

8. Development of territorial communities as the main purpose of reforming local government: issues of planning and the “green” course

One of the biggest problems of modern Ukrainian society is the development of rural areas of Ukraine, characterized by significant differences in their levels of socio-economic development, inconsistency of a number of laws and regulations, not clearly defined national strategy. This necessitates the search for and formation of effective mechanisms for the functioning and development of rural areas of Ukraine. Currently, one of the main causes of the crisis in the Ukrainian countryside is the loss of state control over the processes of its socio-economic development. The most important prerequisite for overcoming the crisis is the creation of an effective system of state regulation in the agricultural sector of Ukraine. Sustainable rural development is seen as development that generates economic growth and equitably distributes its results. It is a development that gives priority to the development of an integrated system of values, addressed equally to every citizen, empowering him and ensuring participation in decision-making that affects his life.

The mechanism of state regulation of the functioning and development of rural areas should be considered as a set of types and methods of action of the subject of regulation, based on basic principles and functions, providing using certain forms, methods and ways to achieve goals and resolve contradictions. Socio-economic functions of the state determine the directions of its activities, tasks and goals, and the mechanism of state regulation provides ways to implement them.

The transition to sustainable socio-economic development must begin, first of all, at the level of state power. Factors related to the general political, macroeconomic and social strategy of the state have a certain weight. Effective management of socio-economic development of rural areas is possible with coordinated management at the state, regional and local levels.

The reform of society in the Ukrainian state led to the breakdown of basic political and social structures and relations, which inevitably led to the complication of human living conditions in all spheres, including rural. The high urgency of the

problem of rural development is due, on the one hand, the growing crisis of rural life, the tendency of the rural population to impoverishment, rising rural unemployment, ineffective state measures to solve rural problems, and on the other hand – growing demand for objective benefits rural life among urban residents.

Implementing an effective policy aimed at solving the problems of rural development is one of the high priority national tasks, as it allows achieving modern world socio-economic standards of society.

The organization of local self-government through the formation of territorial communities is enshrined in the Constitution of Ukraine, which defines the territorial community as the primary subject of local self-government. This factor necessitates a more in-depth scientific study of the implementation of the functions and powers of the territorial community in the modern conditions of state formation, and prospects for further development of the territorial community as such an entity.

Rural communities are self-organized rural residents, who share a common living space, united by the desire, willingness and real action to improve their economic, social and environmental situation, who created a public organization and identified a leader among its members [123].

The concept of rural community is based on interaction at the local level. This interaction is the basis of a theory that focuses on the ways in which people are aware of common needs and take collective action to meet those needs.

In terms of such interaction, we see community development as a dynamic process to which various social groups are directly related. In addition, there are a number of effective informal groups in rural areas through which people achieve their interests and goals. Building on these informal groups and connecting them is a key part of community development. However, this can only happen through purposeful interaction of members of the future community. At the same time, such interaction implies the establishment of a community as a comprehensive institutional environment that produces and meets the common interests and needs of rural residents.

Ukrainian scientists O. Borodin and I. Prokopa propose to consider rural

development on the basis of communities as a model in which purposeful change of all major factors of rural development is planned, carried out and controlled by communities themselves with the assistance of the state [124].

Indeed, community-assisted rural development involves activities that enable rural residents to influence the social motivation to support the village and raise awareness of local societal needs, as well as help the village overcome social exclusion and thus gain free access to information and services.

Such an understanding of the role of rural communities is a powerful incentive to review the functions of public administration to support rural development through the following ways: to increase rural communities' confidence in government initiatives, focus management efforts on coordinating these processes, as well as to establish such relations between the state and the rural community, which would not be limited to the simple provision of additional services to rural residents [125].

Active rural development requires strong and viable rural communities that use fruitful local assets in order to improve the well-being of their fellow villagers and combine them with the external capabilities of partners, including the state.

A powerful driving force of rural development is the initiation of certain decisions by the community that directly affect its livelihoods and economic activities. It should be emphasized that the participation of community members in the development process should not be formal, but real, moreover – effective, which can be achieved through self-organization of community members.

Local self-government of the Ukrainian countryside should be based both on strong rural communities and the ascending principle. Given the active development of the village by creating rural communities, it is possible to self-organize the villagers, united by a common living space (because they usually live within one village), common aspirations, and most importantly readiness and real action to improve economic, social and ecological situation of the native village. Therefore, in this case, the peasants create their own so-called group of local interaction and choose a leader among them who heads it [126].

The goal of rural development with the help of rural communities is its viability,

which is directly proportional to two aspects of its development.

First, the viability of the village depends on the extent to which rural communities can maintain local infrastructure at the appropriate level, have access to a wide range of services, and work to revitalize entrepreneurship, intensify economic opportunities and shape regulatory policies that contributes to the final results.

Secondly, the viability of rural communities depends on the villagers themselves, who must understand and realize their assets, effectively develop networks, work on local cooperation, develop motivation among fellow villagers and cultivate enthusiasm for the development of their native village.

It should also be emphasized that in the world theory of rural development, these two interrelated aspects are separate concepts that can be formulated in Ukrainian as “community development” and “community development”. Thus, the term “community development” refers to changes related to the development of local business, entrepreneurship or other economic structures. From this point of view, the rural community should be considered as an economic environment that promotes the active activities of rural residents. At the same time, in terms of effectiveness, the term “community development” always has concrete results, and their receipt, respectively, indicates the success and the end result of development [127].

