

Analysis of the Regional and Local Development Sector in Belarus

Executive summary



Секторный анализ

достоверные данные для осознанных решений

Authors

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Introduction. The analysis of the current situation and the assessment of the institutional, social, and economic context, in which the sector works and develops

Regional and local development for the purposes of this study is a broad range of social, environmental, and economic processes at the level of subnational entities (oblasts, districts, towns, cities, rural settlements). A general simplified way to find out the situation with regional and local development is to ask local people the question "So, how are things with you here?" An view from outside, experts' opinions, scientific analysis, comparing indicators with other regions make it possible to obtain a more accurate picture of local development, and use this information as a basis for identifying areas for improvement. A broadly accepted indicator for the positive regional and local development is its sustainability (functioning based on the principles of sustainable development).

Currently Belarus suffers from the depopulation of rural areas and small towns, a low level of income of the population living in the regions (with few exceptions), lack of the social infrastructure and the low quality of services provided to the population. Many districts are still loss-making, small and medium businesses develop slowly. Minsk and large cities remain the "centres of attraction" for investments. Least-developed regions and local communities are not attractive for investors.

For the several recent decades a number of negative trends in the regulatory area and governance have remained characteristic for the country related both to regional development as a whole, and the functioning of the civil society sector in particular. These trends include the following:

- a formal, declarative character of the state policy in regional and local development;
- poor awareness of the general public about the activity of civil society organizations in regional and local development;
- such organizations are not perceived by the authorities and the population as serious enough actors, partners, and resources for the regional and local development;
- civil society entities working in the area of regional and local development depend to a large extent on foreign support;
- the conditions for the establishment and state support to NGOs remain unsatisfactory (prohibition to register at the residence address, lack of laws on charity, a complicated bureaucratic registration system for the projects with foreign funding, not yet developed social contracting system).

As regards regional and local development there are documents, programmes, benefits focused at territorial development that appear from time to time. As an example, Presidential Decree no. 342 dated 01/08/2011 approved the "State Programme for the Sustainable Rural Development for 2011-2015". However, no positive developments have been observed.

System-wide factors, which create conditions for the regional and local development of the present-day Belarus in our opinion, are as follows:

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- perception of regional and local development both by the state officials and the majority of researchers and public analysts as a topic of secondary importance, not urgent¹, as compared to various development aspects at the national level;
- lack of conditions for the real competition between sub-national entities of various levels:
- lack (invisibility) of regional leaders and managers, whose role should be promoting "their" territory in order to ensure a better quality of life for the local communities;
- formal character of the existing official programmes and plans on the social and economic development of oblasts and districts;
- young people from rural areas and small towns mostly wish to move to the capital city, or, at least, oblast cities;
- poor engagement of the local communities into regional and local development.

The intensity and effectiveness of sustainable development activities at the regional and local levels can also be considered one of the general conditions for the development of regions and local territories. In our opinion, the main cause restraining the development of such activity in Belarus is the weakness of the local governance (regarding actual rather than declared competences and resources) and the rigidity of the command-and-administration system of territorial development.

Currently regional and local development is most of all affected by the top government bodies (the President, the President's Administration, the Council of Ministers), ministries and state agencies, as well as oblast executive committees. So we observe a so called "antisubsidiarity" approach when local authorities devoid of powers and funds play a minor role in the territorial development.

It is remarkable that the criticism of the existing system of local government and self-government has been voiced in our country for many years already. The propositions to reform it were put forward as far back as in the times of the USSR.

Despite the difficult conditions for the establishment and existence of NGOs in Belarus, new structures are emerging with the idea of engaging communities in territorial development. Most frequently they are established with the support from international programmes and projects; but at the same time the initiatives of the local authorities aiming to support the organization of such entities begin to come to the forefront. This also refers to the establishment of non-governmental organizations, foundations, centres for sustainable

¹ A positive recent exception here is the "permission" of international technical assistance into the sphere of regional and local development. Let us hope that major projects launched in 2014 - "Belarus: Capacity Development Facility to support the implementation of sector programmes under the ENPI Annual Action Programmes" (EU) and "Support to Local Development in the Republic of Belarus" (EU, UNDP) will create the conditions for institutional changes in regional and local development for the better.

development, public councils in towns and districts on various thematic areas, initiative groups, and clusters.

