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SUSTAINABLE DEVELOPMENT OF TERRITORIAL COMMUNITIES IN THE VINNYTSIA REGION

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**SUSTAINABLE DEVELOPMENT OF
TERRITORIAL COMMUNITIES IN
THE VINNYTSIA REGION**

Monograph

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ANNOTATION

Sustainable development of territorial communities is a process of planning and implementing actions aimed at balancing the economic, social, and environmental needs of the community in order to improve the quality of life of its residents without harming the opportunities of future generations. It involves not only internal improvement of each community but also active cooperation between them.

Institutional regulation of entrepreneurial activity, attraction of foreign investments, support for food security, and decentralization are key aspects that ensure harmonious development of any community and region as a whole.

Institutional regulation of entrepreneurship affects the stability and transparency of the business environment, which encourages the attraction of both domestic and foreign investors. Specifically, clear and understandable rules help reduce corruption and increase the investment attractiveness of the region.

Improving policies for attracting direct foreign investments can lead to an increase in economic activity, job creation, and infrastructure improvement. It also facilitates the transfer of technologies and management skills, which are important components of sustainable development.

Food security is the foundation of the health of community residents. Cooperation in this area can involve the joint use of technologies, knowledge, and resources to enhance productivity and efficiency in the agricultural sector. For example, sharing innovations in agrotechnologies or creating joint logistics centers can significantly enhance the capabilities of communities.

Decentralization gives communities more authority in solving local issues. Importantly, it also stimulates cooperation among communities in exchanging best practices and management strategies. Joint work on infrastructure projects or social programs can ensure more efficient resource use and greater opportunities for development.

These aspects are interconnected and together form a solid foundation for the sustainable development of territorial communities, ensuring their long-term prosperity and well-being.

Further development of the territorial communities in the Vinnytsia region is determined by the fact that in the context of European integration processes and the military aggression of the Russian Federation against Ukraine, the resource potential of the region is not being fully utilized. Therefore, our proposals include the activation of the above-mentioned components of sustainable development, which are an essential prerequisite for forming a capable community.

The monograph is conducted within the initiative theme 'Ensuring the Development of Territorial Communities in the Context of Local Self-Government Reform,' state registration number 0122U002096, with the implementation period spanning from 2022 to 2024. The project is led by Pronko L.M., Candidate of Economic Sciences, Associate Professor.

TABLE OF CONTENTS

1.	<p>Pronko L.¹, Furman I.¹, Pidvalna O.¹</p> <p>PECULIARITIES OF THE DEVELOPMENT OF TERRITORIAL COMMUNITIES UNDER MARTIAL LAW</p> <p>¹ Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p>	7
2.	<p>Shpykuliak O.¹, Bilokinna I.², Kolesnyk T.²</p> <p>INSTITUTIONAL REGULATION OF ENTREPRENEURIAL ACTIVITY IN THE ORGANIZATIONAL AND ECONOMIC SUPPORT OF THE "GREEN" DEAL AND SUSTAINABLE DEVELOPMENT OF TERRITORIAL COMMUNITIES</p> <p>¹ Doctor of Economics, Professor, Corresponding Member of NAAS of Ukraine, Scientific Secretary of the National Research Center “Institute of Agrarian Economics”, Professor of the Department of Administrative Management and Alternative Energy Sources Vinnytsia National Agrarian University</p> <p>² Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p>	26
3.	<p>Tokarchuk D.¹, Berezyuk S.¹, Lebedyev A.²</p> <p>IMPROVING THE POLICY OF ATTRACTING FOREIGN DIRECT INVESTMENTS FOR THE DEVELOPMENT OF THE VINNYTSIA TERRITORIAL COMMUNITY</p> <p>¹ Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p> <p>² Postgraduate, Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p>	53
4.	<p>Zakharchenko V.¹, Zabolotnyi H.</p> <p>THE DECENTRALIZATION REFORM IN UKRAINE AS A FACTOR AND INSTITUTIONAL COMPONENT OF THE SUSTAINABLE DEVELOPMENT OF TERRITORIAL COMMUNITIES</p> <p>¹ Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p>	78
5.	<p>Baldyniuk V.¹</p> <p>PROBLEMS AND OPPORTUNITIES OF COOPERATION OF UKRAINIAN TERRITORIAL COMMUNITIES</p> <p>¹ Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University</p>	106