It should be noted that the viability of the rural community as a structural unit of rural development depends on both tangible and intangible factors of development. The point is that, first, adequate infrastructure is needed to support the economic activities and life of the community itself.

Second, the determinants that significantly influence the formation of a healthy rural community include new entrepreneurial initiatives, community access to multi-channel financing, improving the efficiency of current agricultural production, and the creation of new industrial enterprises by the community.

Third, a well-thought-out public policy of the state can and should help rural areas to become economically competitive with a fair social position and unshakable principles of environmental responsibility.

Fourth, the provision of services in rural communities enables the local economy

and social system to function fully, while maintaining a high level of employment of the rural population and the quality of life of rural residents [128].

However, it should be noted that development in rural communities depends on these five less visible but no less important components, including community ownership, local leadership, collective action, awareness of opportunities and motivation. Experience has shown that the real success of rural communities, accompanied by rural employment and well-developed infrastructure, is often reflected in changes in people's attitudes, including their different views of pressing rural issues, significant improvements in social networks, in mobilizing existing knowledge and using community assets in new ways and methods.

These so-called less important aspects of rural life are both their means and their goals of development. After all, the process of rural community development mainly includes a process – a series of decisions and actions that not only improve the economic condition of the community, but also strengthen its functional strength. It is through their collective actions, participation and contacts that the rural community acquires a new life: it becomes more active and active, organizationally more cohesive, able to initiate new changes, with more effective networks and highly professional knowledge, developed leadership and enthusiasm.

Thus, the community arises not in a natural way; it is purposefully constructed by the local community through a process of balanced, planned and interdependent actions, expression of common interests of different segments of local society. Arbitrary functioning of territorial communities of the settlement network without a sense of connection and interaction of the local population, without laborious efforts aimed at improving the social and economic well-being of people does not ensure the formation of an effective community [129].

Based on scientific research [130, 131], it is possible to identify three main substantive blocks of public policy on rural development with the help of rural communities: political and legal, socio-economic and socio-cultural. These features will determine the content of rural development through the formation of communities, giving the opportunity to identify relevant political, legal, socio-economic and socio-

cultural components, each of which is due to different factors, analysis of which allows selecting the necessary approaches to rural development communities.

Political and legal features of community-based rural development indicate the ability to perform a self-governing function within a certain political system and the current legal field, i.e. to form and implement managerial influences on certain rural phenomena and processes to address local issues in general. The key features within this bloc are the political legal personality of the rural territorial community and its socio-political activity. The first of these signs is formed under the influence of external factors, and the second – internal. The development of the village with the help of communities within this component requires, first of all, the optimization of the powers of local self-government in the national system of public administration in general; secondly, the rural territorial community in the system of local self-government in Ukraine should acquire not a formal but a real subjectivity; thirdly, the rural territorial community itself must be active in exercising its self-governing powers, while strictly adhering to the current legal framework.

The key to community development in this direction, on the one hand, should be real steps of public policy to improve information, legal and organizational support of the territorial community, and on the other – the internal desire of the rural community to receive such support and participate directly in self-government processes.

Socio-economic signs of rural development with the help of communities indicate the ability within a particular socio-economic system to ensure their own livelihoods, influencing the phenomena and processes that determine and ensure the production, distribution, exchange and consumption of economic products. The issues of observance of the principle of justice in the distribution and consumption of common goods are also relevant. This should also be facilitated by improving the informational, legal and organizational support of the direct process of rural development with the help of rural communities. The managerial activity of the rural territorial community should extend to all stages of the life cycle of the municipal economic product: from the creation of collective goods to control over their use.

Socio-cultural features of rural development with the help of rural communities

reveal certain opportunities within this system due to values, traditions, norms, rules and customs that have developed over the centuries, provide influences to achieve: the integrity of the rural community as a social entity; coordinated social interaction between citizens – members of the rural territorial community; instilling these values, traditions, norms, rules, customs in future generations.

In this regard, rural development with the help of rural communities should be aimed primarily at establishing a culture where, under the influence of values, traditions, norms, rules, customs acceptable to members of the rural community, everyone would feel their belonging to this community, be able to actively interact with other members of the rural community in order to identify, defend and realize common interests through the use of local government mechanisms. In order to implement this direction of development, the need for effective information support of the rural development process with the help of rural communities is paramount (legal and organizational support plays a much smaller role here). It should be emphasized that the socio-cultural features and components of rural development with the help of rural communities significantly affect the formation and implementation of political, legal and socio-economic activities, being an effective internal factor in this development [132].

Thus, the harmonious development of the village with the help of rural communities can take place under conditions when the community will acquire the optimal characteristics of the subject within the political, legal, socio-economic and socio-cultural components. At the same time, the objects of influence of internal and external factors of such development should be considered certain features, the controlled change of which will require appropriate information, legal and organizational support of public policy in Ukraine.

