia, Transcarpathian, Lugansk, Lviv, Sumy and Kherson oblasts organised by the Ministry of Regional Development, in cooperation with the Sub-committee on the Administrative and territorial structure of the Committee of the Verkhovna Rada of Ukraine on the organisation of state power, local self-government, regional development and urban planning.
- On 21 February, Oleksandr Korynnyi, head of the All-Ukrainian AATC, took part in a round table "Ukrainians have a real opportunity to influence the organization of their living space as residents of capable communities", organized by the Ukrainian Ministry of Development of Communities and Territories.
- On 26 February, AATC's Board members took part in public discussions of amendments to the Constitution. Its goal is to consolidate the reformed system of local self-government and formation of the new territorial organisation of Ukraine. <https://wp.me/p9LVVV-3Q7>.
- **In the framework of the Association's Legal platform:**
 - On 21 February, the platform members meeting was held. Experts discussed proposals to the Draft Law of Ukraine "On Local Self-Government in Ukraine" and proposals to the Constitution <https://wp.me/p9LVVV-3Qa>.
 - Preparation of a letter to the Ministry of Regional Development on approval the Resolution of the Cabinet of Ministers of Ukraine "On the recognition of the amalgamated territorial communities".
 - On 21 February, moderator of the platform took part in the meeting with the representatives of the Congress of Regional Authorities of the Council of Europe on further cooperation.
 - On 21 February, moderator of the platform presented Association's position at the round table of the Ministry of Regional Development on the new Law on Local Self-government and State Administrations.
 - Prepared and published on the Association's website informative materials for hromadas <https://wp.me/P9LVVV-16F>.
- **Within the framework of the Association's platform "Local budgets and finances":**
 - On 6 February, moderator of the platform presented Association's position on changing the personal income tax payment system, leveling systems and other issues at the consultations of the Ukrainian Ministry of Finance.
 - On 23 February, moderator of the platform took part at the LOGICA Project presentation on the methodological recommendations on Internal Control and Audit as a basis for the improvement of the effectiveness of local budgets.
 - On 26 February, the platform members' meeting on finance issues was held. The following questions were discussed:
 - issues of changes to the equalisation system,
 - personal income tax payment and other issues,
 - template of further actions aimed at preparing proposals for the Budget Declaration 2021-2023.
 - During the platform meeting Expert of the SKL International Jasmina Djikic presented the survey, "Thinking about equalization in Ukraine".
 - Prepared and published on the Association's website informative materials for hromadas <https://wp.me/P9LVVV-16j>.
 - A letter was prepared to the Cabinet of Ministers of Ukraine on the Draft Act "On approval of the allocation of transfer from the state budget to local budgets to support the development of the amalgamated territorial communities in 2020".
- **Analytical work:**
 - Surveys on the Best Practices of Cultural Services in ATC was conducted. Results were published: _____ <https://wp.me/P9LVVV-1IE/>.
 - Surveys on changes to the Constitution of Ukraine regarding decentralisation was conducted. Results were published: <https://wp.me/P9LVVV-1IE/>.
- **Communication:**
 - Informational support of the press briefing on the future communities' configuration:
 - <https://wp.me/p9LVVV-3Nf>.
 - <https://wp.me/p9LVVV-3Ng>.
 - <https://wp.me/p9LVVV-3Ny>.
 - The digest covering the activities of the Association in February was released - <https://wp.me/P9LVVV-1Gk>.
 - Facebook page, Association's official web-site, the "The best practices" web-site are continuously updated <https://wiki.hromady.org/>.
- **The AATC experts took part in the following events and meetings:**
 - On 24 February, presentation of the Swedish perspective on supervision of the local level.
 - On 25 February, the AATC management took part in the joint event of the Ministry of Regional Development and the Verkhovna Rada Committee on Local Self-Government on discussion of amendments to the Constitution on decentralisation.
 - On 27 February, Workshop: "Quality and Accessibility Standards of Cultural Services in Communities" according to the project "Decentralization and reform of cultural services".
- **Support provided by Project's experts:**
 - Project experts presented to the AATC a Polish municipal benchmarking system. Together with the AATC Analytics Expert, a plan for possible implementation of the model in AATC was developed.
 - Project experts supported Association's Rural Development platform with the situation analysis, task prioritisation, creation and facilitation of expert networking and effective functioning.
 - Project experts helped to prepare recruitment package for selection of platform moderators and gave recommendations on organisation of the recruitment process.
 - Project experts developed recommendations "How to effectively plan the operation of sectoral platforms" and presented them to the platform moderators.
 - Project experts, together with colleagues from DOBRE, developed a joint action plan for training of platform heads and moderators with an overarching aim to enhance the member engagement in the work of the platforms.

COMMUNICATION

Promoting decentralisation reform

- On 4-5 February, Project's Team Leader, Ieva Kalniņa, took part in the EU-Ukraine Forum in Rzeszow, Poland, with the presentation and contribution to the discussion on the progress of the decentralisation and LSG reforms in Ukraine.
- On 25-26 February, experts of SALAR, Helena Linde and Magnus Liljestrom, visited Kyiv to meet with Ukrainian colleagues and present and discuss the municipal oversight framework of Sweden.
- Project's Communication expert worked on the following tasks:
 - Communication support of the SALAR's contribution to the Constitutional changes work.
 - [Presentation of the Helena Linde, Senior Legal Advisor, Department of Law, SALAR "The relation between the state and the local level."](#)
 - "A Swedish perspective on supervision of the local level". Preparation of the article for the www.decentralisation.gov.ua.
 - Administration of the [Facebook group](#) for education practitioners, Viber groups of regional teams of education managers.
 - [Communication campaign on finalisation of the education work in regions.](#)
 - Work on branding package of the Project (folders, one-pagers, business cards etc.).

Project communication

- Continuous updates to the [Project's website](#) and [Facebook page](#).
- Project's communication expert regularly took part in the meeting of the communication working group, and in the donor coordination task force responsible for communication of the decentralisation reform.