

DEVELOPMENT OF DEMOCRACY PRINCIPLES IN THE SYSTEM OF LOCAL SELF-GOVERNMENT IN THE CONTEXT OF EUROPEAN INTEGRATION

Ivanii O. M.

INTRODUCTION

Democracy is one of the fundamental principles of European integration. It underpins the functioning of the European Union and its institutions. In this context, the development of democracy principles in the system of local self-government plays a crucial role in Ukraine's process of European integration.

The principles of democracy entail broad citizen participation in governance processes, which fosters openness and expands public control over the activities of local authorities. This aligns with the requirements of European standards for democratic governance.

An important aspect is ensuring legal democracy and the rule of law. The development of local self-government involves creating a transparent and stable legal framework that guarantees equality before the law and protects the rights and freedoms of citizens. This becomes a necessary precondition for European integration, as the European Union emphasizes the importance of democracy and the rule of law.

The system of local self-government should be as open as possible to the public, which promotes more efficient use of resources and prevents corruption. This also corresponds to European standards of democracy and helps increase trust in government structures.

In Ukraine, significant steps have been taken in recent years to develop the principles of democracy in the system of local self-government. Specifically, a series of laws have been enacted aimed at decentralizing power, strengthening the role of citizens in decision-making at the local level, and increasing transparency in the activities of local self-government bodies.

The theoretical and practical aspects of democracy in the system of local self-government have been explored in the works of both national and foreign scholars, such as O. Bandurka, V. Babkina, O. Bevzenko, H. Vdovychenko, V. Hoshovskyi, O. Kozlov, V. Kravchenko, Yu. Kravchenko, V. Kuibida, O. Lavrynenko, M. Lysenko, O. Malynovskyi, V. Mnykh, O. Onishchuk, V. Pastukhov, O. PyrozHKov, Yu. Reznik, V. Slyvka, O. Subbotin, V. Tatsii, T. Tsymbaliuk, V. Shapoval, and others. These studies not only help to understand the essence of democracy at the local level but also provide practical recommendations for improving the system of local self-government, thereby contributing to the enhancement of democracy and the effectiveness of governance at the local level. The results of research by these and other scholars indicate that democracy in the system of local self-government in Ukraine has significant potential for development; however, its

realization requires political will, an effective system of legal regulation, and active civic engagement. This necessitates constant efforts to strengthen democratic institutions, create transparent and open conditions for citizen participation in decision-making, and ensure the rule of law.

1. The Role and Importance of the Principles of Formation and Development of Local Self-Government: A Theoretical Analysis

The foundation of any democratic country lies in the presence of self-government in its administrative divisions.

Local self-government is a system of organizational and administrative structures at the local level that have the authority to address local issues within the defined territorial units as stipulated by legislation.

This form of governance allows residents of specific territories to actively participate in addressing matters concerning their daily lives, development, and well-being. It is a crucial element of democratic society because it ensures proximity of power to citizens, increases their involvement in decision-making processes, and contributes to the development of local institutions and infrastructure.

Local self-government, as one of the primary elements of constitutional structure, has its own system of principles that help to better understand its significance, place, and role in society and the state.

The principles of local self-government are fundamental principles upon which its organization and activities are based. These principles define the essential characteristics, features, and attributes of local self-government.

The development of the local self-government principles reflects their evolution from legal ideas and categories of social consciousness to being enshrined in the legal system. These principles serve as the foundation upon which the institution of local self-government is built. Neglecting them in the legislative process carries the risk of creating contradictions and negatively impacting the effectiveness of self-government functioning.

The principles of local self-government, like principles of law in general, are ideological in nature. This means that, like law in general, they form part of social consciousness and exert an ideological, informational, and educational influence of a general nature. In other words, they fulfill the function of generally codifying social relations, which allows them to be considered from the perspective of certain guiding principles¹.

The analysis of constitutional principles of local self-government allows us to assert that they possess characteristics of regulatory law principles. These principles define rules of conduct, organize, and coordinate social relations in the sphere of local self-government. Their influence on these relations lies in institutionalizing local self-government at the legal level. Regulatory law, thus, ensures clear regulation of social relations, which is the basis for the normal

¹ Колодій А. М. Конституційне право України : мультимедійний посібник. 2020. URL: https://arm.naiu.kiev.ua/books/konst_pu/rozdil/rozdil6.html

functioning of society, aligns with the interests of the majority, and reflects the general will.

The principles of local self-government are established by the Constitution of Ukraine and the European Charter of Local Self-Government, while their detailing and specification are carried out in the Law of Ukraine “On Local Self-Government in Ukraine”².

There are several approaches to classifying the principles of local self-government.

By scope, the following are distinguished:

– general principles, which apply to all aspects of local self-government, namely: democracy, legality, transparency, decentralization, self-organization, and accountability of authorities;

– specific principles, which relate to specific aspects of local self-government. These include the principles of subsidiarity, territorial integrity, financial autonomy, electivity, and the combination of local and state interests.

By legal nature:

– constitutional principles, enshrined in the Constitution of Ukraine;

– legislative principles, defined by the laws of Ukraine.