Rural development with the help of rural communities should be considered in terms of three main blocks: political and legal, socio-economic and socio-cultural. In view of this, it is possible to consider the components of this development, in particular political and legal, which provides a legitimate basis for the subjectivity of the rural territorial community; socio-economic, which creates the material basis of life of the rural territorial community; socio-cultural, which forms the ideological and value basis of the functioning

of the rural territorial community as a social community. Each of the components is due to various factors, the analysis of which makes it possible to identify the necessary approaches in creating and implementing public policy for rural development with the help of rural communities in specific political, social, economic and cultural conditions.

A common feature of all components is the need to achieve the optimal communicative level of the rural community, which affects the degree of development of its characteristics such as socio-political and economic activity, local communications and social interaction of members of the rural community.

Today in Ukraine there is no doubt about the need and relevance of planning activities at the local level. In our country, as well as in other countries of the world, the strategic approach to planning of sustainable territorial development is actively developed and introduced. This is due to the advantages of this method for all major participants in this process (government, business structures, local community), namely:

- scientific and practical validity of socio-economic and organizational measures, the effectiveness of management decisions increases;
- the range of participants in the planning process is significantly expanded, their interests and needs are more fully taken into account;
- the planning process is more transparent for all business entities, creates opportunities to achieve common goals, pooling material and financial resources of entities of different forms of ownership, and as a result – reduces the time to achieve the ultimate goals of the program, which is desirable for Ukrainian territories;
- there is an opportunity for local authorities and local governments to direct joint efforts of the community to solve urgent economic, social, environmental problems, to actively influence the stabilization of the situation in the socio-economic and socio-political spheres;
- the huge potential of territories is fully used to intensify economic transformations and develop the territorial community.

There is an active concentration of significant financial resources in the budget of the united territorial community, so there is a powerful resource that can have a significant impact on the socio-economic development of the united territorial community [133].

Currently, the functions implemented during the planning process are significantly changed; the very role of planning in the local government system is changing. It is increasingly becoming a tool to increase the competitiveness of territories and regions, a means of uniting the various actors of territorial development around new values and long-term priorities. Such intensification of planning activities, on the one hand, is a natural stage in the development of regions and individual territories, on the other hand, the regions' efforts to find adequate tools to help meet the challenges of today's globalized world, when various changes are accelerating significantly, including political, economic, social, technological, environmental, and so on. An additional dimension of globalization is the development of the information society, which generates many new activities that managers must consider for the purposes of sustainable local development.

Strategic planning covers a system of long-, medium- and short-term plans, projects and programs. However, the main semantic emphasis is on long-term goals and ways to achieve them.

Today, the local authorities are dealing with complex and threatening problems: extreme economic difficulties, underdeveloped infrastructure; lack of security in people and regional inequality; growing poverty, unemployment, loss of self-esteem and social exclusion; threat to biodiversity, lack of water resources and their pollution, soil degradation, air pollution, unsatisfactory means of solid, hazardous and toxic waste disposal, limited access to safe energy sources, etc. [134].

Most of these issues and challenges are closely linked, which reinforces the need for an integrated strategic approach to local development. That is why the main task of strategic planning is to ensure sustainable development of territories, the main principles of which are:

- focus on the needs and interests of people;
- consensus on the long-term goal (vision) of territorial development;
- comprehensiveness and integrity;
- focus on clear budget priorities;
- carrying out a comprehensive analysis of the state of development of the territorial community;

- mandatory monitoring and evaluation;
- availability of responsibility and leadership at the local level;
- the presence of an influential leading institution and a high willingness of the authorities to comply with their obligations;
- development of existing mechanisms and strategies;
- active and effective participation;
- the link between the national and local levels.

Local development is characterized by a set of various spatial, economic, social, cultural, spiritual, environmental and other factors that must be taken into account in the implementation of spatial planning. That is why not one, but a number of planning documents are being developed on the territory, each of which has its own object, principles, purpose, but together they form a holistic system of local development planning.

Mandatory for development, the basic types of planning documents at the local level are:

1. Local development strategies.
2. Spatial programs (General plans of settlements).
3. Annual programs of socio-economic development and cultural development of the territory.

Strategies and annual local development programs are aimed at creating a favorable environment for the development of the business sector, attracting investment, meeting the social needs of the population, improving their living standards. Spatial programs (master plans) concern the development of the territory as an object of implementation of urban policy of local authorities. All types of documents are closely related to each other, help to address issues of improving the functioning of the territory, but at the same time differ from each other.

The development of a long-term strategic document is necessary to identify current trends and patterns of local development, the formation on this basis of scenarios for long-term socio-economic and environmental development, determining the stages and timing of achieving local priorities. To ensure the implementation of certain priority areas of the

strategy, local target programs for the development of certain areas of economic activity are being developed and implemented, which should become an effective tool for implementing long-term local policy.

Spatial planning of the territory, in contrast to the strategic, has a narrower, specific, legally established content and is defined as the process of regulating the use of territories. Territory is an extremely important and limited resource; its effective use significantly affects social development. In this context, the master plan and the relevant urban planning documentation should become a mandatory structural element, the physical basis for the implementation of the local development strategy, which implies the need to closely link the latter with the provisions of the strategic plan.

Article 5 of the Law of Ukraine “On Regulation of Urban Development”, adopted on February 17, 2011, explicitly states that development programs of regions and settlements, economic, social and cultural development programs must be consistent with urban documentation of the appropriate level [135].