Currently it is difficult to estimate the scale of engagement of civil society organizations in the regional and local development sector based on official data. For example, according to the data of the Ministry of Justice of the Republic of Belarus 2,567 non-governmental organizations were registered in the republic as of 1 July 2014, and out of these 1633 were local. There were 40,066 institutional structures of non-governmental organizations and 148 foundations registered. This said, over 80% of non-governmental organizations and foundations have their legal address in the central cities of oblasts, including over 50% in Minsk. The classification of non-governmental organizations per types of activities used by the Ministry of Justice precludes from assessing to what extent their activity is aimed at the development of regional and local communities. Therefore, additional research has been performed, including a questionnaire survey.

Non-governmental organizations - regional and local field players - are represented by two major groups: businesses and non-profit organizations. In certain cases private businesses play an important role in territorial development. However, it is not a common thing in present-day Belarus. One of the reasons of this situation is the lack of a law on charity. Now businesses can channel funds for local needs only from their profit, after having paid all taxes, thus in essence charity goes from the personal finances of an entrepreneur. There are very few exceptions but they do not change the overall situation cardinally. Therefore, the state does not encourage entrepreneurs in any way to participate in finding the efforts addressing socioeconomic problems of territories (which has been confirmed by the research performed, according to which respondents rated business as "rather least influential" actors in the sphere of regional and local development).

Non-profit non-governmental organizations (NGOs) have not yet become a full-fledged and notable force, as perceived by the society, able to influence the state of things with local communities. By the way, their potential is very high, which is proved by the survey findings. The international experience also confirms the significance of the non-profit sector. The number of people employed in this sector (full-time) is tens of millions of people, including about 8% employed in the European Union (there are almost 15% employed in the Netherlands).

The economic aspects of the regional and local development in Belarus are characterized currently by a number of negative trends. There are still many subsidized regions (115 out of 118). Many enterprises of the agrarian sector, which often form the basis for the rural areas' economy, are still functioning entirely due to the state support. Generally across the country the share of small and medium companies in the Belarus's GDP is low; in 2013 this share was slightly over 20%, while in the developed countries such companies make over 50% of a country's revenue.

The assessment of the opinions of respondents (experts) who participated in the online survey *On the current situation (level) of regional and local development* revealed that the

respondents are least satisfied (responses "rather unsatisfactory" and "utterly unsatisfactory") with the following aspects:

- 1. public engagement (initiatives and non-governmental organizations) in regional and local development 77% of responses;
 - 2. economic development at the regional and local level 76%;
 - 3. participation of businesses in regional and local development 73%;
 - 4. trans-border cooperation of Belarusian regions with foreign countries 72%;
 - 5. legal environment for regional and local development 57%.

The role of different "players" in the sphere of regional and local development

The survey covered different issues, which to a various degree and in their own way influence the processes of regional and local development. These include the following:

- 1. Top government authorities (President, President's Administration, Council of Ministers)
 - 2. Ministries and agencies
 - 3. Oblast executive committees and their subordinate entities
 - 4. District executive committees and their subordinate entities
 - 5. City/town executive committees and village authorities
 - 6. Businesses
 - 7. Farmers
 - 8. Local agricultural enterprises
 - 9. State industrial organizations
 - 10. Educational and cultural institutions
- 11. Non-governmental non-profit organizations (public associations, foundations, establishments)
 - 12. Political parties
 - 13. Non-formal leaders, respected people
 - 14. International projects and programmes
 - 15. Mass media
 - 16. Faith-based organizations
 - 17. Local communities.

In responding to the question "What structures in your opinion do currently determine regional and local development? Which are the most influential?" the respondents were unanimous: "The most influential (over 73%) are "Top government authorities (President, President's Administration, Council of Ministers)". If we add here responses "Rather influential" (over 22%), the total figure would exceed 95%.



