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JEL: Q01, A23, J11

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IMPROVED POLICY MAKING THROUGH ENHANCED DIALOGUE AND FOCUSED EDUCATION

The purpose of the paper is to show ways of strengthening civil society's capacities and contribute to improvement of transparency of implementation of sectoral economic strategies at the level of Lviv Region of Ukraine and its 20 districts by supporting local authorities in their interaction. Specifically, it addresses itself on the following scientific objectives, namely, to show increase of public awareness at district, regional and national levels on the process of district and regional budget approval and spending; to demonstrate ways of assuring better involvement of civil society actors (NSA) in policy dialogue with public authorities (LA) on implementation of sector strategies in the following areas: regional development, rural development; and, finally, to comment on methods of strengthening CSO capacities to promote reform and increase public accountability in monitoring the management of public finance. The article presents findings from the research that covered 500 representatives of district level NSA and LA of the region, 100 region-level NSA-LA activists, and was intended to develop the abovementioned model, to benefit over 5000 people (NGOs, LAs, government) as a result, with information coverage to reach at least 15000 people. Results of the research showed that the efforts of this initiative will likely lead to the achievement of the following results in 2–3 years, including the transparency of budgeting is improved and lead to allocating district strategy funds in a better way; the dialogue between NSA and LA at regional and district level in the target region on particular Issues of implementation of sectoral strategies is existing; and, finally, effective and transparent strategies/ instruments of monitoring the management of public funds are researched and developed, CSOs in Lviv region and ist districts are using those strategies/instruments. Apart from being purely educational, the abovementioned model has a dimension allowing to provide small grants and organize exchange programs in order to strengthen institutional potential of local governments and ensure revitalization of human capital, especially on conflict-affected territories. Activities in the framework of this dimension or cluster should be provided in several stages. All the activities should be focused on improving policy making process of local governments in target regions. A pilot research of community attitudes has been held in 2014–2015 where, by means of Participatory Action Research, the authors have identified issues to be addressed and gaps in existing interaction mechanisms between NSA and LA at district level, and recommendations identifying the problem to be addressed by the current proposal have been drafted in direct consultation with the target groups and final beneficiaries. The research has allowed to structure cause-effect interconnections and activity clusters in this educational development project.

Key words: *education and governance assistance, non-state actors, local administration, internship, exchange program.*

Introduction and review of literature. Passive and paternalistic rural community, unwilling to be educated and shaped in a formal way in Ukraine, is one of the main complications to changing public policymaking in a fast tempo and to a European way. Currently it seems unrealistic to change the behavior of the passive rural majority by means of a single 2-year project, therefore, we decide to work more efficiently with better educated and motivated minority, i.e. local non-state actors (NSAs) linked to grassroots, district local administrations (LAs). And when we look deeper into this group, we observe the absence of regional community representation structures for "letting the voice of grassroots community be heard at higher levels". In part for this reason, local community representatives tend to arrange financial issues on public funding at district and regional level in a private way, in a "shadow" manner, because they think that there won't be enough money for everybody; and because of the early post-Soviet bad heritage of corruption practices. Additionally, district LAs tend to become corrupted partially because local representatives drive them to this practice.

Thus, generally, promotion of reform in Ukraine by civil society is complicated by inefficient and non-transparent budgeting of development strategies and consequently low efficiency of social services delivery in frame of such strategies in target region [Kuts et al., 2001]. The direct causes of situation are:

Cause 1. Local communities and municipalities design strategies that do not correlate with specialized state programs budgeted at district and regional levels, consequently there is no means to budget the funds from these sources for local needs;

Cause 2. NSA and LA do not know how to dialog effectively and design efficient transparent sectoral strategies together and sometimes do not believe that is will be productive;

Cause 3. The voice of community is not heard/not enough representation in strategy development at district and regional levels, so administrative, academic and technical elites at the top (bodies and committees designing regional strategies) concentrate on themselves and do not hear the common people of grassroots NSA.

Such root causes are very deep and can be tackled only in a complex way. A research has been carried out in 2014–2015 that resulted in a report on findings presented, shortly, here. The findings reveal that there is a need, on cause 1, to research the situation and drive NSA and LA to develop better strategies; on cause 2: Educate target groups and thus improve dialog of NSA and LA at district level; and on Cause 3: develop a representation mechanism in form of a specialized NGO association and formalize its work to represent the views from the grassroots to the funds allocation levels. In other words, develop a working model of improved policy making through enhanced dialogue and focused education.