Laws and other normative legal acts were developed under different conditions of socio-economic development of the country, so there is a need for their improvement and harmonization. In the context of forming a holistic system of local development planning, a very serious problem is that the requirements of spatial development documents are very rarely taken into account when developing socio-economic development programs of both strategic and short-term nature.

For example, no region of Ukraine in the process of preparing a regional strategy relied on the provisions of the General Plan of Ukraine, although it outlines priorities and conceptual solutions for planning and use of the country, development of industrial, social and engineering transport infrastructure, and identifies areas the development of which requires state support in order to ensure the effective use of areas of special economic, environmental, scientific, aesthetic value. This situation is observed despite the fact that the practical planning advisers emphasize that in order to make an informed final decision on strategic development priorities, the regional working group should conduct additional analysis of national strategies (regional, sectoral, etc.), the General Plan for regional planning, medium-term national, regional and sectoral forecasts and programs.

The transition requires systematic action to improve the local development planning system, which should result in:

- methodically worked out and procedurally fixed interrelation of planning documents (strategic, medium-term and operational, strategic and town-planning, target and complex) at all levels;
- procedurally fixed connection of program and financial documents;
- harmonization of principles and practices of regulating the planning process;
- institutional support and increasing the transparency of the planning process;
- methodically developed and implemented in the system of monitoring and evaluation.

System activities will provide an opportunity to form a holistic mutually agreed system of local development planning. The local strategy should become the main document, which organizes the work on the development and adjustment of sectoral, socio-economic, financial programs, the Master Plan, and then the rules of land use and development.

The strategy identifies the main priorities of local development, the most important projects for the implementation of the stated ideas. The Master plan and town-planning documentation ensure the formation of the necessary land base in order for the strategic intentions to be realized.

Strategic priorities in the medium term take the form of integrated socio-economic and sectoral programs. Current activities and work to achieve medium-term goals are reflected in the annual socio-economic development programs, which are closely linked to the annual budget [136].

The most important reform has started in Ukraine, which concerns the change of administrative – territorial structure, powers, formation of resources and responsibility of local communities for their own development. According to the European Charter of Local Self-Government, which is part of Ukrainian legislation, local self-government is “the right and ability of local self-government bodies to manage a significant share of public affairs in the interests of the local population”. Today, the vast majority of territorial communities of Ukraine, having the right to decide issues of local importance, are still

unable to implement them due to limited own funds and ambiguity of powers. Many issues of local importance are not properly addressed – schools, hospitals and other communal buildings are not maintained, landscaping, night street lighting, etc. are not provided, because there is no main thing – the ability to address local economic development issues [137].

On April 1, 2014, the Government approved the Concept of Reforming Local Self-Government and Territorial Organization of Power in Ukraine (CMU Order №333-r) and approved the Action Plan for its Implementation (CMU Order №591-r of June 18, 2014). The reform envisages the creation of capable communities with opportunities for self-sufficiency and self-development, i.e. communities that will be able (should have) to address local issues at their own expense [138].

The united communities are assigned a wider range of their own powers, primarily community development planning and economic development, investment attraction, entrepreneurship development, and, of course, budgeting, land management, building permits, development local infrastructure, provision of housing and communal services, maintenance of streets and roads in the community, organization of passenger traffic and public safety by the municipal police, fire protection.

This will allow local councils of united communities to provide additional jobs for their residents in the near future and significantly improve the condition of settlements, and hence the quality of life.

In terms of deep decentralization of European-style power, the reform should be based on institutional changes that include, in particular:

- the abolition of district state administrations and the transfer of their functions and powers to the relevant district councils;
- transfer of functions and powers of regional state administrations in the field of socio-economic and cultural development of territories to the relevant regional councils;
- formation of executive bodies of regional, district councils on the basis of structural subdivisions of relevant local state administrations;
- clear division of competences and powers between local self-government bodies and executive bodies, as well as local self-government bodies of different territorial levels;

- increasing the role of self-organization of the population in addressing issues related to the provision of public services to the population [136].

Thus, local economic development planning in Ukraine, as well as in the developed world, has the opportunity to become a direct competence of territorial communities. The experience of America and Europe (Canada, USA, Germany, Czech Republic, Poland) shows that successful communities are those that successfully develop their own internal capacity – improve internal conditions and create those factors of competitive advantage that help attract more productive investment, develop business, retain existing businesses and support job creation. And all this is for the sake of economic development and improving the quality of people's lives.

The pyramid of development planning goals and relationships is shown in Figure 1.