Further on in the rating of "most influential" and "rather influential" we have oblast executive committees and their subordinate bodies, which scored almost 90% (although these are far behind in the rating of "Most influential" with their 38%).

Ministries and agencies are the third in the combined rating of "influential" players with 79% of responses (only 18% out of these are "most influential").

The respondents' (experts who participated in the questionnaire survey) vision of what players must be the *most influential and proactive in the regional and local development* differs radically from the present-day role of these "players". For example, the expert community declared the local population as the most influential participants of these processes (69%). While in the context of today's situation 73% survey participants considered the local people "rather not influential" and "least influential". Thus, the situation here must reverse to its opposite.

Almost the same is observed with city/town executive committees and village authorities: almost 59% of respondents think that these must refer to the category of the most influential and proactive stakeholders as regards the regional and local policies. While in reality their status is much lower - just slightly more than 16% of respondents consider them "most influential".

Non-governmental non-profit organizations must also greatly increase their influence and performance. Over 43% of the respondents indicated that these bodies must become the most influential; and if we combine these results with the answer "rather influential" (over 49%), their combined "desired rating" exceeded 92%. As of today only 3% of the respondents assess them as "most influential". Therefore, here according to the opinion leaders the situation must be "turned upside down".

According to the experts, in future top government entities, ministries and agencies will have not only to delegate a part of their powers and resources to the new (or rather, old but well forgotten) players in the area of regional and local development, i.e. local communities and organizations closely associated with the local population. The "top players" must shift to the positions of significantly less important while yielding their precedence, including rights and resources, to the primary level. This means that the relations must be based on the principle of subsidiarity, which creates optimal conditions for ensuring sustainable territory development.

Subsidiarity (from Latin 'subsidiarius' = back up, auxiliary) is understood as an organizational and legal principle implying that the problems are to be solved at the lowest, the smallest and the most remote from the centre level where the solution is possible and effective. This means that the government must be proactive (offer its services and resources) only regarding the issues where the potential of independent individuals and their organizations (including local self-government) turns out to be insufficient. If a task can be fulfilled at the local level as effectively as at the national level, the local level should be preferred.

The importance of potential areas to improve efficiency of regional and local development in future

According to the survey the following areas of activity are perceived among leaders:

- 1. Development of the local self-government (92% responded "Very important");
- 2. Delegation of resources and powers to the regional and local level (89%);
- 3. Personnel capacity development of the regional and local self-government (80%);
- 4. Promoting proactive attitude of local communities, development of local initiatives involved in territorial development (76%).

Among the responses the last was (29% of responses "Very important") the option "Setting up a ministry responsible for regional and local development", which may demonstrate lack of trust regarding the highest authorities and low assessment of their effectiveness. With that, this survey revealed a wide gap between the opinions of the group of NGOs (24% consider setting up such an entity "Very important") and a group of state institutions (SIs) (40%).

In answering the question "How do you assess the importance of the activity of non-governmental organizations and initiatives regarding the development of your region/city/town?" (See Fig. 1) over a half (57%) of all respondents preferred the option "very important"; and together with responses "rather important" the proponents of this view made up the vast majority (85%). With that, among the group of SIs there are almost one fourth of respondents holding the opinion "rather unimportant", while among NGOs there are only 5% of such views.

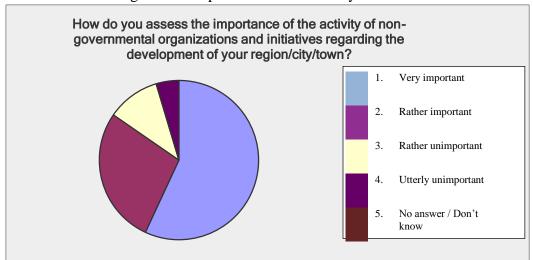


Fig. 1. The importance of the activity of NGOs

Awareness of the activity of NGOs

The survey revealed that the population is very poorly aware of the activity of local non-governmental organizations and initiatives (see Fig. 2). Almost 72% (91% of the group of



"State Institutions") consider that merely less than a quarter of the population are aware of such activity. Another almost 24% think that from a quarter to a half of the population are aware of this activity.