The purpose of the article is to show ways of strengthening Civil society's capacities and contribute to improvement of transparency of implementation of sectoral strategies at the level of Lviv Region of Ukraine and its 20 districts by supporting local authorities in their interaction. Specifically, it addresses itself on the

following scientific objectives: 1. To show increase of public awareness at district, regional and national levels on the process of district and regional budget approval and spending; 2. To demonstrate ways of assuring better involvement of civil society actors (NSA) in policy dialogue with public authorities (LA) on implementation of sector strategies in the following areas: regional development, rural development; 3. To comment on methods of strengthening CSO capacities to promote reform and increase public accountability in monitoring the management of public finance.

The article presents findings from the research that covered 500 representatives of district level NSA and LA of the region, 100 region-level NSA-LA activists, and was intended to develop the abovementioned model, to benefit over 5000 people (NGOs, LAs, government) as a result, with information coverage to reach at least 15000 people.

Results and discussion. Practice shows that a civilized formal representation mechanism needs to be developed and instituted, and made to be working efficiently. Political parties at district levels should, in theory, perform the role of such community representation structures at district levels, but in reality the local party units presented in the district LA (in the rayon council) tend to support non-transparent budgeting, and subsequently favor "pre-negotiated" allocation of budgeted funds [Filyak, 2012]. Additionally, around the funding decision-making centers, there are small or larger individual lobbyists asking for grants and service contracts from the LA, and such lobbyists would be partially neutralized in case such community representation mechanism were there and working efficiently.

The model's pre-supposition is that there is a need to educate local NSA representatives how they can have a better dialog with the LA, and how they can be more efficient in locating funds for local sectoral strategies in a transparent way. The reason to educate is based on one of the root causes (passive community) showing that local NSA are not well educated as to the practices of, and opportunities for, a better and transparent dialog with LA; and subsequent design of better and realistically-executable strategies. Research of migration as an enabling tool of development in Ukraine [IOM Ukraine, 2016] shows the growing gap of human capital among the educated and active milieu, especially affecting district level. Therefore, there is a need to teach new activists how they can properly improve strategy development and implementation mechanism.

To promote transparency in public policy, a Decree #996 has been developed by the Cabinet of Ministers as a mechanism for assessment the state bodies, to see how well the State (LAs) is consulting the civil society in public policymaking. Thus executive branches of power support greater transparency in policymaking and budgeting but the district LAs (being relatively independent of the executive state) often neglect this, formally creating Civic Committees and other Councils that in practice do not work. Therefore local LAs rather tend to behave non-transparently and allocate funds less efficiently than currently needed by the state and communities; using the fact that the wider community is unaware of their real possibilities [CSF Ukraine, 2013] to effect strategy formulation and budget allocation

at district level.

A pilot research of community attitudes has been held in 2014–2015 where, by means of Participatory Action Research [Filyak, 2014], the authors have identified issues to be addressed and gaps in existing interaction mechanisms between NSA and LA at district level, and recommendations identifying the problem to be addressed by the current proposal have been drafted in direct consultation with the target groups and final beneficiaries. The research has allowed to structure cause-effect interconnections and activity clusters in this educational development project.

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Table 1

Example of logical structuring of cause-effect interconnections and activity clusters in an educational development project involving non-state actors