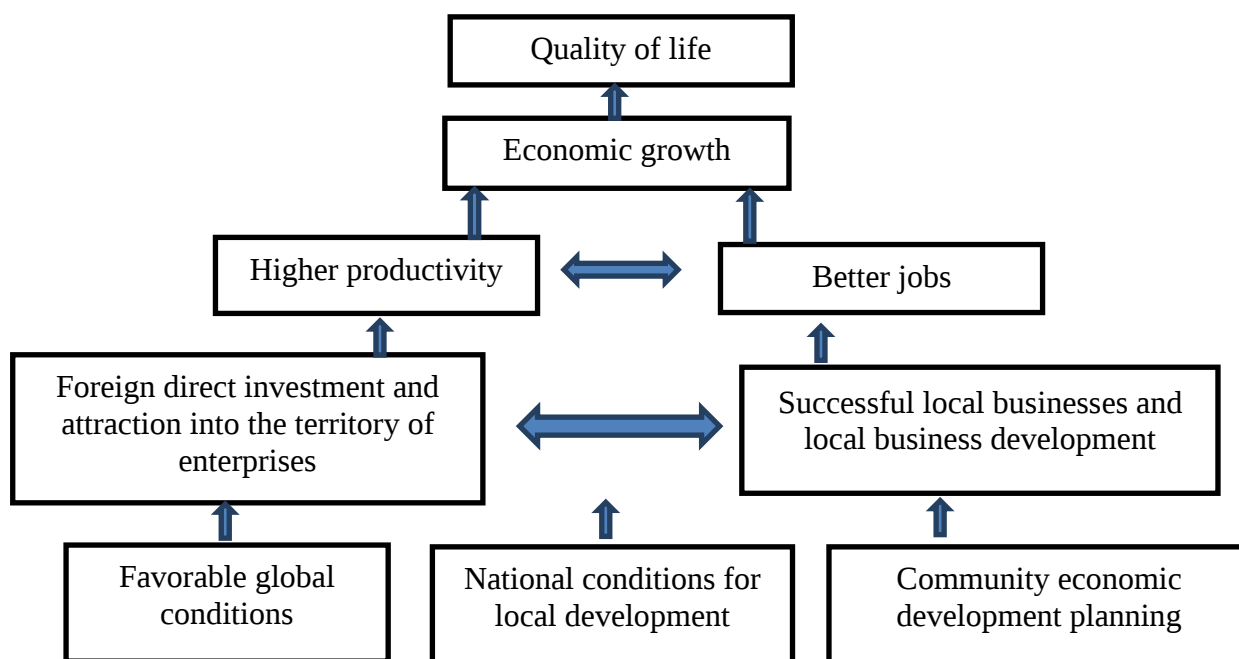


Fig. 1. The pyramid of goals and connections in the development planning process

Source: systematized by the author

In a global world, as discussed earlier, the capacity of communities is at the heart of economic development and linked to their competitiveness. Therefore, the potential of community development (city, territory, and then the region) is determined by its competitiveness, which, in turn, is associated with creating an attractive environment for business development, the ability of communities to attract and develop enterprises that

best ensure productivity growth labor, creating better jobs and high added value.

In fact, when we talk about the unity and cohesion of the state, which consists of regions, we can see that the issue of unity and cohesion of the territory is inherent in the region. The Ukrainian region is a small European country in size.

There are territories in every Ukrainian region, first of all cities, which are more developed and have much better living conditions than peripheral remote rural areas. That is why at the regional level it is very important to plan the development of the region in such a way as to equalize the economic capacity of weaker regions. At the same time, it is important to organize such equalization not by providing additional subsidies to weak areas, but by creating new growth centers in weak areas, again using the competitive advantages of such areas.

Regional development today has been dominated by a focus on decentralization and partnerships between its various levels and branches, as well as partnerships with the private and non-governmental sectors, rather than direct subsidies to weak areas.

Today in Ukraine is formed basically all the necessary legislation for regional development, which meets the best European standards. We have a basic law, we have a state strategy for regional development, which is very close in structure to similar documents of the member states of the European Union. We have opportunities to finance regional development at the expense of the State Fund for Regional Development (SFRD), which is created as a budget program of the State Budget in accordance with Article 24-1 of the Budget Code of Ukraine.

In fact, since 2015, the state regional policy in Ukraine has acquired European features and received competitive formula funding from the State Budget of Ukraine. The oblasts were given the opportunity to really plan and finance their own development

Now all Ukrainian regions have developed strategies until 2020 or 2025. Unfortunately, the realities of life show that not all managers in the regions can effectively use the new tools of regional development.

Along with the reform of state regional policy, which has completed the first stage – the formation of the regulatory framework, Ukraine is experiencing widespread decentralization. As a result of the budget decentralization of the city of regional

significance and the united territorial communities received significant additional resources for their development.

Decentralization enables local communities and regions to have a greater impact on their development and the well-being of the population. At the same time, decentralization carries risks in the institutional capacity of the local management elite to ensure development and not to become constrained.

In order to effectively use the funds of the State Fund for Regional Development, the united territorial communities need, first of all, to understand where these funds should be directed. After all, it is very important for the community that the funds from the State Fund for Rural Development be used most efficiently and thus create new opportunities to increase local budget revenues in the future.

Successful are those regions and communities that successfully develop their own internal capacity and improve the internal conditions that affect and support investment. In order for funds to be used for growth, it is necessary to engage in strategic planning for the development of a united territorial community.

The transition to sustainable socio-economic development must, first of all, begin at the level of state power. Factors related to the general political, macroeconomic and social strategy of the state have some attention. Effective management of socio-economic development of rural areas is possible with coordinated management at the state, regional and local levels. Program-targeted management of rural development at the state level is based on the improvement of inter-budgetary relations through the technology of budgetary and fiscal powers, which take into account the interests of local and regional development.

