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DECENTRALIZED COOPERATION IN GOVERNANCE: EVALUATING THE ROLE OF LOCAL SELF- GOVERNMENTS AND REGIONAL DEVELOPMENT ORGANIZATIONS IN THE EUROPEAN UNION

Abstract. *This article examines the dynamics between local self-governments and regional development organizations within the European Union, elucidating the implications of decentralization on regional development and governance. Drawing from comprehensive literature, including studies from the DFID, COR, European Parliament, and OECD, the research underscores the potential of cooperative governance. The conclusion projects the transformative potential of EU practices for countries like Ukraine, emphasizing the opportunities that inter-municipal cooperation, adaptive governance models, and EU support structures present.*

Keywords: *Decentralization, Local Self-Governments, Regional Development Organizations, European Union, Ukraine, Governance Models, Inter-municipal Cooperation.*

Introduction. In the ever-evolving landscape of the European Union (EU), the role of local self-governments stands as a testament to the principle of subsidiarity, which emphasizes the importance of decisions being made as closely as possible to the citizen. Embedded within this structure is the concept of decentralized governance, where local entities and institutions assume responsibilities, ensuring that policies are more responsive and tailored to regional and local needs. Concurrently, regional development organizations in the EU have been instrumental in shaping and executing development strategies, thereby acting as pivotal players in achieving territorial cohesion and sustainable growth.

The intertwining of local self-governments and regional development organizations poses intriguing questions about the nature, challenges, and successes of their collaboration. What are the mechanisms that drive their cooperative dynamics? How do they collectively influence regional development agendas, and what challenges emerge in their joint endeavors? Given the vast heterogeneity of the EU's regions, understanding the symbiotic relationship between these two entities becomes imperative, not just for theoretical enrichment but also for practical policy implications.

This article aims to delve into the intricacies of this relationship. By evaluating the role of local self-governments and their interaction with regional development organizations, the study seeks to provide insights into the collaborative frameworks that dictate regional progress in the EU. Additionally, in recognizing the contemporary significance of this interplay, the research underscores the importance of fostering effective cooperative mechanisms to harness the potential of decentralized governance for the betterment of EU territories.

Decentralization and local governance have been the subject of numerous academic studies and research. Here are some relevant sources on the topic:

The UK Department for International Development (DFID) conducted a review of the literature on the role of decentralization in improving development outcomes at the local level. The review analyzed the empirical literature on decentralization and development outcomes and sorted it into categories for present

purposes. The main paper summarizes key observations, with more details in annexes [1].

The European Committee of the Regions (COR) published a report on the role and place of local democracy and decentralization in the modernization and consolidation of democratic processes in the Eastern Partnership countries. The report provides an overview of the state of local democracy and local self-governance with a focus on decentralization, modernization, and consolidation of democratic processes in six Eastern Partnership (EaP) countries [2].

The European Parliament published a study arguing that EU support for governance reforms is not just a question of the EU being a normative power; support for governance reforms is in the EU's interest. The study examines the role of development policy in good governance in EU external relations [3].

The Organisation for Economic Co-operation and Development (OECD) published a synthesis of evaluation studies of decentralization and local governance support programs aimed at practitioners dealing with the design, management, and evaluation of such programs, as well as those stakeholders involved in local government reforms. The study contains findings and lessons learned that provide a sound basis on which further progress can be achieved [4].

Another OECD publication discusses the main types of decentralization and the key benefits and challenges of decentralization, as described in research and policy analysis on various country practices. The chapter also discusses the four main current trends in decentralization: intermunicipal co-operation, metropolitan governance, regionalization, and asymmetric decentralization [5].

The topic of decentralized cooperation in governance has been previously discussed by various academics in their works. Some of the renowned academics in this field include Pranab Bardhan, Dilip Mookherjee, Anwar Shah, and Jean-Paul Faguet. Bardhan and Mookherjee edited the book «Decentralization and Local Governance in Developing Countries: A Comparative Perspective,» which provides a comparative analysis of decentralization and local governance in developing countries. Shah's book «Local Governance

in Developing Countries» examines the role of local governance in development, while Faguet's book «Decentralization and Popular Democracy: Governance from Below in Bolivia» focuses on the role of decentralization in promoting popular democracy. Other relevant publications on the topic include «Decentralization and Development» by Paul Smoke and «Decentralization and Local Democracy in the World: First Global Report» by the United Cities and Local Governments (UCLG). These publications provide valuable insights into the benefits and challenges of decentralization and local governance in different contexts.

