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A NEW FACILITY OF THE STATE REGIONAL POLICY FINANCING: REGIONAL DEVELOPMENT AGREEMENTS

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Summary. Positive results were analyzed and the issues were defined of one of modern facilities of the state regional development policy financing –

regional development agreements based on the experience of Donetsk and Lviv regions.

Key words: *Agreement, joint steps, financing resources, regional development.*

A principal review of main points of forming and realization of the state regional policy, local self-government reforming activation and territorial government organization in Ukraine took place at modern stage of Ukrainian state development.

After the Law of Ukraine “On stimulation of regional development” was passed a new stimulating instrument and new facility of regional development financing were defined – regional development agreement.

Initiation of this facility of regional policy financing realization in Ukraine was launched due to the agreements made between the Cabinet of Ministers of Ukraine and Donetsk Region Council for the period of 2007-2011 and Lviv Region Council for the period of 2009-2013. Later on similar agreements were made between the Government and Volyn Region Council (2010-2014), Vinnytsia Region Council (2010-2015), Ivano-Frankivsk Region Council (2011-2015) and Kherson Region Council (2010-2013). The rest of agreement projects with all regions (except Kyiv and Sevastopol) were prepared in 2011, but because of inability to finance state obligations the Government decided to postpone their approval.

All agreements made were based on common priority orientations of activity connected with regions development in accordance with the ones defined

by the State strategy of regional development for the period till 2015 and priority orientations of correspondent approved regional development strategies which created the foundation of the long-term cooperation between the Government and local bodies of self-government; initiation of the obligatory activity coordination of central and local executive bodies as for determination and implementation of territory development measures; acknowledgement of partnership with local authorities in these issues.

Implementation of joint steps under the Agreement allowed to secure more than 2 billion UAH into Donetsk region economy and almost 2 billion UAH of investments into Lviv region (public and other resources funds).

Delivery of Regional Development Agreement is an effective facility of state regional policy financing realization, but productivity of agreements delivery decreases because of prevail political approach to the undertaken responsibilities declared in Agreements, postponing of solving of difficult problems concerning functioning of state economic sector objects, chronic lack of funding of Agreement joint steps due to low level of vertical coordination between central and local authorities and local bodies of self-government, which needs further improvement and standardization.

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