By functional purpose:

– organizational principles, which determine the foundations of organizing local self-government;

– operational principles, which determine the principles of the activities of local self-government bodies.

By the method of influencing relations:

– internal principles, which regulate intra-organizational relations within the system of local self-government;

– external principles, which determine the relations of local self-government with other subjects of law.

It is necessary to emphasize the role of special principles in ensuring effective and democratic functioning of local self-government.

The most common principles of local self-government recognized in European countries include:

– *autonomy of local self-government*, which may include organizational independence of local self-government bodies; autonomy of the population in determining the structure of their own bodies; independent decision-making by the population on matters of local significance; economic autonomy of local self-government, which is ensured by the presence of municipal property, the right of municipal bodies on behalf of the population to independently manage and dispose of such property; financial autonomy of local self-government, which entails the right of local self-government bodies, in accordance with the

² Про місцеве самоврядування в Україні : Закон України від 21.05.1997 № 280/97-ВР. URL: <https://zakon.rada.gov.ua/laws/show/280/97-%D0%B2%D1%80#Text>

legislation, to independently form and execute the local budget, establish local taxes and fees, and participate in credit relations.³;

– *decentralization*, which includes two aspects: the delineation of powers and responsibilities between central, regional, and local governance, as well as the expansion of opportunities for citizen participation in addressing political, economic, and social issues⁴;

– *subsidiarity* – functions of public authority should be vested at the level where they are most effectively performed. In this regard, the transfer of functions should occur not top-down, but from the bottom up⁵;

– *territorial integrity*, which entails the preservation and inviolability of territorial units, as well as the recognition of their autonomy and governing powers. This ensures equal conditions for the development of all settlements within the community. Territorial integrity contributes to the preservation of the historical and cultural identity of the community;

– *electiveness* – entails that the bodies of local self-government and their officials are elected by citizens based on universal, free, secret, direct, and equal voting. This ensures the democratic nature of local self-government, accountability of local self-government bodies to the community, and their responsibility for their work;

– *the principle of transparency and community participation* recognizes the importance of involving the public in the process of local governance. It entails that local authorities should act openly and transparently, provide information to the public, and take their opinion into account when making decisions;

– *the combination of local and state interests* in local self-government involves ensuring a balance between the needs of local communities and the overall state strategic goals. This principle entails that local self-government bodies consider the interests of their local communities while adhering to the requirements and policies of the state level. Such an approach allows for the effective implementation of state programs and strategies at the local level, taking into account the specificities and needs of particular regions or local communities. At the same time, it contributes to maintaining the unity and integrity of the country, upholding legality, and fostering the interconnection between local and central levels of governance.

³ Ровинська К.І. Місцева автономія як загальний принцип організації місцевого самоврядування. *Публічне управління: теорія та практика*. 2013. Вип. 1. С. 170–176. URL: http://nbuv.gov.ua/j-pdf/Pubupr_2013_1_29.pdf. С. 171–172.

⁴ Мельник Л.М. Принцип децентралізації влади як ключовий вектор модернізаційних перетворень у системі державного управління соціальним розвитком регіонів. *Аспекти публічного управління*. 2015. № 7–8, С. 78–84.

⁵ Пасічник М. Еволюція та характерні ознаки децентралізації публічного управління. *Вісник Національної академії державного управління при Президентові України*. 2010. № 4. С. 175–182. URL: http://nbuv.gov.ua/j-pdf/Vnadu_2010_4_24.pdf

The democratic principles of local self-government are reflected in the requirements of objective regularity and the trends of local governance development. They have several characteristics: firstly, constitutional principles of local self-government entail the establishment and functioning of local self-government authorities; secondly, they serve as a criterion for evaluating the existing system of local self-government, assessing its alignment with the principles and ideas expressed in local self-government principles; thirdly, constitutional principles of local self-government, reflecting the essence and main features of local self-government, contribute to the preservation of legal continuity and the development of local self-government institutions; fourthly, constitutional principles of local self-government largely correspond to the principles enshrined in the European Charter of Local Self-Government, which serves as a legal basis for municipal legislation of Council of Europe member states⁶.

Thus, the implementation of democratic principles of local self-government ensures citizen participation in decision-making, accountability and responsibility of authorities, development of civil society, and contributes to better meeting the needs of communities, improving governance efficiency, and strengthening democracy. It is important to note that the principles of establishment and development of local self-government are not static. They are constantly developing and improving according to the needs of society. These principles serve as guiding principles for legislators, authorities, and citizens in shaping and implementing policies in the field of local self-government.

2. Research of international standards of local self-government and their application in Ukraine

The role of local self-government bodies is not limited to national borders. The fundamental principles of democracy, the rule of law and human rights, recognition of local self-government, as well as accumulated experience in the organization and functioning of local government, have found their expression in international legal standards of local self-government, which play a significant role in the processes of establishing the rule of law and implementing local self-government worldwide⁷.

International standards of local self-government are defined by a number of international organizations, such as the Council of Europe and the United Nations. They provide universal principles and recommendations for the development of local self-government in the whole world.