Activity	Deliverable
1a	A Community Educational center working in a village near Lviv
1b	Curricula for NSA and LA group for each rayon in Lobbying, Communication, Strategy development, Budgeting, Transparency, Teamwork, Debating, developed, tested
1c	Training course for NSA/LA groups (6-7 themes) delivered in a Community Educational center, covering 400 people in 1.5 years.
1d	20 strategy development workshops facilitated (one in each district)
1e	100 NSA/LA people from the Oblast (region) trained to assist in the development of an improved Strategy of Regional Development
1f	A study trip organized to the to the EC states for partner NSA-LA groups (total 45 people), for 5 days.
1g	Awareness –raising information sessions and public hearings (at least 40 events) for groups targeted by partner NSA-LA
2a	Available findings of research of beneficiary needs with clarification on some root causes affecting strategy implementation at district/regional levels
2b	Findings of GIS analysis produce structuring of target region. 5-6 models available for improved interaction of NSA-LA in policymaking.
2c	Provided assistance to NSA-LA groups in design of 20 district sectoral strategies, most in the area of Local development
2d	Available findings of assessment of the starting phase of implementation of each of the 20 strategies, including assessment of the budget allocation mechanisms.
2e	Available report of recommendations to the government to be included in the new Strategy of Regional Development of Lviv Oblast after 2016
3a	20 primary NGO units formed from trained NSA/LA groups in each district of the target region.
3b	Available transparency mechanisms to budgeting and strategy development for 1 state program (preferably Local development) in each district, totally 20 mechanisms.
3c	A regional umbrella structure formed and legalized as an association of local NGO units (in form of NGO association)
3d	A petition mechanism working via by a specially developed project web-portal working with public opinion and processing petitions.
3e	Delegation (4-5 people) formed within the project to participate in the Strategy of Regional Development of Lviv Region after 2016, 3-5 important indicators to the strategy have been possibly introduced by the delegation based on project findings
3f	a grant competition organized and held for partner district-level NSA-LA groups, resulting in the support of 10 to 20 small projects from district-level partners to start implementation of their new strategies

Source: Calculated on the basis of CSF Ukraine (2013). Logic Workbook.

Logical structure deployment of a human capital revitalization project. Apart from being purely educational, the abovementioned model has a dimension

allowing to provide small grants and organize exchange programs in order to strengthen institutional potential of local governments and ensure revitalization of human capital [Pishchulina, 2009], especially on conflict-affected territories. Activities in the framework of this dimension or cluster should be provided in several stages [UNDPA, Supporting Peace, 2015]. All the activities should be focused on improving policy making process of local governments in target regions. The objectives to be used within the proposed model include:

Objective 1: Organize recruitment ,provide small grants/stipends, including:

- *Elaboration of job descriptions and terms of reference for positions that can be filled through the current program*. Key expert of the project together with local expert and representatives of local governments will work on the assessment of the current work of local authorities. The purpose of this phase is to assess the organizational structure of the government administration, identification of gaps, search of the positions that require qualified workers, and the list of necessary requirements for candidates for the vacant posts. This list of requirements would be taken as a basis for the selection of candidates.

- *Promotion of the program and identification of suitable candidates (recruitment and selection).*

To promote the program and to identify interns publications via web sites of the program, local authorities, State Employment Service (SES) and in local medias will be used. The competition will target at IDPs, specialists, who have experience of working in governmental institutions residents of the target regions. An official Call for Proposals will be issued with annexed Proposal Form, and place it on its website and the projects' web resources. Besides, the information will be disseminated via regional State Employment Centers (including developing information and promotion leaflets to be distributed in Employment Centers). Posters will be developed and placed in State Employment Center, the government and in NGO offices in target region. The coordinating organization will disseminate leaflets and posters, and inform potential interns in target regions.

Approach to the selection of interns should include: 1) Competition announcement. The Candidate must submit a resume, a cover letter and two letters of recommendation; 2) Preliminary selection of Candidates by contest commission on the basis of the documents submitted; 3) Interviews, including an initial interview with testing, and a final interview before placement.

- Organization of an exchange program (including transportation to and from the target region, accommodation, induction in the workplace, etc.), and

- Payment for stipends and related exchange costs.

Objective 2: Organize exchange programs for competent staff from other regions of Ukraine, including:

- *Elaboration of job descriptions and terms of reference for positions that can be filled temporarily through exchange programs*;

As in framework of Objective 1, Key expert of the project together with local expert (NSA side) and representatives of local governments (LAs) will work on the

assessment of the current work of local authorities. The purpose of this phase is to assess the organizational structure of the council, identification of gaps, search of the positions that require qualified workers, and the list of necessary requirements for candidates for the vacant posts. This list of requirements will taken as a basis for the selection of candidates for approval.