In your opinion, what share (per cent) of the population of the region/city/town is aware of the activity of non-governmental organizations and initiatives?

1. Less than 25%
2. 25-50%
3. 50-75%
4. Over 75%
5. No answer / Don't know

Fig. 2. Awareness of the activity of NGOs

Areas of activity of NGOs in the regions

When asked to indicate the most important spheres of activity for the fulfilment of the mission of non-governmental organizations and initiatives in the region most respondents spoke in favour of a broad range of activities.

The first three most popular answers are as follows:

- 1. Ecology, protection of the environment (97%);
- 2. Development of local self-government (95%);
- 3. Sustainable development, design and implementation of territorial development strategy (94%).

There were 70 - 89% of the following responses (in descending order):

- 1. Youth and children;
- 2. Social protection and rehabilitation;
- 3. Education, enlightenment, science;
- 4. Protection of rights and freedoms;
- 5. Social protection of disabled people;
- 6. Energy efficiency and energy conservation;
- 7. Economy, entrepreneurship, small business;
- 8. Sports, tourism;
- 9. Charity;
- 10. Protection of consumers' rights;

From 60 to 70% of respondents selected the following answers:

- 1. Protection of women's rights;
- 2. Healthcare, medicine;
- 3. Coping with the aftermath of the catastrophe at the Chernobyl NPP;
- 4. Art, culture.

What do people think about civil society organizations (CSOs)?

The survey participants unanimously supported the following theses: "The cooperation between the local authorities and CSOs can be beneficial for both parties" (87% fully agree, 13% rather agree) and "CSOs can be valuable partners which could assist state bodies in the fulfilment of certain functions, as well as in advocating the interests of the public" (81% fully agree, 19% rather agree).

The statement "CSOs are essential for the contemporary society" was also supported by almost 100% of respondents (67% fully agree and 30% rather agree).

94% (including 77% expressly) of respondents did not support the view that "CSOs are unnecessary, as the fulfilment of public requests is the responsibility of the government and local authorities".

The vast majority of the respondents (85%) hold an optimistic view of the situation and think that "CSOs have a great potential for development and would most probably become an integral part of the Belarusian society" (45% fully agree, 40% rather agree).

A problem oriented statement "Belarusian laws do not stimulate the activity of CSOs" was supported by over 76% of respondents (including 49% who fully agree with this statement, and 27% who rather agree). Thus, the experts expect that the state should "besides not interfering" (although in many cases even such course of actions by the authorities would be favourable as compared to the contemporary situation) also extensively support the processes of the development of civil society organizations, including through the use of incentives.

Resources mobilized by NGOs for regional and local development

The assessment of the amount of resources attracted by NGOs into the local community during a year produced quite a varied picture. And with that, according to our estimates, the data communicated by the respondents is very likely to be underestimated. However, despite the above, the survey data showed quite large amounts of the resources mobilized. The average value for one NGO amounted to about \$85,000 a year.

Considering, that there are 2,748 registered NGOs in Belarus (non-governmental organizations, unions, associations, foundations) excluding regional entities, and according to estimates there are only 22% of "significant" organizations in the area of regional and local development among them, the averaged estimate gives the overall annual average of at least

\$50 million, which were mobilized for the local communities through the activity of non-governmental non-profit organizations.

If at the same time we take into account the unfriendly organizational and legal environment for the establishment and activity of NGOs in Belarus, as well as the foreign experience, which is the evidence of the significant contribution of community organizations into dealing with territorial development issues, we can unambiguously define civil society organizations as potential economically significant actors at the regional and local level. In the long term they need to further develop the capacity, autonomy and improve their social and economic performance.

The strengths and weaknesses, as well as opportunities and threats regarding regional and local development in Belarus and participation of NGOs in that process *identified during the SWOT analysis* at large confirm and complement the findings of the survey and individual in-depth interviews.