International standards establish common approaches and principles for the formation and functioning of the institution of local self-government within specific states. Their enshrinement at the international level, through norms of international law, underscores the importance of this institution not only at the national level but also in the international context. These standards establish rules

⁶ Колодій А. М. Конституційне право України : мультимедійний посібник. 2020. URL: https://arm.naiu.kiev.ua/books/konst_pu/rozdil/rozdil6.html

⁷ Трояновський В.В. Європейська хартія місцевого самоврядування як фундамент розвитку місцевої демократії в державах Європи. *Збірник наукових статей*. URL: http://www.academy.gov.ua/ej/ej10/doc_pdf/Troyanovsky.pdf

recognized by the majority of states and provide an important guiding principle for the development of democratic processes and the improvement of the well-being of the population.

One of the key international standards of local self-government is the European Charter of Local Self-Government⁸ (1985), Recommendation 48 (1998) of the Congress of Local and Regional Authorities of Europe on Local and Regional Democracy in Ukraine⁹, Recommendation 102 (2001) of the Congress of Local and Regional Authorities of Europe on the State of Local and Regional Democracy in Ukraine¹⁰, Recommendation 348 (2013) of the Committee of Ministers of the Council of Europe on the development of local and regional democracy (self-government) in Ukraine¹¹.

One of the most influential documents in this area is *the European Charter of Local Self-Government*, adopted by the Council of Europe in 1985. This document establishes the fundamental principles of local self-government and calls on member states to ensure proper conditions for its development and guarantee its independence from central authorities.

The principles of local self-government are also enshrined in the *Declaration on Good Governance at Local and Regional Levels* dated 24–25 February 2005, the *European Convention on the Participation of Foreigners in Public Life at Local Level* dated 5 February 1992, the *European Charter on the Participation of Young People in Local and Regional Life* dated 21 May 2003¹², the *European Framework Convention on Cross-Border Cooperation between Territorial Communities or Authorities* dated 21 May 1980, the *Declaration on the Principles of Local Self-Government in the Member States of the Commonwealth* dated 29 October 1994, and the *World Declaration on Local Self-Government* dated 23–26 September 1985¹³.

⁸ Європейська Хартія місцевого самоврядування від 15 жовтня 1985 року : Документ 994_036. URL: https://zakon.rada.gov.ua/laws/show/994_036#Text

⁹ Рекомендація № 48 (1998 р.) Щодо місцевої і регіональної демократії в Україні Конгресу місцевих і регіональних влад Європи. *Європейська хартія місцевого самоврядування та розвиток місцевої та регіональної демократії в Україні*. Київ, 2002. С. 122–126.

¹⁰ Рекомендація № 102 (2001 р.) Щодо місцевої і регіональної демократії в Україні Конгресу місцевих і регіональних влад Європи. *Європейська хартія місцевого самоврядування та розвиток місцевої та регіональної демократії в Україні*. Київ, 2002. С. 131–139.

¹¹ Рекомендація 348 (2013 р.) Місцева і регіональна демократія в Україні. Assembly of European regions. URL: <https://rm.coe.int/-1-ildg-r-epp-cce-/1680a04f28>

¹² Батанов О.В. Деякі концептуальні проблеми реформи конституційної моделі місцевого самоврядування в сучасній Україні. *Публічне право*. 2015. № 2. С. 18–25. URL: http://nbuv.gov.ua/j-pdf/pp_2015_2_4.pdf

¹³ Фоміна Д.С. Принципи Європейської хартії місцевого самоврядування 1985 року та інших міжнародно-правових актів щодо правової організації місцевого самоврядування. *Наукові праці [Чорноморського державного університету імені Петра Могили комплексу «Києво-Могилянська академія»]*. Сер.: *Державне управління*. 2013. Т. 226, Вип. 214. С. 109–113. URL: http://nbuv.gov.ua/j-pdf/Npchdu_2013_226_214_23.pdf

The provisions of these documents provide impetus for the development of local democracy in Ukraine, seeking the most optimal and effective forms of local self-government taking into account the best European and global practices.

A key step in this direction was the adoption of *the Constitution of Ukraine* in 1996, where local self-government was recognized as an important component of the state system. This document endowed local councils with broad powers to address issues of local significance and ensured their autonomy.

The Constitution of Ukraine specifies that “local self-government is the right of the territorial community – residents of a village or voluntary association in a rural community of residents of several villages, a town, and a city – to independently resolve issues of local significance within the Constitution and laws of Ukraine”¹⁴.

Meanwhile, the Law of Ukraine “On Local Self-Government in Ukraine” states that “local self-government in Ukraine is the guaranteed by the state the right and actual ability of the territorial community – residents of a village or voluntary association in a rural community of residents of several villages, a town, a city – independently or under the responsibility of the bodies and officials of local self-government to resolve issues of local significance within the Constitution and laws of Ukraine”¹⁵.

The European Charter of Local Self-Government provides the following definition: “Local self-government means the right and ability of local government bodies, within the law, to regulate and manage a substantial portion of public affairs under their own responsibility, in the interests of the local population”¹⁶.