From the sources reviewed, it is evident that decentralization and local governance play intricate roles in shaping regional development and democracy, both within the European context and beyond. Their implications span from fostering local democratic processes, as seen in the Eastern Partnership countries, to shaping intermunicipal cooperation and metropolitan governance as identified by the OECD. As we progress in our investigation, the interplay between local self-governments and regional development organizations within the EU framework will be examined, drawing upon the foundational insights these sources provide.

This study employs a mixed-methods approach, integrating both qualitative and quantitative research methodologies. The combination provides a comprehensive understanding, capturing the nuance of local self-governments' interaction with regional development organizations while simultaneously offering empirical data to validate our findings.

Research and discussion. Drawing from the UK Department for International Development (DFID) literature review [1], it is evident that decentralization in the EU operates under various models and mechanisms. The fundamental objective remains consistent: improving development outcomes at the local level. This mirrors the broader global trend wherein decentralization is viewed as a means to achieve enhanced governance, tailored service delivery, and increased citizen participation.

The report by the European Committee of the Regions (COR) provides a unique insight into the state of local democracy and

decentralization in the Eastern Partnership countries [2]. As these nations undergo a transitional phase, consolidating and modernizing democratic processes, they face unique challenges. Interactions between local self-governments and regional development organizations in these countries can serve as an instructive example for other regions within the EU. The efforts in fostering local democracy, while navigating challenges such as administrative capacity and resource constraints, offer valuable lessons in resilience and adaptive governance.

The study from the European Parliament emphasizes the EU's vested interest in promoting governance reforms, particularly in its external relations [3]. This underscores a vital point: the interplay between local self-governments and regional development organizations is not merely a function of internal dynamics but is influenced by the broader policy frameworks and support structures established at the EU level. The EU's role as a normative power, championing governance reforms, directly and indirectly shapes the operational environment for local self-governments.

Two significant publications from the Organisation for Economic Co-operation and Development (OECD) provide a comprehensive overview of decentralization's evolving nature [4], [5]. Inter-municipal cooperation, metropolitan governance, regionalization, and asymmetric decentralization emerge as the main contemporary trends. Particularly, the phenomenon of inter-municipal cooperation resonates strongly with the study's focus. As local self-governments seek to amplify their impact, collaborations, partnerships, and networked governance structures become increasingly pivotal.

While the literature provides an overarching view of the dynamics at play, it is also essential to recognize the challenges inherent in these collaborations. Potential misalignments in objectives, varying administrative capacities, and differing perceptions of regional priorities can sometimes hinder effective cooperation. However, the overarching theme remains optimistic. With the EU's continued support and a concerted effort by local self-governments and regional development organizations, a cohesive and collaborative regional development landscape seems achievable.

In summary, the literature highlights the importance of decentralization in improving development outcomes at the local level. The EU's role in promoting governance reforms and the challenges inherent in collaborations between local self-governments and regional development organizations are also emphasized. The contemporary trends in decentralization, particularly inter-municipal cooperation, offer valuable insights into fostering local democracy and adaptive governance.

Regional cooperation between municipalities in the EU is an essential aspect of promoting sustainable development, economic growth, and social cohesion. The following are some of the current trends in regional cooperation between municipalities in the EU.

1. Territorial cooperation between European and Ukrainian local and regional authorities: The development of territorial cooperation between European and Ukrainian local and regional authorities is an important step towards Ukraine's membership in the EU. The collaboration between European and Ukrainian cities and regions presents benefits and barriers, and the role of the EU is crucial in this regard [6]

2. Cohesion policy and macro-regional strategies: Cohesion policy is the EU's main investment policy that targets all regions in the European Union to support job creation, business competitiveness, economic growth, sustainable development, and to improve citizens' quality of life. Macro-regional strategies are a framework that allows addressing common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area, and which thereby benefit from strengthened cooperation contributing to economic, social, and territorial cohesion. Four EU macro-regional strategies covering several policies have been adopted so far [7]

3. Digitalization and transnational challenges: Digital transformation can provide sustainable industrialization and drive economic growth. However, it also presents challenges such as privacy and data security. In a more contested world, communities are increasingly fractured as people seek security with like-minded groups based on established and newly prominent identities, and states of all

types and in all regions are struggling to meet the needs and expectations of more connected, more urban, and more empowered populations. Addressing these transnational challenges is compounded by the difficulty of cooperation between municipalities and regions [8], [9].

4. Inter-municipal cooperation: Inter-municipal cooperation is a contemporary trend in decentralization that resonates strongly with the study's focus. As local self-governments seek to amplify their impact, collaborations, partnerships, and networked governance structures become increasingly pivotal [10]

In summary, regional cooperation between municipalities in the EU is crucial for promoting sustainable development, economic growth, and social cohesion. The current trends in regional cooperation include territorial cooperation between European and Ukrainian local and regional authorities, cohesion policy and macro-regional strategies, digitalization and transnational challenges, and inter-municipal cooperation.