The methodology for selection of grantees covering how the selection mechanism will address the requirements of the program and the profile of grantees includes the following elements:

Candidates will turn to the NSA administrating the program based on Competition announcements. The potential interns will have official certificate issued by the Ukrainian state, and reside in target regions with a firm intention to integrate into local community and stay for longer-term. Additionally, potential interns should show basic understanding of local authorities (city councils, LA's) activities, have a self-standing approach to life and common sense and, preferably, demonstrate prior specialist experience. Selection questionnaire will be developed to screen and select potential interns and the most successful will be offered an opportunity to submit grant proposals to the program.

- *Mechanism for funds distribution, administration and procedure for returning grants not used properly by the grantees*;

Grants to the interns will consist of two parts: 1) direct purchases (up to 20 % of the total amount) and 2) payments on the interns' accounts.

1) direct purchases: The purchase of computer equipment and its repairs will be carried out through the tenders, with the use of direct procurement mechanism. After action completion, all the interns are required to pass all the equipment to the authorities balance, where they were working.

2) payments on the interns accounts (transport, accommodation costs, etc. – including taxes). The NSA administrating the program will allocate a separate clear account in UAH for this project. The NSA needs 2 days to complete currency sales USD into UAH. By the time when USD from the current disbursement is sold into UAH, the NSA administrating the program has a part of grant agreements (of charitable purpose with clearly indicated goods/services to be purchased from grant costs and their prices, according to the Ukrainian legislature) signed with grantees (physical persons). Each agreement is backed by the grantee's quality project proposal and a pack of purchase orders or bills to be paid by each grantee as part of her/his grant. Then the NSA's Head financial specialist processes the payments if the current grant funds disbursement. Additionally, each grant agreement bears a figure of personal income tax to be paid by the NSA administrating the program in UAH on behalf of the grantee (Beneficiary, as a physical person), which falls into the figure between 15 and 20 % (usually 17 %) of the total amount of grant (this is to be indicated in each grant budget). Before the payment is processed, the Regional Coordinator and the grantee are informed about this 1–2 days in advance, and the grantee has a personal account opened at a local bank in her/his locality. When the payment is processed in the morning, the Regional Coordinator and the grantee are in

the client's bank and waiting for the funds to arrive at the client's account. As soon as the funds in UAH arrive, the grantee, under Regional Coordinator's supervision, processes her/his own payments on bills or orders to be paid for her/his goods and services exactly as specified in her/his grant agreement. After the payments are completed by the grantee (this takes up to 1 hour), the balance of funds on his grant should be zero. The Coordinator soon (up to 10 days or ealier) visits this Grantee's site and checks that the Grantee fulfils the obligations. At the same day, the Coordinator collects all proof of availability of goods/services purchased by the grantee, makes photos and develops a primary financial and assessment "Launch report", which is sent via email and physical mail to the NSA administrating the program.

The methodology shall also include details of the NSA implementer's internal technical and quality assurance review mechanisms.

Payments to cover management and operational costs will made in several installments as per schedule agreed with the donor. Payments to the NSA administrating the program to disburse stipends to interns will be made upon submitting minutes of Grant Selection Committees, reporting documents proving that interns received funds to their bank accounts, and regular monitoring and financial reports. The NSA will comply with the system of monitoring, evaluation and quality control as put forth by donor, and shall furnish the requested information, reports and statistics according to predetermined schedule or at its earliest possibility (within reasonable timeframes).

The Interim reports and the Completion report will follow the pre-set template that includes both substantial and financial parts and will be shared with the incumbent, including the preferred format for presentation of data and financial indicators. As a quality assurance measure, the donor will reserve the right to initiate spot-checks of grantees to conduct interviews and receive feedback on the quality of the incumbent's work. These number of spot-checks will not exceed 5 per program. The NSA administrating the program will facilitate the process by presenting the donor with all necessary contacts of the interns and shall refrain from influencing the impartiality of the assessment procedures. Notably, each payment will be double checked by Financial staff. All project documents will correspond to the forms and standards used by donor system.

The methodology shall also include details of the NSA implementer's partnership building mechanisms. Any partnerships with local, international or other organizations that are planned for the implementation of the project should be explained. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team. Letters of commitment from partners and an indication of whether some or all have successfully worked together on other previous projects is encouraged.