6.	Revkova A. ¹ , Okhota Y. ¹ DIRECTIONS OF ENSURING FOOD SECURITY OF THE STATE TAKING INTO ACCOUNT THE POTENTIAL AND DIRECTIONS OF DEVELOPMENT OF TERRITORIAL COMMUNITIES ¹ Department of Administrative Management and Alternative Energy Sources, Vinnytsia National Agrarian University	117
	REFERENCES	131

5. Problems and opportunities of cooperation of Ukrainian territorial communities

The Ukrainian decentralization reform, which began in 2014, opened a new stage in the development of local self-government, strengthening the role of territorial communities in the political and economic life of the country. This process not only gave communities more autonomy and resources for independent development, but also presented them with a number of challenges that require effective solutions through cooperation and joint efforts.

Cooperation between territorial communities, also known as Intermunicipal Cooperation (IC), consists in establishing mutual relations between two or more communities on the basis of agreements. This cooperation is regulated by law and aims to contribute to the socio-economic and cultural development of territories, to improve the quality of services provided to citizens, and to more effectively perform legally defined powers by local authorities, based on common interests and goals. Community cooperation, or intermunicipal cooperation (IC) is the result of a conscious decision, the objectivity of which is defined by social development, and not by the mechanical implementation of regulatory acts [116].

Cooperation between TCs is based on agreements that allow them to combine efforts and resources to solve common development problems. The main goal of such interaction is to improve the quality of life of their members.

The main goal of cooperation is to combine efforts and resources based on agreements to solve pressing development problems. The main goal of this process is to improve the quality of life of community members and ensure its long-term sustainable development. Cooperation is an important element for decentralized administrative systems, since greater autonomy of communities promotes better opportunities for cooperation with other territorial units interested in joint projects.

The necessity of community cooperation is determined by a number of reasons:

1) Social dynamics that affect the development of communities in various aspects of their activities have long ceased to be limited to the boundaries of one community,

even if this community covers several settlements. Economic globalization, urbanization processes and modern communication technologies contribute to personal development, improving the quality of life and increasing the welfare of the population.

2) Communities' needs for development through investment projects do not always coincide with their real capabilities. Without sufficient finances, land and other property resources, as well as without the necessary project and management experience, individual communities are not able to independently implement large-scale investment projects on their territory. Such projects could contribute to the sustainable development of the future, including solid waste landfills, engineering networks, transport infrastructure, socio-cultural facilities and environmental protection measures. As noted [122, p. 7]: «The experience of many countries shows that local self-government bodies (territorial communities of the basic level) are never completely self-sufficient, regardless of their area and number. In this regard, IC is a relevant and innovative form of activity of many local self-government bodies.»

3) Processes occur in society that cannot be controlled or stopped within the framework of one community. Among them are temporary movements of people to work, study or to use various services (trade, health care, cultural events, education, recreation, entertainment, and others), the volumes of which are currently difficult to determine. However, the creation of high-quality infrastructure through the cooperation of communities allows to optimize the number of people moving in a short-term period in a certain territory and to ensure more efficient use of resources. Such cooperation can not only solve problems caused by irrational performance of self-governing functions and inefficient use of community resources, but also improve organization and management at the territorial level.

Cooperation between communities should be systematized. When creating strategic plans for the development of the UTC, it is important to clearly define directions, resources, forms and opportunities for long-term community cooperation. An analysis of some strategic plans reveals a lack of consideration of potential interactions, while strategies for the development of neighboring or contiguous territorial communities often overlap, without taking into account the benefits that can be brought by the joint

use of spatial, financial or social resources [115].

Cooperation is an important tool for improving the quality of services provided, improving management at the level of local self-government and can act as a temporary stage during the process of reforms in local self-government and in the administrative structure of Ukraine. However, this process currently has its own difficulties, in particular due to insufficient and not always clear informing of citizens about existing cooperation projects and their results.

The principles of cooperation defined by the Law of Ukraine «On Cooperation of Territorial Communities» are based on the principles of legality, voluntariness, mutual benefit, transparency and openness, equality of participants, mutual responsibility of cooperation subjects for its results.