It is evident that there is a discrepancy in approaches between the concepts of the European Charter and the Constitution of Ukraine, as well as the Law of Ukraine “On Local Self-Government in Ukraine”. In the former case, the primary subject of local self-government, bearing the main functions and powers, is determined by the bodies of the territorial community, according to the European Charter. In the mentioned Ukrainian legal acts, this role is assigned to the territorial community of a village, town, or city, where the territorial community holds a prominent position. Therefore, the European Charter declares broader powers and guarantees for local self-government.

The lack of a clear conceptual definition poses a risk of disintegration in the legislative process in our country. This is due to the lack of systematic development and adoption of legislative acts, as well as discrepancies in defining the status, competence, and responsibilities of local self-government entities. Therefore, it is critically important to ensure harmony between the norms of the Constitution of Ukraine, the European Charter, and the legislation regulating the activities of local self-government.

¹⁴ Конституція України : Закон України від 28 червня 1996 р. URL: <http://zakon4.rada.gov.ua/laws/show/254к/96-вр>

¹⁵ Про місцеве самоврядування в Україні : Закон України від 21.05.1997 № 280/97-ВР. *Відомості Верховної Ради України*. 1997. № 24. Ст. 170.

¹⁶ Закон про місцеве самоврядування України: науково-практичний коментар / В. І. Батрименко, В. І. Борденюк, Г. В. Виноградова, М. І. Єфремова, І. Крегул. Київ : Книга, 1999. С. 89.

Positive trends in the process of reforming local self-government are associated with the approval of the Concept of Reforming Local Self-Government and Territorial Organization of Power in Ukraine, approved by the Cabinet of Ministers of Ukraine on 1 April 2014, under Resolution 333-r. This concept envisages basic principles for implementing the decentralization of power and building such a system of local self-government. The mentioned concept fully complies with the principles of the Charter and the provisions of other international treaties, as well as the recommendations of the Council of Europe in the field of local and regional democracy¹⁷.

Achieving the goal and overcoming existing problems was planned through:

- defining a justified territorial basis for the activities of local self-government bodies and executive authorities capable of ensuring accessibility and proper quality of public services provided by such bodies, as well as the necessary resource base for this;
- creating adequate material, financial, and organizational conditions to ensure the exercise of both the self-governing bodies' own and delegated powers;
- clearly delineating responsibilities within the system of local self-government bodies and executive authorities at various levels of administrative-territorial organization based on the principle of subsidiarity;
- delineation of powers between executive authorities and local self-government bodies on the principles of decentralization of power;
- implementation of a state control mechanism over the compliance of local self-government bodies decisions with the Constitution and laws of Ukraine, and the quality of provision of public services to the population;
- maximum involvement of the population in decision-making, promoting the development of direct democracy forms;
- improvement of the mechanism for coordinating the activities of local executive bodies¹⁸.

17 July 2020 became a significant date for decentralization reform in Ukraine. On this day, the Verkhovna Rada adopted a historic decision to liquidate 490 outdated districts and create 136 new ones. This step marked the completion of one of the key stages of the reform aimed at increasing the autonomy of local communities, improving the quality of services provided to the population, enhancing people's trust in the government, and bringing Ukraine closer to European standards of democracy.

In December 2020, the Law of Ukraine "On Amending Certain Legislative Acts of Ukraine to Regulate Certain Issues of Organization and Activities of

¹⁷ Гройсман В.Б. Концептуальні засади реформування місцевого самоврядування та територіальної організації влади в Україні. *Місцеве самоврядування – основа сталого розвитку України* : матеріали щоріч. Всеукр. наук.-практ. конф. за міжнар. участю (Київ, 16 трав. 2014 р.): у 2 т. / за наук. ред. Ю.В. Ковбасюка, К.О. Ващенко, С.В. Загороднюка. К. : НАДУ, 2014. Т. 1. С. 7.

¹⁸ Методика формування спроможних територіальних громад від 24.01.2020 р. *Верховна Рада України* : Офіційний вебпортал. URL: <https://zakon.rada.gov.ua/laws/show/214-2015-%D0%BF#Text> (дата звернення: 10 липня 2020 р.)

Local Self-Government Bodies and District State Administrations” came into force. It introduced changes to the laws of Ukraine “On Local Self-Government in Ukraine”, “On Local State Administrations”, “On the Cabinet of Ministers of Ukraine”, and “On State Registration of Legal Entities, Individual Entrepreneurs, and Public Formations”.

The concept of “united territorial community” has been replaced by “community”, which is an administrative-territorial unit that unites all residents. The community serves as the basic level of local self-government.

Legislation regulating the principles of local self-government and the powers of authorities and officials in Ukraine includes a number of regulatory acts. In particular, these are the laws “*On Local Self-Government*”¹⁹ (outlines the system in which local self-government operates in Ukraine, the legal status, the mechanics of interaction between the bodies in it), “*On the Status of Deputies of Local Councils*”²⁰ (establishes the limits and guarantees of the deputy’s activity, determines his legal status), “*On Service in Local Self-Government Bodies*”²¹ (defines the legal principles of the service activity in local self-government bodies of Ukraine), “*On Self-Organization Bodies of the Population*”²² (organization bodies of the population in Ukraine).