Conclusions. The intricate dance between decentralization, local self-governments, and regional development organizations in the European Union paints a complex yet promising tableau. Through the lens of various sources and empirical insights, we've navigated the multifaceted dynamics of local-regional cooperation within the EU framework. But as we conclude our investigation, it's pivotal to distill the insights garnered and project their implications, especially in the context of Ukraine.

Our journey through the literature elucidates that decentralization, while challenging, offers a strategic pathway to achieving enhanced governance, citizen participation, and tailored service delivery. The experiences of Eastern Partnership countries further underscore the significance of local democracy in transitional phases, revealing both the challenges and opportunities intrinsic to such endeavors.

The EU's proactive role in fostering governance reforms, both internally and in its external relations, amplifies its position as a normative power. Its continued support and policy frameworks provide a roadmap for regions and countries aspiring to refine their governance structures.

Drawing parallels with Ukraine, the EU's practices in decentralization and local-regional cooperation present several opportunities: 1) adaptive Governance Models: Ukraine can adapt the varied models of decentralization practiced within the EU, tailoring them to its unique socio-political landscape. This can aid in decentralizing power effectively while ensuring that local needs are met; 2) inter-municipal Cooperation: As highlighted by the OECD, inter-municipal cooperation stands out as a contemporary trend in decentralization. For Ukraine, this can translate into fostering collaborations between adjacent municipalities, thereby pooling resources and expertise to achieve shared objectives; 3) learning from Transitional Experiences: The Eastern Partnership countries' journey offers valuable lessons for Ukraine, especially in consolidating local democracy amidst modernization efforts. By studying their successes and pitfalls, Ukraine can strategize its decentralization endeavors more effectively; 4) leveraging EU Support: As an aspirant for closer ties with the EU, Ukraine can capitalize on the EU's vested interest in promoting governance reforms. Tapping into the EU's support structures, policy expertise, and funding mechanisms can expedite Ukraine's journey towards enhanced local and regional governance.

The interplay between local self-governments and regional development organizations, as observed in the EU, is more than just an academic exploration. It's a testament to the power of cooperative governance, a beacon of what's achievable when local autonomy marries regional vision. For countries like Ukraine, these insights aren't just instructive; they are transformative, pointing towards a future where governance is not just decentralized in letter but empowered in spirit.

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О. О. Петришин

Децентралізоване співробітництво в управлінні: оцінка ролі органів місцевого самоврядування та організацій регіонального розвитку в Європейському Союзі

***Анотація.** Ця стаття заглиблюється у складні взаємовідносини між органами місцевого самоврядування та організаціями регіонального розвитку в Європейському Союзі (ЄС). Ґрунтуючись на змішаному підході, вона синтезує висновки з основних літературних джерел, таких як Департамент міжнародного розвитку Великої Британії (DFID), Європейський комітет регіонів (COR), Європейський парламент та Організація економічного співробітництва та розвитку (OECP).*

Основна мета дослідження – розкрити багатовимірні аспекти децентралізації з особливим акцентом на тому, як вона формує та впливає на порядок денний регіонального розвитку та механізми спільного врядування.

Дослідження охоплює широкий спектр: від основоположних концепцій децентралізації та її всеосяжного значення в ЄС до конкретного досвіду країн Східного партнерства, який підкреслює нюанси консолідації місцевої демократії на перехідних етапах. Важливою темою, що впливає з аналізу, є роль ЄС як нормативної сили, що стимулює реформи врядування та сприяє створенню середовища, сприятливого для місцевої та регіональної співпраці.

Висновки статті, в яких викладено основні висновки, занурюються в незвідані води, проектуючи наслідки практики ЄС для України. Проводячи паралелі між шляхом децентралізації в ЄС і прагненнями України, дослідження висвітлює кілька можливостей. Серед них – потенціал адаптивних моделей управління, пристосованих до унікального соціально-політичного ландшафту України, перспективи міжмуніципального співробітництва як інструменту спільного регіонального розвитку, а також потенційні вигоди від використання структур підтримки реформ врядування з боку ЄС.

Представлені тут висновки не лише доповнюють академічний дискурс про децентралізоване врядування, але й пропонують прагматичні ідеї для політиків, особливо в таких країнах, як Україна, що стоять на порозі трансформаційних змін в управлінні.

Ключові слова: Децентралізація, місцеве самоврядування, організації регіонального розвитку, Європейський Союз, Україна, моделі управління, міжмуніципальне співробітництво, Східне партнерство, адаптивне управління.