At the regional level – monitoring the socio-economic development of rural areas, the implementation of targeted state support for rural development by regional authorities, including through the use of transfers and grants.

At the local level – development and implementation of master plans for rural development, taking into account the long-term interests of the local community.

In modern conditions, the state is unable to support agricultural production and finance the social sphere, so budget funds should be directed primarily to science-intensive

technologies, services, education, development of other non-agricultural activities in rural areas.

An effective resource for rural development can be social partnership, as a constructive interaction of representatives of all three sectors of any society (government, commercial and non-commercial), carried out within the current legislation and aimed at solving socially important problems.

The development of rural areas in the future will be determined by how the further delineation of rights and responsibilities between the two levels of government: state and local, as the functions of village councils will be consistent with the financial capacity for their implementation.

Sustainable development of rural areas can be described as a steady increase in positive social indicators (living standards, education, health, etc.) in full accordance with the economic and environmental development of rural areas. The transition to sustainable development is the provision of purposeful self-organization of society in the economic, social and environmental spheres. In this sense, the sustainable development of rural areas is characterized by economic efficiency, environmental security and social justice [139].

In order to develop a clear strategy for sustainable rural development, an appropriate concept is proposed, which aims to identify key issues of rural development in the medium term and prepare a set of measures of economic, legal and administrative nature.

The concept of sustainable rural development is based on the following principles:

- preservation of traditional rural areas;
- integrated rural development (coordinated implementation of production, socio-economic, demographic, educational, medical, environmental and recreational functions);
- deepening of rural-urban ties, integration into a single general economic system, creation of economic structures with combined functions (rural-urban structures), development of road transport communications, telephone communication, creation of unified social service systems, gradual agglomeration of urban and rural areas into a dynamically developing unity;
- interaction of programs of sustainable development of rural areas with measures

of agri-food policy of the state for the near future, taking into account features of structural reorganization of agricultural production (the main sphere of employment of the rural population);

- development of social partnership between the state, communities, local businesses and the rural population;

- economic and territorial accessibility of social services and social infrastructure facilities for all groups of the rural population;

- maximum involvement in economic turnover and increase the efficiency of use of natural material and human resources of rural areas on the basis of increasing the efficiency of institutional transformations and strengthening the motivational mechanisms of development;

- combination of state support measures with mobilization of local resources of rural communities;

- democratization of rural communities, increasing public participation in decision-making related to the development of production, planning and development of settlements, other aspects of rural society through the development of collective bargaining, local government, collective and public organizations (consumer, industrial, credit cooperation, etc.);

- environmentally friendly approach and careful attitude to non-renewable natural resources in the development and implementation of livelihood mechanisms for rural residents.

State regulation is the main direction of ensuring the sustainable development of the Ukrainian countryside and a means of ensuring the balance of Ukraine's economy. Methods, forms and scales of state regulation are determined by the nature and severity of economic, social, environmental and other problems in specific conditions of place and time. State regulation of the modern domestic economy involves its transfer to an intensive path of development with a consistent reduction in spending on extensive growth and ensuring investment in intensifying the efficient use and renewal of existing economic potential.

Ukraine's conclusion of the Association Agreement with the European Union has

been a key factor in launching systemic reforms in public administration mechanisms. Decentralization of power and resources has given impetus to the development of local self-government and local communities.

However, such development is not characterized by the stability of processes. As a result, some communities are barely making ends meet. Others receive large passive incomes (in the sense that they are not caused by active community action, but by redistribution of cash flows, such as excise taxes, land fees, etc.), which do not encourage active fundraising. And many communities have not decided on “voluntary association”.

Naturally, most of these communities do not have much demand for the development and implementation of quality strategic models. Often such a request is stimulated from outside. European strategizing practices are disseminated through international technical assistance programs (e.g. U-LEAD with Europe, Decentralization Brings Better Results and Efficiency: DOBRE, etc.). But despite the availability of sufficient methodological tools to build effective and efficient systems of strategic and project management, most rural communities still do not have not only quality development strategies, but also a public demand for quality strategy. The same applies to socio-economic development programs, which are often inconsistent with each other.

Collaborating communities are not always aware of the place of developed development strategies in the system of strategic planning and changes in the community management system that need to be implemented to make these strategies an integral part of decision-making mechanisms.

Therefore, it is easy to see that the expected results of many strategies developed in 2015 and completed in 2020 were practically not achieved. And as the results of communication with residents of different communities show, few people know about the existence of such documents at all, and those who do, do not consider them effective tools in ensuring community development.

As a result, it was found that there is no relationship between the time of creation of rural communities and the availability of strategic documents. That is, almost half of the communities formed 4-5 years ago operate without development strategies, and accordingly without a clear vision and public understanding of ways to achieve it.

There are objective factors related to the human resources of the newly created local governments, the lack of practice and culture of strategy and project management. But there are other factors that no less affect the willingness of local authorities to develop strategies, and most importantly – direct resources to achieve strategic goals. These include the institutional basis for strategic planning.