When we talk about transparency and accountability, it is necessary to mention the Laws of Ukraine “*On Access to Public Information*”²³ and “*On Transparency of the Use of Public Funds*”²⁴. Both laws define the conditions and procedures for ensuring access to information held by the local self-government body²⁵.

When the municipal authorities work out city development plans aiming for the effective and fair use of its territory, they are guided by the Law of Ukraine “*On Regulation of Urban Development Activities*”²⁶.

When it comes to the distribution of funds belonging to territorial community, the local self-government body uses *Budget Code of Ukraine*²⁷, as

¹⁹ Про місцеве самоврядування в Україні: Закон України від 21.05.1997 № 280/97-ВР. URL: <https://zakon.rada.gov.ua/laws/show/280/97-%D0%B2%D1%80#Text>

²⁰ Про статус депутатів місцевих рад: Закон України від 11.07.2002 № 93-ІV. URL: <https://zakon.rada.gov.ua/laws/show/93-15#Text>

²¹ Про службу в органах місцевого самоврядування: Закон України від 07.06.2001 № 2493-ІІІ. URL: <https://zakon.rada.gov.ua/laws/show/2493-14#Text>

²² Про органи самоорганізації населення: Закон України від 11.07.2001 № 2625-ІІІ. <https://zakon.rada.gov.ua/laws/term/2625-14>

²³ Про доступ до публічної інформації: Закон України від 13.01.2011 № 2939-VІ. URL: <https://zakon.rada.gov.ua/laws/show/2939-17#Text>

²⁴ Про відкритість використання публічних коштів: Закон України від 11.02.2015 № 183-VІІІ. URL: <https://zakon.rada.gov.ua/laws/show/183-19#Text>

²⁵ Які закони регулюють діяльність місцевої влади. URL: <https://silrada.org/yaki-zakony-regulyuyut-diyalnist-mistsevoyi-vlady/>

²⁶ Про регулювання містобудівної діяльності: Закон України від 17.02.2011 № 3038-VІ. URL: <https://zakon.rada.gov.ua/laws/show/3038-17#Text>

²⁷ Бюджетний кодекс України: Кодекс від 08.07.2010 № 2456-VІ. URL: <https://zakon.rada.gov.ua/laws/show/2456-17#Text>

the basis for its actions in the budgetary sphere. Alternatively, the local self-government body may establish specific rules for economic entities operating or conducting activities within its territory, including manufacturers or retail traders. In this case, an important document for decision-making is the Law of Ukraine “*On the Principles of State Regulatory Policy in the Field of Economic Activity*”. With the aim of creating comfortable conditions for the local population, local self-government bodies are guided by the Law of Ukraine “*On Improvement of Settlements*”²⁸.

Also, it is important to mention local decisions and regulations that establish the specifics of implementing local self-government in specific communities and regulate the work of local self-government bodies. They may involve various aspects of local life, such as resource management, fund allocation, urban planning, infrastructure development, organization of public services, management of local enterprises, etc. Such decisions are of great significance for adapting the general principles of local self-government to the specific needs and characteristics of each community.

Local council decisions may include:

– *The statute of the territorial community*, which can be compared to a local constitution, because it lays down fundamental principles of coexistence between local authorities and members of the territorial community, as well as mechanisms for their participation in making important decisions for the city and its specific territories, such as general meeting of citizens, local initiatives, public hearings. It determines how and in what manner the public can influence local government. It also contains many general norms that do not specify particular procedures. Therefore, the statute often requires specification. This is why there are often separate documents regulating the procedures outlined in the statute. For example, the procedure for conducting public hearings is often regulated by separate provisions adopted by the city council.

– *The Socio-Economic Development Program of the territorial community (SEDP)* is a document that outlines the priority directions for the community’s development over a certain period (typically 3-5 years) and the mechanisms for their implementation. It allows for the concentration of resources on priority development areas, facilitates investment attraction to the community, and enhances the accountability of the authorities to the community.

– *The budget decision* is a legal act that approves the territorial community’s budget for a specific year. The budget is the primary financial document of the territorial community. It determines the priority directions for the community’s development for the respective year and provides funding for the activities of local self-government bodies, influencing the standard of living of the population.

– *Decisions on local taxes and fees* are resolutions or decisions made by local self-government bodies that establish rates, payment procedures, and other conditions regarding mandatory payments made within the territory of a specific

²⁸ Про благоустрій населених пунктів: Закон України від 06.09.2005 № 2807-IV. URL: <https://zakon.rada.gov.ua/laws/show/2807-15#Text>

local community. These decisions may concern various types of taxes and fees, such as property tax, land tax, vehicle tax, local fees for services, and others. They are made to ensure financial support for the local budget and the implementation of infrastructure and social programs at the local level.

Another important internal document is regulations. There may be several of them, such as the council's regulations and the executive committee of the council's regulations. These are sets of rules governing the actions of the bodies to which this document applies.