Territorial communities of Ukraine became the main building blocks of local self-government after the reform launched in 2014. This process not only transferred significant powers from the central government to local communities, but also opened up new opportunities for cooperation and development. However, along with new opportunities have come new challenges that require attention and solutions at the local and national levels. Consider the problems of territorial cooperation (Table 1).

Table 1

The main problems of territorial cooperation

Name	Essential characteristic
Heterogeneity of resources and potential	One of the main problems of cooperation is the significant difference in financial and administrative resources between communities. Large urban agglomerations have much greater opportunities compared to small rural communities, which complicates their ability to develop independently and interact.
Legal and administrative barriers	Legislatively, not all aspects of cooperation are clearly regulated, which leads to legal uncertainty and administrative difficulties in the implementation of joint projects.
Lack of experience and qualifications	At the local level, there is often a lack of specialists who could effectively manage joint projects, which complicates the process of integration and the use of available resources.
Political differences	Political disagreements among community leaders can inhibit or even block efforts to cooperate, especially in the context of previous election promises and different political platforms.

Source: [114].

The cooperation of TCs of Ukraine is an important factor in their effective functioning and development. It allows combining the resources and efforts of communities to solve common problems, implement joint projects and ensure a better life for their residents.

Opportunities for cooperation between TCs in Ukraine are numerous and necessary for the development and recovery of communities, especially in times of conflict and post-conflict recovery. Government, local leaders and international partners play a key role in facilitating effective partnerships between communities [126].

Cooperation between TCs can lead to the creation of necessary infrastructure, such as road repairs and various environmental projects. The number of participants in cooperation agreements can vary from two to twenty-seven TCs, with different agreements addressing unique local needs [124].

The lack of knowledge and experience in the field of cooperation is a significant problem that needs to be solved in order to expand cooperation mechanisms in local government practices. The government is working on improving the legislative framework for cooperation, while the current law is considered sufficient for the development of inter-municipal cooperation in the current conditions. Let's consider the possibilities of cooperation (Table 2).

Table 2

Possibilities of cooperation

Opportunities	Essential characteristic
Economic growth	Cooperation opens the door to large-scale infrastructure projects, joint investments, and tourism development, which can significantly increase the economic potential of communities.
Improving the quality of services	Pooling resources allows communities to provide higher quality services, from education and health care to local transportation systems and waste disposal.
Expanding opportunities for international assistance and cooperation	Joint projects can be more attractive to international donors and investors, which opens up new channels of financing and technical assistance.
Strengthening democracy and public participation	Cooperation can contribute to the activation of citizens in decision-making processes, thereby increasing the transparency and accountability of local authorities.

Continuation of table 2

Exchange of experience and information	Communities can exchange work experience and best practices in various fields of activity. This will allow them to increase the efficiency of their actions and avoid mistakes.
Increasing competitiveness	The cooperation of territorial communities allows them to increase their competitiveness on the domestic and foreign markets.
Implementation of joint projects	Communities can cooperate in the implementation of projects that will be beneficial for all participants. For example, they can create a joint venture, develop and implement a tourist route or hold a festival.

Source: [114].

The Government of Ukraine has identified support for cooperation between TCs as an important priority, with the Ministry of Development of Communities and Territories, as well as Infrastructure, playing a leading role in promoting such partnerships. The government has also recognized the importance of providing training and education to local leaders on the practical application of cooperation laws and regulations.

Cooperation between TCs in Ukraine is a critical factor in ensuring sustainable development, effective governance, and the well-being of communities. The government, local leaders and international partners should continue to work together to expand the exchange of knowledge, experience and create a supportive legal framework to strengthen cooperation between LCs in Ukraine.

Although the cooperation of TCs in Ukraine has certain challenges, it also offers significant opportunities for development and integration. Effective resolution of existing problems and use of available opportunities can significantly improve the quality of life of citizens and strengthen the economic and social position of Ukraine in the international arena. It is important that the state policy is aimed at supporting and developing such cooperation through appropriate legislation, training and resource support [118].

The main goal of the reform of the administrative-territorial system and local self-government in Ukraine was the creation of effective communities. The effectiveness of communities is understood as their ability to independently meet the needs of the

population in the areas of education, social protection, health care, culture and communal services, while minimizing funding from the state budget and developing local infrastructure [120, p. 41].