The basis of planning the socio-economic development of the community is the model of program-targeted management. Articles 26, 27, and 64 of the Law “On Local Self-Government in Ukraine” include the development of socio-economic development programs by local self-government bodies, and state that local budget expenditures should be directed to their implementation. And in the first part of Article 10 of the Law of Ukraine “On Voluntary Association of Territorial Communities” provides that the state provides financial support for voluntary association of territorial communities and joining the united territorial communities by providing funds to the united territorial community in the form of subventions formation of appropriate infrastructure in accordance with the plan of socio-economic development of such a territorial community [140].

Despite good intentions, this mechanism does not fulfill its function at the state, regional or local levels. After all, it is almost impossible to find programs whose goals would be achieved. Moreover, no one is responsible (either politically or legally) for failing to meet program goals.

However, almost all rural communities develop socio-economic development programs. After all, they are needed to justify expenditures from local budgets. This leads to the fact that socio-economic development programs do not fulfill their main function – planning medium-term and long-term community development.

As there is no responsibility for non-implementation of programs (instead there is a responsibility for misuse of funds for activities not provided for in the programs), village councils write in them everything possible. That is why it is difficult to talk about some well-thought-out planning process. One confirmation of this opinion is that almost half of all programs are developed for only 1 year.

In the structure of strategic documents of community development, development strategies stand aside. The Law on Local Self-Government in Ukraine and the Law on

Voluntary Association of Territorial Communities do not mention such tools for community development planning at all. Mention of local community strategies is in paragraph 2 of Article 16 of the Law “On Principles of State Regional Policy”, which establishes a mechanism for developing regional strategies, which states that city, town, village councils can develop and approve the National Strategy for Regional Development of Ukraine strategies for the development of cities, towns and villages.

The definition of the strategy of the united territorial community is given in the “Guidelines for the formation and implementation of forecast and program documents of socio-economic development of the united territorial community”. However, the text of the document is only about how to develop programs of socio-economic development.

Therefore, the legal status of such strategies from the standpoint of local self-government remains unclear. As a result, development strategies are not considered mandatory strategic development documents. Despite the fact that the legal framework for rural development strategies is rather vague, we believe that this tool is a necessary and key element in the system of strategic community development.

A strategy is a visionary document that should answer questions. This document makes sense if the vision set out in it through the vision, strategic, operational goals and indicators of their achievement is understood and shared by the majority of the community. The strategy becomes a reference point on which all plans under such conditions and actions of local governments, businesses and various groups will be based. After all, it makes no sense to make any plans and start certain activities if it does not correspond to a stable strategic vision of the community.

For local governments, the strategy provides opportunities for systemic change in the community, which in the absence of strategic vision and understanding of its residents would lead to resistance. After all, people are more likely to suffer temporary hardships if they understand and believe in the benefits they will receive in the future.

On the other hand, the strategy protects the community and is a safeguard against local government decisions that run counter to strategic goals.

But all these benefits of having a strategy will only be possible if it is legitimate in the eyes of residents and perceived by them as part of their own future. And for this it is

necessary to conduct effective communication with residents not only at the stage of strategy development, but also in the process of its implementation.

As any program is subject to resource constraints, the key competence of the local government will be the ability to balance the various parameters of projects in portfolios. Therefore, without the use of quality project management practices cannot do here. In general, to ensure sustainable development, these two tools of strategic planning and management (strategy and program) are an organic complement to each other. And the absence or poor use of at least one of them threatens any model of community development.

After all, a strategy without a quality program is a dream that may never come true. And a program without a clear strategy is a movement for the sake of movement. After all, it doesn't matter how fast we move if we don't know where we're going.

To this end, local communities are endowed with greater resources and the mobilization of their internal reserves is encouraged – land and investment-attractive areas that were used inefficiently, involve all segments of the population, including people with disabilities, to establish cooperation with business.

The answer to these challenges is medium- and long-term planning of united territorial communities. In this context, it is important not only (and not so much) the result (planning document), but the process of its creation with the participation of a wide range of stakeholders – representatives of different localities, different enterprises, institutions and organizations, different political views.

The main principles on which the forecasting and development of socio-economic development programs are based are scientific, integrity, independence, equality, objectivity, transparency.

Involving a wide range of citizens in the process of developing a strategic plan for the development of united territorial communities allows identifying and finding acceptable ways to solve community problems, to ensure dialogue between the public and government. At the same time, one of the main components of the planning process is the mandatory participation of all active and interested representatives of the community.

In order to clearly define the range of stakeholders and the conditions under which

they will agree to participate in the process of local development planning, we propose to use the “CLEAR” model (Table 1).

Table 1

The “CLEAR” model

Factors of participation	How it works	Political action of local authorities
Ability to participate	The personal resources that community members have and can offer (knowledge, information, public speaking skills, organizing events, etc.) are essential to enable them to participate.	Capacity building: specific support measures and targeted development of social capital
Desire to participate	Commitment to participation requires a sense of belonging to the community, a sense of trust and belonging to connections and communities, creates opportunities for people to collaborate together and work more effectively	Sense of community (community), involvement of citizens, social capital and citizenship
Creating opportunities for participation	Public infrastructure – organization of volunteer, community advisory groups, organizations and networks – creates (or blocks) opportunities for participation	Building public infrastructure to create groups and organizations that can guide and facilitate participation
Invitation to participate	Mobilize people to participate (in decision-making) and expect their contribution	Introduction of possible ways of public participation and their openness. Use of various incentives for development, sense of duty, continuity of participation, targeted invitations to participate
Consideration, feedback	People are willing to participate if they feel that they are being listened to (not necessarily agreeing, but it is clear that their views are being taken into account / considered)	The ability of the public policy system and staff to “respond” to needs, weigh different points of view, and provide feedback – it is important to explain how the decision was made and what the role of the individual or community was

Source: systematized by the author

The term CLEAR is formed by the first letters of the words:

C – Can do – ability to participate;

L – Like to – desire to participate;

E – Enabled to – creating opportunities for participation;

A – Asked to – invitation to participate;

R – Responded to – consideration, feedback [141].