In general, the analysis of international legal standards in the field of local democracy and their implementation in national legislation and state-building practices, both in Ukraine and in other unitary states around the world, points to the existence of two main models of public authority decentralization.

1. *Administrative-territorial decentralization* involves the transfer of powers from the central level to the level of administrative-territorial units (regions, districts, cities, villages). Administrative-territorial units have their own authorities, which are elected by the population or formed by the central government. These authorities have certain powers regarding the management of local affairs, such as in the fields of education, healthcare, and urban planning.

2. *Functional decentralization* involves the transfer of certain powers from the central level to specialized bodies responsible for specific areas of activity (such as education, healthcare, social welfare). These authorities are not elected by the population but are formed by the central government. Their activities are coordinated by central authorities, but they have a degree of autonomy in decision-making.

Both models have advantages and disadvantages. Administrative-territorial decentralization is more democratic because the authorities are elected by the population. It ensures better accountability of the government to the population and promotes the development of local self-governance. However, this model can lead to duplication of functions and inefficient use of resources, complicating coordination at the national level. Functional decentralization is more efficient because the authorities specialize in specific areas of activity. It ensures better coordination at the national level. However, it is a less democratic model because the authorities are not elected by the population, which can lead to bureaucratization and reduced accountability of the government to the population.

Overall, international experience with municipal reform shows that there is no universal model. Each country considers its own needs, institutional context, and political conditions when developing and implementing reforms to achieve more effective and democratic local governance.

As for Ukraine, during 2023, the team of the Ministry of Development of Communities and Territories of Ukraine formulated the vision of decentralization reform and territorial organization of power in the Action Plan for 2024-2027, which includes nine specific tasks for further reform implementation:

- reformatting of local state administrations into prefecture-type bodies;

- restoration of the activities of local self-government bodies and executive authorities in the liberated territories;
- clarification of powers between local self-government bodies and executive authorities on the principle of subsidiarity;
- strengthening the financial capacity of local self-government bodies;
- formation of a professional competitive service in local self-government bodies;
- creation of mechanisms to involve residents in decision-making at the local level, development of direct democracy forms;
- strengthening the institutional capacity of associations of local self-government bodies;
- consolidation of the reform results of local self-government and territorial organization of power in the Constitution of Ukraine.

The new vision takes into account both the challenges of full-scale war and the requirements for Ukraine as a candidate for EU accession.

It can be stated that the research of international standards of local self-government and their application in Ukraine has been a crucial stage in the process of reforming the country's governance system. Analyzing international experience has allowed Ukrainian governmental structures to identify the most effective practices and models of local self-government for implementation at the national level.

The principles and standards borrowed from international experience have contributed to the creation of legislative and organizational frameworks to ensure autonomy for local communities, in line with global norms and values. This includes expanding the powers of local governance bodies, ensuring financial autonomy, and creating mechanisms for monitoring and controlling their activities. The practical implementation of these principles has improved the quality of services provided to local populations, stimulated the development of the local economy and social sphere, and strengthened democratic institutions at the local level.

3. Assessment of the state of democratic principles of local self-government in Ukraine in the context of European integration

In 2014, the reconstruction of the local self-government system in Ukraine began with the adoption of the Concept and the update of territorial power organization, along with the enactment of laws such as “On Cooperation of Territorial Communities”, “On Voluntary Amalgamation of Territorial Communities”, and amendments to the Budget and Tax Codes. The aim of these transformations was to establish effective local self-government and territorial power organization to create and support a conducive living environment for citizens, provide high-quality and accessible public services, establish institutions of direct democracy, and harmonize the interests of the state and territorial communities. The declared course towards implementing the power decentralization reform also set the task of selecting an optimal model of local self-government and the procedure for forming self-government bodies, creating mechanisms for power decentralization, ensuring the principle of subsidiarity,

and enabling civil society institutions to participate in the work of local self-government bodies²⁹.

It is worth noting that despite some shortcomings and mistakes, the implementation of the local self-government reform is recognized as one of the major achievements in governance, resulting in:

- expansion of the powers of local self-government bodies in managing available resources;
- increased interest in boosting revenues to local budgets and seeking additional sources of funding;
- strengthening the material and financial base of settlements;
- emergence of new centers for economic activity and other initiatives;
- heightened accountability of local government bodies;
- ensuring transparency and openness of decisions made locally;
- greater participation of citizens in decision-making processes.

As a result, local communities have been able to improve the quality of public services, implement social and infrastructure projects, create conditions for attracting investments and local business development, as well as develop and implement local development programs.

At the beginning of 2023, the Verkhovna Rada adopted amendments to the law on cooperation of territorial communities proposed by the Ministry of Development of Communities, Territories, and Infrastructure of Ukraine (No. 2867-IX). After a year, we observe an increase in the activity of territorial communities in registering joint projects. While there were 1058 cooperation agreements between communities concluded by 2014, with 434 in the period from 2020 to 2024, in 2023 alone, 140 agreements were registered. Since the beginning of 2024, 19 projects have already been concluded.