The Law of Ukraine «On Cooperation of Territorial Communities» defines the regulatory and legal basis of the cooperation mechanism of TCs. According to Article 1 of the Law, «cooperation of TCs is a relationship between two or more TCs that is carried out on a contractual basis in certain forms with the aim of ensuring the socio-economic and cultural development of territories, improving the quality of providing services to the population based on common interests and goals, effective performance by local self-government bodies of powers defined by law» [119]. This normative-legal document also defines the main principles, forms, subjects and areas of cooperation of administrative-territorial units.

The essence of the cooperation of TCs is to combine their efforts, resources and personnel to solve local problems of regional development. The decentralization reform gave a noticeable impetus to deepening the practice of such community cooperation on a contractual basis, because with the expansion of the powers of local self-government bodies, they have more opportunities and ways of cooperation with other interested communities [123].

Despite the sufficiently formed legislative framework and the creation of prerequisites for the development of self-sufficient communities with the introduction of decentralization in 2014, the cooperation of TCs in the direction of solving local problems and implementing joint projects was not a widespread practice [128, p. 108].

In the first year of the reform, several communities used this tool of cooperation, and only 2 agreements were concluded. At the same time, the positive dynamics of the involvement of local self-government bodies in the practices of inter-municipal cooperation can be traced every year, taking into account the advantages that this tool provides for local development [120]. In 2018–2020, there was a significant acceleration of the dynamics of cooperation between communities - the number of concluded contracts increased by 2.5 times in 2019. And in the three quarters of 2020, 620 contracts were already concluded, which is 22% more than in the previous year .

As of January 10, 2024, 648 TCs were formed, which is 73 more than in the previous quarter, and 415 inter-municipal cooperation agreements were concluded (Fig. 1).



Fig. 1. Cooperation of TCs of Ukraine as of 10.01.2024

Source:[121].

Interaction between TCs takes place on the basis of agreements. The contract on cooperation between TCs provides conclusion of a written agreement between interested parties, which defines the terms, format of interaction, obligations of the parties and their responsibilities, specifies the sources and amounts of funding, as well as other legal details [119]. Important in the context of the cooperation of TCs is the question of the forms of its implementation. The legislation clearly defines five main forms of development of community cooperation (Fig. 2).

Delegation to one of the subjects of cooperation by other subjects of cooperation to perform one or more tasks with the transfer of relevant resources to him
Realization of joint projects, which involves the activities of cooperation subjects and their accumulation of resources for a specified period in order to jointly implement relevant measures
Common financing (maintenance) by subjects of cooperation of enterprises, institutions and organizations of communal form of ownership - infrastructure facilities
Common financing (maintenance) by subjects of cooperation of enterprises, institutions and organizations of communal form of ownership - infrastructure facilities
Formation of subjects of cooperation of joint communal enterprises, institutions and organizations
Formation of a joint management body for the joint performance of powers defined by law by the subjects of cooperation

Fig. 2. Forms of cooperation of TCs in Ukraine

Source: [119].

Successful examples of cooperation between TCs in Ukraine include community partnerships during martial law and post-war reconstruction. This was discussed at the expert meeting «Cooperation of TCs for recovery and development», where the team of the Ministry of Development of Communities, Territories and Infrastructure of Ukraine, representatives of the Government, heads of TCs and international partners discussed the issue of community partnership in difficult conditions. Another example of successful cooperation is the intensification of international cooperation of TCs during two years of full-scale war. According to the survey, 45% of TCs that had experience of cooperation participated in one cooperation, 30% - in two or three, and 25% - more than three [127]. In addition, proposals for improving the support of inter-municipal cooperation are being developed, which aim to maximize the possibilities of using the instrument of inter-municipal cooperation. These examples demonstrate that partnership and cooperation between TCs can be successful and effective, even in difficult circumstances.