In order to visualize certain areas of the activity of civil society organizations and local authorities related to territorial development, maps were produced based on collected data and performed analysis, which are attached to the full text of the analysis. These maps reflect initiatives in the area of sustainable territorial development, agri- and ecotourism, climate and energy efficiency.

Conclusions

The survey allows to make the following conclusions reflecting the trends in the evolution of regional and local development processes in Belarus and the role of civil society organizations:

- 1. The public policy implemented in the Republic of Belarus regarding regional and local development, retains the main features of the soviet-era centrally controlled system. The proclaimed importance of the regional and local development is not backed up by adequate measures, and the gap between the level of social and economic development between the "centre" ("centres") and the "provinces" is increasing.
- 2. The weakness of the local government is currently the main obstacle hindering the positive processes of regional and local development.
- 3. The lack, during at least 20 years, of a comprehensive approach and consistency in the measures taken by the republican government regarding regional and local development, and the prevailing departmental approach are the reasons for the inefficiency of such measures.
- 4. The "Presidential power vertical", immediate interference of the top government structures (President's Administration, Council of Ministers, ministries, republican supervisory bodies) hinders local and regional initiatives and makes local executives work "to please" the superiors instead of acting in the interests of local communities, which in its turn leads to the depopulation of rural areas;
- 5. Although civil society organizations are not currently significant players in the area of regional and local development, however, their capacity, the amount of work performed, and



mobilized resources (in our estimates, about \$50 million a year) make it possible to consider them already today as significant potential agents of change at the territorial level.

- 6. The comprehensive social, natural and economic effect from the activity of civil society organizations in the area of regional and local development includes the improved educational and professional level of the population, preservation of the historical and cultural traditions and objects of material culture, natural environment and biodiversity, dealing with the environmental issues of the territories. You can add here saving of public funds through the creation of jobs and the social support of the rural population due to their self-employment in non-governmental organizations, agri- and ecotourism destinations and smallholdings, as well as the estimated amount of energy saving in public buildings and individual houses as a result of the implementation of non-governmental projects on energy conservation and energy efficiency.
- 7. According to the respondents of the survey the most important areas of activity to fulfil the mission of non-governmental organizations and initiatives in the regions and at the local level are as follows:
 - Ecology, protection of the environment;
 - Development of local self-government;
- Sustainable development, design and implementation of territorial development strategy.

Along with that, the experts' opinions provide the evidence that many other areas of activity are also essential. Thus, one can say that there are many niches for NGOs in the area of regional and local development.

- 8. The respondents view the three most important areas for the activity of NGOs as follows:
 - Strengthening of cooperation with the local authorities;
 - A closer relationship of organizations with community groups and individuals;
- Participation of citizens (volunteers) in the activity of non-governmental organizations.

Currently, almost regarding all areas of activity of NGOs there is room for the improvement of the situation, including through strengthening cooperation between various players, use of new tools in their work (commissioning of social services, design of territorial development strategies), increase of their own expertise and engagement of experts.

- 9. The primary issues, which require the focused attention of local civil society organizations, as viewed by respondents, are given below:
 - Comprehensive territorial development;
 - Encouraging social activism;
 - Preservation of cultural diversity;
 - Dealing with environmental issues;
 - Support to the development of entrepreneurship and small businesses.



- 10. The issues of sustainable, comprehensive development, territorial development, design of regional and local strategies for sustainable development have been rated as the most important among the potential areas of activity of NGOs. Such areas as ecology, protection of the environment are not far behind. The third top area of activity is tourism (development of regional tourism, agri- and ecotourism, trans-border tourism). NGOs are also motivated to mobilize communities, work with youth, non-formal education, and preservation of historical and cultural heritage.
- 11. Among the top-priority potential tools of the positive influence of state bodies on the development of the civil society the following can be named:
- Involving public organizations in the design of the development strategy of a region (city, town, village) and framing public policy at the local level;
- Facilitating inter-sectoral partnership of government institutions, enterprises, small businesses and non-governmental organizations and initiatives through the implementation of joint programmes and projects;
- Creating a favourable regulatory and legal environment for the operation of local non-governmental organizations;
- Joint discussions on regional and local issues (conferences, round tables, seminars, etc.);
- Setting up and support to the permanent partnership structures of non-governmental and municipal bodies (public councils, clubs, committees).