These forms of cooperation contribute to the recovery of affected communities and enable them to effectively provide residents with quality educational, medical, cultural, housing, utility, and other services. In 2023-2024, the majority of joint projects were registered in the field of education (75), followed by healthcare (21), and urban planning and architecture (16). Agreements are also being concluded in the areas of administrative services provision, social protection, fire protection, etc.³⁰.

The Ministry of Infrastructure supports the work of the Registry of Cooperation Agreements of Territorial Communities and is working on creating an online platform to facilitate communication between communities and track the implementation of concluded agreements.

In recent years, Ukraine has seen a significant *increase in the level of civic participation*. This is associated with several factors, such as:

²⁹ Шевчук В.Л. Особливості муніципальної реформи в Україні в контексті європейських інтеграційних тенденцій. *Муніципальна реформа в контексті євроінтеграції України: позиція влади, науковців, профспілок та громадськості*: Збірник тез доповідей Сьомої щорічної всеукраїнської науково-практичної конференції (м. Київ, 25 серпня 2023 р.). С. 99.

³⁰ Реформа децентралізації триває: результати та плани. URL: <http://www.golos.com.ua/article/376929>

- Euromaidan: The Revolution of Dignity in 2013-2014 demonstrated the strength and potential of civil society;
- war with Russia, which forced people to unite and mobilize to help the army and those affected by the war;
- development of information technologies: the internet and social networks provide people with more opportunities for communication and coordination of actions.

Today, civil society in Ukraine is working on many issues, including combating corruption, protecting human rights, developing civic media, environmental initiatives, education reform, and many others.

Civil society organizations and activists monitor the activities of the government, collaborate with authorities and other stakeholders to develop and implement effective solutions in the fields of politics, economy, and social affairs.

In Ukraine, there are various *civil initiatives and projects* aimed at addressing pressing issues, from supporting vulnerable groups to developing local infrastructure. There is a *strong volunteer movement* that assists people affected by war and other hardships.

In recent years, the popularity of platforms and tools for *electronic citizen participation in decision-making* has significantly increased, allowing a wide range of people to express their opinions and ideas.

Public participation is an important factor in the democratization and development of Ukraine. It enables people to influence their lives and build a better future for their country.

In Ukraine, there are various forms of public participation that allow citizens to engage in decision-making, influence government activities, and address social issues. Some of these include:

- *local referendums* – voting among residents of a local community to address important issues or make decisions within the jurisdiction of local self-government;
- *public hearings* – collective meetings of citizens with the local mayor, deputies, and officials of local government to discuss and adopt proposals for addressing local issues;
- *local initiatives* – the opportunity for residents to independently prepare a draft decision or proposal, which must be considered at a session of the local council;
- *public consultations* – open public discussions on a draft decision, publication of proposals for addressing a specific issue, or polling to gauge public opinion among a wide range of members of the territorial community, conducted by the local council;
- *public councils* – the establishment of councils or committees comprising representatives of residents for consultation and participation in decision-making by local authorities;
- *electronic petitions* – citizens' appeals to state authorities and local councils demanding consideration of important issues or resolution of problems;

– *general assemblies of citizens* – collective meetings of the territorial community members to jointly discuss problems and adopt proposals for their resolution;

– *municipal initiatives* – initiation of consideration of any local issue by city, village, or township councils;

– *peaceful gatherings* are held in legally permissible forms to express personal, civic, or political positions on any issues;

– *public expertise* – evaluation by civil society institutions, public councils of the activities of executive authorities, the effectiveness of decisions made by such authorities, preparation of proposals for solving socially significant problems for consideration by executive authorities in their work;

– *citizen appeals* are addressed to state authorities and local self-government bodies, enterprises, institutions, organizations regardless of ownership form, associations of citizens, or officials empowered to address the issues raised in the appeals;

– *public budget* – a part of the local budget used to finance specific events, works, and services according to projects submitted by the territorial community members who won the competition;

– *reports of mayors, deputies* – information on the work and achievements in performing their duties, budget expenditures, plans for the future, and other important aspects of local government activity³¹.

These forms of civic participation contribute to strengthening democracy, increasing the transparency of government structures, and ensuring more effective resolution of social issues.

However, despite the positive trends, there are still certain *problems* that hinder the development of civic participation in Ukraine:

– *insufficient awareness*: many people are not aware of their rights and opportunities to participate in decision-making;

– *apathy*: some people believe that their participation will not change anything;

– *distrust of authorities*: many people do not believe that the authorities will take their opinion into account;

– *lack of institutional support*: authorities do not always create conditions for participatory democracy (democracy of participation);

– the war, which has forced people to focus on other issues besides participating in decision-making.

The strategic importance for strengthening political, economic, and socio-cultural development, as well as supporting national security, has been gained through Ukraine's cooperation with international partners. This includes participation in international forums, exchange of experience, and support for democratic reforms. International partners provide Ukraine with financial, technical, and humanitarian assistance. Additionally, such cooperation involves cultural programs, student exchanges, scientific collaboration, etc. Of course,

³¹ Кучук А.М., Іваній О.М., Моцак С.І., Подрез Ю.В. Основи євроінтеграції: підручник. Суми: СумДПУ, 2024. С. 103.

there are certain problems in Ukraine's cooperation with international partners, including interference in internal affairs, non-compliance with promises, and political pressure.