In order to fully implement and obtain all possible benefits, the mechanism for the development of cooperation between TCs in Ukraine needs to be improved, primarily in the following areas:

1) active development and implementation of training and qualification improvement programs for employees of local self-government bodies, focused on the effective use of mechanisms of inter-municipal interaction;

2) the state actively encourages cooperation between communities, for example, through the transfer of state-owned objects to communal ownership, the allocation of targeted transfers or the allocation of funds from the State Regional Development Fund for subjects of inter-municipal cooperation [117, p. 26];

3) involvement of the public in the dialogue regarding projects of partnership agreements, as well as in strategic aspects of the community's activities, where it is possible to use this approach;

4) finding opportunities and attracting funds from grant programs and public-private partnerships to implement projects in the context of cooperation between TCs.

According to the monitoring results of the process of power decentralization and local self-government reform as of January 10, 2024, the direction of community cooperation in Ukraine is characterized by the following indicators (Table 3).

Table 3

Information on the state of cooperation of territorial communities of Ukraine as of January 10, 2024

Region	The total number of cooperation projects	including					Number of Communities that benefited from inter-municipal cooperation
		Housing and Communal services	Landscaping	Fire Security	Education, Health care, social security	other	
Vinnytsia	17				9	8	23
Volynsk	14		1		5	8	30
Dnipropetrovsk	53				45	8	65
Donetsk	2				1	1	3
Zhytomyr	8		1		2	5	17
Zakarpattia	5		1		2	2	22
Zaporizhzhia	17	2			14	1	18
Ivano-Frankivsk	18	1			6	11	56

Continuation of table 3

Kyivska	15				12	3	20
Kirovohradsk	12				6	6	14
Luhansk	1					1	2
Lviv	27		3		14	10	44
Mykolayivska	10				2	8	22
Odesa	27		1		10	16	32
Poltava	48	2		9	27	10	66
Rivne	55			2	31	22	64
Sumy	15				11	4	19
Ternopilsk	2				1	1	12
Kharkivska	22	1			14	7	19
Khersonsk	4				2	2	9
Khmelnytska	8				7	1	22
Cherkassy	8				6	2	14
Chernivtsi	16		1		3	12	33
Chernihivska	11				9	2	22
m. Kyiv							
Everything	415	6	8	11	239	151	648

Among the projects of cooperation, a significant part is occupied by contracts for the repair of roads, the creation of landfills and complex systems for the management of solid household waste, the purchase of equipment, the repair of schools, polyclinics and sports facilities; among other tasks of cooperation is the creation of centers for the provision of administrative services.

In terms of oblasts, Rivne oblast has 55 agreements, Dnipropetrovsk oblast has 53 agreements, and Poltava oblast has 48 agreements. The process of community cooperation has not developed in the Donetsk, Luhansk, and Ternopil regions (2-6 agreements).

Problems and possibilities of cooperation of TCs of Ukraine are a topical topic in the context of decentralization of power and increasing the efficiency of local self-government. Integration of resources and efforts can contribute to the sustainable development of communities, improve the quality of life of their residents, and

optimize the use of budget funds.

The main problems in community cooperation are lack of experience in managing joint projects, lack of information about opportunities and advantages of cooperation, as well as potential conflicts of interests between communities. In addition, bureaucratic obstacles and difficulties in coordination between different levels of government can complicate interaction processes [125].

At the same time, cooperation offers significant opportunities for communities, such as joint management of resources, expansion of infrastructure, improved access to quality services, and increased investment. The implementation of joint projects can become a catalyst for development and modernization, especially in such areas as education, health care, and transport.

Successful cooperation requires a clear legal framework, transparent coordination mechanisms and active participation of citizens in decision-making. Learning and sharing best practices between communities are also critical to overcoming challenges and ensuring effective and mutually beneficial cooperation. The cooperation of TCs in Ukraine is an important tool for achieving the goals of decentralization and development of local self-government. Despite existing problems, it opens up new opportunities for improving the quality of life and development of communities. For the further development of this direction, it is necessary to improve the mechanisms of implementation of cooperation, in particular, based on the analysis of the legislative framework and domestic experience.

It is important to emphasize that in order to achieve sustainable development of TCs and improve the quality of life of their residents, it is important to activate and develop cooperation, using existing opportunities and actively working to overcome existing problems.

Therefore, the problems and possibilities of cooperation between TCs of Ukraine are complex and diverse. The implementation of these opportunities requires a systematic approach and coordination with various state and social structures, which must ensure the protection of the rights, freedoms and legitimate interests of citizens, including children.