Today, when the government's support to the CS entities in Belarus is virtually non-existent (except for a well-known group of ideology-driven organizations), there is an urgent need to change the situation by the "advancement on a broad front".

- 12. Recently, there has been a trend of establishing new for Belarus civil society organizations at the regional and local levels. These are public councils (for the development of agri-and ecotourism, social issues, housing and utility issues, etc.), information centres for sustainable development, local non-governmental organizations and foundations, tourist destinations and clusters. However, so far this phenomenon cannot be considered large-scale. This said, according to most experts non-governmental non-profit organizations represent qualified, well-managed, effectively functioning structures, which in favourable conditions would be able to make a significant contribution into regional and local development.
- 13. There are efficient leading non-governmental organizations and initiatives in the country, which have done a lot for the sustainable development of certain regions and settlements, and which demonstrate the potential of such structures and the opportunities (subject to corresponding national and local policy) for the increased positive influence of the NGO sector on territorial development. These organizations include those with headquarters in Minsk: APB BirdLife Belarus, Country Escape association, Ecopartnership IPO, New Eurasia Establishment, the Lev Sapieha Foundation, and others. The most well-known similar regional and local organizations are: Foundation Centre for the Development of Rural Entrepreneurship of Stolin District, Women for the Revival of the Naroch Land (village of



Kamarova, Miadzel District), A Disabled Person and the Environment (Brest), Social Projects (Gomel), ENDO (Čavusy), Euroregion "Ozerny Krai" (Braslav) and a number of others.

- 14. The examples of successful practices in the area of regional and local development, the experience of which it is advisable to replicate in other districts and localities (the full report includes these as case studies) are as follows:
 - Valožynskija Gascincy agritorurism cluster (Minsk Oblast);
- A rural development model in the village of Kamarova of Miadzel District of Minsk Oblast:
- The operation of the Local Foundation "Centre for the Support to Rural Development and Entrepreneurship of Stolin District" of Brest Oblast;
- The partnership of local initiatives and the executive committee, implementation of Local Agenda 21 in the village of Žaludok of Ščučyn District of Hrodna Oblast;
- Work on sustainable development in the Vidomlia Rural Council of Kamianec District of Brest Oblast;
- The experience of trans-border cooperation and setting up a public association in Braslaŭ District of Viciebsk Oblast.
- 15. International projects and programmes exert a positive influence on the activity of local communities, facilitate the promotion of innovative approaches in territorial development, awareness raising and education of local communities, as well as the support of civil society organizations. Foreign and international organizations, which, in the experts' opinion, contributed most of all to the development of regions and local communities, are listed below: Support Programme for Belarus of the Federal Government of Germany, projects and programmes of UN/UNDP, European Union, United States Agency for International Development (USAID).
- 16. An innovative set of tools and simultaneously a promising area of activity regarding regional and local development, which has already gained a reputation in Belarus:
- work on the sustainable development of territories, including the design and implementation of local sustainable development strategies;
 - implementation of the cluster approach.
- 17. A strong point of civil society structures (organizations and initiatives) is their diversity and involvement into an unlimited range of activities. This allows a permanent search for novelty, innovations, original solutions, unexpected resources; unpredictable relationships are formed, and new synergies arise. Neither of these can be planted using top to bottom approach.
- 18. The promotion of partnership between all agents of positive changes in the area of regional and local development population, local authorities, NGOs, business, expert community, international organizations, etc. is a considerable reserve for these processes. Until now, as the survey showed, this development tool has not been used to a full extent.