The project implementing agency would typically partner with regional and especially local state administrations (LAs) and with all partner municipalities of the Program, as requested by the donor agency, in the process of identification of needs,

priorities, gaps and positions. This partnership will be coordinated to ensure that the selection and placement of interns is close to optimal. The NSA administrating the program would usually sign a trilateral Memorandum of cooperation (Program, NSA and LA) to set up a framework for cooperation and enable the actions under the program objectives.

Another side of partnership is coordinating work with the regional State Employment Service (SES) in the recruitment of competent staff. The SES can be partner in providing promotion of the exchange program and identification of suitable candidates (recruitment and selection).

Additional notes on practical organization of educational component for the youth in NSA-LA partnerships

Of particular interest can be the implication of the above model in youth setting, for an educational project involving NSA-LA partnerships, which might be useful in agriculture and alternative energy sectors.

To select young people for such educational initiatives, you will need a questionnaire and ask them to indicate two basic points: 1. The type of activity you would like to choose after graduation? 2. What work do you manage to best? Classes must be either lecture 2 hours or 2 hours practical. An academic week for such school should include 2 sessions * 2 hours. Among the group of 60 people that should be invited to such a school, 3 leaders will be selected who will deal with three directions of study and form a small creative team of the editorial board of the type that will develop a bulletin of a school – an effective publicity instrument.

During the course, meetings with students can be organized with invited employers (private companies in agriculture and energy sectors that are partners of this initiative, looking for employees and ideas) so that they respond to the students' questions and looked for talented graduates. They can offer a job or join/help the classes using their own equipment. Component of economics and business planning in the educational component in the analyzed model may include lectures of the invited practitioners, like a representative of the tax administration to illustrate filing of declarations, accountability provisions, and examples of simplified legislature like small entrepreneurship. Another good practice is an invited representative of the pension fund, to tell about the pension system, uniform social contribution, etc. If there a course on taxation is included, a nice practice would be to invite a real-life accountant to tell who pays what taxes and how they are paid.

Such educational initiative that includes practical dimensions of NSA-LA partnerships should result in the students gaining intelligence and show how student will use this positive increase of «mental power». According to the heads of companies that will partner with this initiative the students in NSA-LA partnership educational model can bring innovative approaches to the work of the partner companies, which might be located in village areas, practice agriculture as one of their main pillars and represent a public-private partnership.

Conclusions. The following instruments have proved efficient for maintaining policymaking through enhanced dialog and focused educational efforts of the

researched object:

1. Awareness raising information sessions and public hearings Development of online working petition mechanism incl. specially developed project web-portal; Dissemination of the results of the Project. 2. Establishment a two-level representation mechanism (a regional NGO Association) with mixed working groups of NSA, LA in each district. Development 5-6 models for improved interaction of NSA-LA in policymaking. Research and development of module for development of sectoral strategies. Training of NSA/LA people from the region in the development of Strategy of Regional Development; Facilitation of strategy development workshops; 3. Establishment of the Community Educational Centre 4. Implementation of Capacity building incl. development of Curricula for NSA and LA and implementation of trainings in several Issues. 5. A study trip organized for partner NSA-LA groups; and 6. Participation in the development of the Post 2016 Strategy of Regional Development of Lviv Region.

Generally, the research has shown that the efforts of this initiative will likely lead to the achievement of the following results in 2–3 years:

1. The transparency of budgeting is improved and lead to allocating district strategy funds in a better way; 2. The dialogue between NSA and LA at regional and district level in Lviv Region on particular Issues of implementation of sectoral strategies is existing; 3. Effective and transparent strategies and instruments of monitoring the management of public funds are researched and developed, CSOs in Lviv region and its districts are using those strategies and instruments.

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How to cite this article? Як цитувати цю статтю?

Стиль – ДСТУ:

Muzyka P. Improved policy making through enhanced dialogue and focused education [Electronic resource] / P. Muzyka, M. Filyak // Agricultural and Resource Economics : International Scientific E-Journal. – 2016. – Vol. 2. – No. 3. – pp. 37–47. – Mode of access : www.are-journal.com.

Style – Harvard:

Muzyka, P. and Filyak, M. (2016), Improved policy making through enhanced dialogue and focused education. *Agricultural and Resource Economics: International Scientific E-Journal*, [Online], vol. 2, no. 3, available at: www.are-journal.com.