The strategy developed in this way reflects the interests of all citizens, and therefore is perceived by the community as “their own”. The strategic plan created together with the community, regardless of the personal qualities of the leaders or the political situation, is aimed at improving living standards, strengthening local democracy, educating socially active citizens – patriots of their community.

Modern strategies for the development of local communities always include an environmental component. Ukraine does not stay away from the global challenges of humanity, in particular the problems of climate change and adaptation to these changes. The country is a party to the Paris Climate Agreement and has already expressed its intention to implement the principles of the European Green Course.

The European Green Course (EGC) is a comprehensive program of EU strategic decisions and actions aimed at achieving sustainable and effective development at all levels of the economy and society, as well as transforming Europe into the first climate-neutral continent by 2050.

The main advantages of involvement in the EGC are the use of new mechanisms and the implementation of innovative ideas to improve urban space and improve environmental quality of life, attract green finance and investment, access to EU markets and more.

The key areas of implementation of the EGC, adopted by the European Commission in 2019, are climate change prevention and adaptation, biodiversity, zero pollution, industrial policy, sustainable nutrition and green agriculture, waste management, sustainable and smart mobility, energy and energy efficiency.

Part of the “green” course is, in particular, the concept of “green” energy transition in Ukraine. Energy production is a major source of anthropogenic greenhouse gas emissions in the world, and therefore the introduction of renewable energy sources (RES), energy efficiency and energy conservation should play a key role.

Table 2 shows the target values of indicators of available and clean energy in Ukraine for the period up to 2030.

Table 2

Target values of indicators of available and clean energy in Ukraine

Indicators	2015	2020	2025	2030
Electricity production, billion kWh	157.7	163.8	178.4	182.0
Technological costs of electricity in distribution networks,%	11.5	11.0	10.0	9.0
Heat losses in heating networks,%	20	18	14	12
Maximum share of imports of primary energy resources (excluding nuclear fuel) from one country (company) in the total volume of their supply (imports),%	40	<15	<12	<12
Share of one supplier in the nuclear fuel market,%	>95	<70	<60	<50
Share of energy produced from renewable sources in total final energy consumption,%	4.9	11.0	14.2	17.1
Energy intensity of GDP (primary energy consumption per unit of GDP), kg of oil equivalent per 1 US dollar purchasing power parity 2011	0.28	0.20	0.17	0.14

Source: [142]

Thus, by 2030, electricity production in Ukraine should increase to 182 billion kWh. At the same time, the technological costs of electricity in the distribution networks should be reduced to 9%, heat losses in the heating networks – up to 12%. The share of energy produced from renewable sources in total final energy consumption should reach 17.1%.

Further development of local communities must include energy efficiency measures, stimulating the creation of enterprises for the production of biofuels [143, 144].

We believe that the solution of energy efficiency problems will be facilitated by the administrative and territorial reform that is taking place in Ukraine, which is aimed at giving local communities greater financial independence, as well as more efficient use of resources, including energy. For the efficient use of energy resources, communities use a variety of energy efficient measures, including the installation of modern lighting, heating systems on alternative fuels, energy-saving windows and doors, insulation of facades and roofs and more. These measures can reduce energy consumption, resulting in significant savings in the local budget.

In conclusion, it is worth noting that Ukraine is currently undergoing reforms that are closely related to each other – reforms of decentralization of power and

administrative-territorial organization. The main task of the reforms was to form united territorial communities as the main link of the basic level, which would become capable, self-sufficient, receive resources for development of own potential and could provide quality services to their residents.

There is no doubt today about the need and relevance of planning activities at the local level in Ukraine. In our country, as well as in other countries of the world, the strategic approach to planning of sustainable territorial development is actively developed and introduced.

Obviously, local development is a process that does not happen by itself, it is carried out by someone using appropriate tools. Planning one's own development allows the local community to better understand its goals, understand its own competitive advantages, as well as the dangers and threats that may await it, promotes efficient and economical use of own and external resources, control over their use. This is especially important today as united territorial communities enter a new phase of their existence. They are responsible to their residents for creating a comfortable and safe living environment. This requires development – predictable and motivated.

The results of the reform should be evaluated not only through the administrative, financial or logistical achievements of the united territorial communities, but also through social changes within the community itself. Such changes can be manifested in the relationship between local authorities and the local community, the use of democratic leadership, the introduction of new practices of public involvement, increasing the activity of residents, transparent dialogue and partnership in local budget planning, quality public services and more.

Today, the “green” course of community development with the active development of alternative sources and the production and use of biofuels are very promising areas that meet European best practices.