Recommendations

Based on the performed analysis the following recommendations were prepared for various level policies and various players:

International and national levels

- 1. Ensure the orientation of reforms in the area of regional and local development in Belarus based on the provisions of the European Charter of Local Self-Government.
- 2. Ensure the mandatory participation of civil society organizations in the implementation of all international projects and programmes.
- 3. Create conditions for the enlargement of trans-border cooperation projects and programmes, development of twin-city relations, inclusion of Belarusian cities/towns and districts into international networks and consortiums (exemplified by the Covenant of Mayors).
- 4. Introduce the principles of decentralized governance more extensively. It is necessary to formalize the principle of subsidiarity in the legislation, which implies that the problems are to be solved at the lowest, the smallest and the most remote from the centre level where the solution is possible and effective. Give back the authorities and resources to the regions and local communities in the interests of development and the local communities.
- 5. Conduct a wide-scale public discussion and Parliament readings on the issues of reversing the vertical arrangement of power and the reform of the administrative division of the country.
- 6. Implement a set of measures aiming to create favourable conditions for the development of civil society organizations working in the area of territorial development, including:
- Elimination of regulatory approval system for the registration of international technical and humanitarian assistance;
- Adoption of a law, which would regulate charity and provide for the tax benefits on the finance of businesses spent on charity, including the projects and programmes of nongovernmental non-profit organizations;
- Giving NGOS the right to register civil society organizations (public associations, foundations, non-governmental non-profit organizations) at the address of residence of their founders:
- Creation of necessary conditions for the participation of non-governmental non-profit organizations working in the interests of territorial development, in social contracting tenders.
- 7. Formalize in the law the recommended procedure to design and implement regional (oblast and district level) sustainable development strategies, based on a systematic and comprehensive approach combining nature conservation, social and economic components of development and providing for the participation of the local communities and civil society organizations in the design and implementation of such strategies.



- 8. Develop and adopt necessary regulatory and legal acts introducing the institute of "social enterprises", which are formally businesses or municipal sector enterprises, but in fact primarily aim to perform socially important functions (service provision) for the local community rather than make profit. Considering the social and economic importance of such enterprises for the regional and local development, work out, adopt and implement a system of measures for the support of such enterprises, including preferential tax treatment.
- 9. Perform research to assess the performance of civil society entities in the context of regional and local development as well as the efficiency of the state control and "punitive" system.
- 10. Develop and implement a competitive system of funding regional and local development (based on projects), which is widely used in well developed countries; arrange community development as regards working in such conditions.

Regional and local levels

- 1. Create conditions for the successful participation of various players in the processes of regional and local development, including the promotion of networking between them through the creation of and support to public-private entities (for example, community councils, information centres for sustainable development, clusters), as well as the improvement of the institutional environment (local regulatory acts and support organizations).
- 2. Broaden the practice of transferring authorities and resources by the regional and local authorities to civil society organizations (including co-financing of projects and programmes, transfer of unused premises, etc.).
- 3. Extensively develop at the regional and local levels entities for the suport of small and medium businesses, as well as the third sector (NGOs):
 - Business incubators;
 - Incubators of non-governmental organizations and initiatives;
 - Regional and local development agencies;
- Information centres for sustainable development, agritourism, support to entrepreneurship;
 - Offices of community councils (for example, on the development of agritourism);
 - Houses of voluntary services, etc.
- 4. Support at the level of all oblasts and regions the implementation of pilot projects involving NGOs across a wide range of topics (history and culture, nature conservation, small business development, crafts, education, working with youth, elderly people, disabled people, energy saving and energy efficiency, innovative technology, development of tourism, museum affairs, festivals, etc.). Establishment and support of "demonstration sites" based on these projects will create conditions for the further replication of their positive achievements.
- 5. Target the work of civil society organizations with the support from the local authorities at the promotion of partnership between the agents of territorial development. This

goal could be achieved through the establishment of networks (including information), communication platforms, coordination centres.

6. Considerably broaden the provision of information to the general public at the national, regional and local level about the activity of civil society organizations and initiatives in the area of territorial development, ensure coverage of success stories, achievements of certain leaders in the mass media and the Internet, and disseminate the best practices. Keeping this aim in mind, conduct among others a "Week of the Regions" on the model of the campaign in the European Union.