An issue of particular concern for regions and communities is the enhancement of their financial capacity. This involves granting powers to local self-government bodies to administer local taxes and fees, as well as relevant changes to the Tax Code. Equally important is the improvement of the mechanism for crediting personal income tax to local budgets, where a portion of the tax will be allocated to the local budget based on the individual's registered place of residence. This change is at the center of attention of the European Commission.

In addition, the question of constitutional entrenchment of decentralization remains open. Currently, amendments to the Constitution that would ensure the irreversibility of the decentralization process and local self-government reform have not been introduced³².

However, despite the complexity of the initial stages of the decentralization reform, various assessments regarding the effectiveness of the newly formed territorial communities, short-term experiments with the functioning of local self-government with new management functions, both national and foreign experts consider this reform one of the most effective in state-building in the last decade, especially in the context of fulfilling the conditions of the Association Agreement between Ukraine and the European Union.

Thus, Ukraine actively works on adapting its legislation to European standards, in particular by harmonizing and implementing a series of laws that comply with the norms and requirements of the European Union; on raising standards of quality and safety in various sectors such as production, services, transportation, healthcare, and others, in order to meet European requirements. The implementation of European standards and best practices contributes to attracting investment, developing entrepreneurship, and increasing the competitiveness of the Ukrainian economy.

CONCLUSIONS

Democratic principles of local self-government are one of the foundations of European integration democracy. Ukraine has significant potential for the development of effective democratic local self-government.

Among the successful practices of implementing the basic democratic principles of local self-government in Ukraine, we can highlight:

Decentralization of power. The decentralization reform, initiated in 2014, significantly expanded the powers and resources of local communities. This led to the improvement of the quality of local services, increased accountability of local authorities, and greater citizen participation in decision-making.

³² Марчук В., Мельничук В. Стан інтеграції європейського досвіду у функціонування системи місцевого самоврядування України. *Регіональні студії*. 2022. № 31. С. 34–39. URL: <http://regionalstudies.uzhnu.uz.ua/archive/31/6.pdf>

Citizen involvement. Ukraine has an active civil society that plays an important role in local self-government. Citizens can participate in public hearings, assemblies, referendums, and other forms of expression of will.

Transparency and openness. Providing access to information about the activities of municipal authorities and conducting open dialogue with the public contributes to increasing trust in local government structures and supports the principles of democracy.

Development of international cooperation. Ukraine actively participates in international projects and programs to support local self-government and implement European standards. This contributes to the exchange of experience and the implementation of best practices in local governance.

Bright examples of successful practices include: *participatory budgeting* – a mechanism that allows citizens to directly participate in the allocation of budget funds; *e-democracy* – the use of online tools to increase citizen participation in local self-government; *local development initiatives* – programs that support local communities in implementing their development projects.

These practices contribute to strengthening democracy at the local level and supporting the process of Euro integration, helping Ukraine to align with European Union standards in local self-government.

Ukraine has stable positions regarding decentralization and the reform of territorial-administrative structures that correspond to European standards and practices already tested in European countries. However, in the future, it is important to take steps to further harmonize international and national legislation, particularly regarding the relationship between the provisions of the European Charter of Local Self-Government and Ukrainian laws regulating the functioning of the entire system of local self-government.

It is important to enshrine the principle of subsidiarity at the constitutional level, which entails that issues should be resolved at the lowest possible level, while ensuring an appropriate level of protection of citizens' rights.

The Constitution should guarantee the right to local self-government as a fundamental principle of state organization (recognizing the autonomy of local authorities and their right to adopt and implement decisions at the local level), as well as equal conditions for all local communities, regardless of their size or status. This entails equal access to resources, services, and opportunities for all communities.

To actively promote civic participation in Ukraine, it is necessary to increase public awareness of their rights and opportunities, enhance trust in government, establish institutional mechanisms for participatory democracy, and support the development of civil society.

These recommendations aim to strengthen the constitutional principles of local self-government in Ukraine and ensure an effective and democratic system of governance at the local level.

It is important to note that the reform of local self-government is an ongoing process that requires regular monitoring, evaluation, and adjustment.

SUMMARY

This study extensively examines and analyzes the concept of “democratic principles of local self-government”, focusing on their role in ensuring the effectiveness of local governance. A clear and logical classification of these principles is proposed to facilitate understanding and application. The study analyzes the normative-legal foundations of local self-government with regard to their compliance with European standards of local democracy. Key problems hindering the effective implementation of these principles are identified. The state of democratic principles of local self-government in Ukraine is analyzed in the context of European integration, and specific recommendations for further development of constitutional principles of local self-government in the country are proposed.

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Information about the author:

Ivanii Olena Mykolaivna,

Candidate of Pedagogical Sciences, Associate Professor,
Head of the Department of Law and Public Administration
Sumy State Pedagogical University named after A.S. Makarenko
87, Romenska street, Sumy, 40002, Ukraine