

Winning the peace in Ukraine through local accountability

*The estimated cost of reconstruction and recovery in Ukraine has grown to several hundred billion euros. **Paul Costello** and **Clara Volintiru** argue that while the international community has rightly stepped in to offer immediate assistance, it is vital that local actors are given a central role in overseeing the country's recovery.*

Russia has systematically targeted critical infrastructure in Ukraine since its invasion of the country in February 2022. A joint assessment released in early spring this year by the Ukrainian government, the World Bank Group, the European Commission and the United Nations estimates that [the cost of reconstruction and recovery in Ukraine has grown to €383 billion](#).

If Ukraine is to recover following the war, then an obvious question is who will cover this massive bill? The sheer size of the needs on the ground will require a collective effort involving allied governments, multilateral international organisations and private investment. The latter is probably the hardest to secure in the current context.

The international community is rightly stepping in for immediate relief. The international community's support for Ukraine is measured in [figures of direct military and humanitarian aid](#) – totalling almost 170 billion euros at this moment, but also in a series of high-level international events to mobilise further political and private sector actors. The recent [London donor conference](#), for instance, was set up to [mobilise international support](#) for Ukraine's economic and social stabilisation and recovery from the effects of war.

But moving from winning the war to winning the peace requires long term commitments from both authorities and civil society in Ukraine. Investors are keen to see security guarantees for Ukraine – a job for the international community – but also strong accountability mechanisms in Ukraine – a job for Ukrainian authorities and its civil society.

Decentralisation and local accountability

This accountability should build on Ukraine's ambitious decentralisation reforms, which were launched over a decade ago before the start of the war. Fiscal autonomy [had already helped](#) local governments to better answer to residents, civil society and businesses demands. According to [a survey of 741 cities by the OECD](#), the reforms led to better quality of social care, healthcare and administrative services, resulting in higher revenue and better coordination between the local and national governments.

The EU has just issued a new proposal for a [Facility for Ukraine](#) which "is designed to attract and mobilise public and private investments... underpinned by a set of conditions [and] a strong system of audit and controls". This falls in line with the investment per reform model of the [Recovery and Reconstruction Plans](#) put forward post-pandemic in all EU member states.

The European Parliament has also issued a joint statement on the [Sustainable reconstruction and integration of Ukraine into the EuroAtlantic community](#), calling on "the Ukrainian Government to continue to strengthen local self-government and to embed the success of the decentralisation reform in the overall architecture of Ukraine's repair, recovery and reconstruction processes by, inter alia, giving local authorities a prominent role in decision-making about reconstruction projects".

[USAID, U-LEAD](#) (a partnership between the Ukrainian government, the EU, Germany, Sweden, Poland, Denmark, Estonia and Slovenia), the [G7](#), the [Council of Europe](#), the [European Alliance of Cities and Regions for the Reconstruction of Ukraine](#) and many others consider decentralisation as a priority in Ukraine's reconstruction and recovery.

Good multi-level governance

Ukraine must secure its democracy not only on the battlefield but in laying the groundwork for good governance. There are ample opportunities for [nefarious actors to consolidate discretionary power](#) in any major crisis, but this threat is particularly relevant in the case of Ukraine, which must combat a large scale invasion while preparing for a reconstruction that will cost upwards of [€383 billion](#).

The importance of good governance, especially checks and balances, is crucial to the long-term democratic resilience of Ukraine. Local governments and civil society are key to this, and as such they need to be closely involved in reconstruction efforts, as laid out

in a [recent proposal on the Marshall Plan for Ukraine](#).

The empowerment and agency of local government will be essential for securing a well-governed and accountable recovery and reconstruction that paves the way for a staunchly democratic post-war Ukraine. Russian attacks and destruction have focused on cities and so local governments are most acutely aware of the specific needs for reconstruction.

Mayors and local governments are directly accountable to their residents for the priorities and progress of reconstruction initiatives. Moreover, it is important to remember that [recovery plans will be iterative and long-term](#), involving trial and error, experimentation and scaling of successful pilots. The agency, creativity, and innovation of local actors will be important. These actors will need to be supported, with lessons shared widely.

Ukraine's decentralisation reforms

Focusing on the local level at a time of crisis would not be a new phenomenon for Ukraine. One of [Ukraine's most important governance reforms since the invasion of Crimea in 2014](#) was to shift power and resources away from the old regional and local administrative system inherited from the Soviet Union. This decentralisation process in Ukraine has helped pave the way for its current resilience in the face of Russian aggression.

It has [diminished oligarchic control over the regions](#) through a [process](#) that has deprived Russia of *de facto* control over regional power centres in Ukraine like the Simferopol, Donetsk, and Luhansk oblasts. Decentralisation has enabled local governments to stand up for themselves, engage with and rally support from their residents and the international community, and resist the invasion.

The great gains of the previous decentralisation process in Ukraine could be easily lost without reasserted commitments. This is why it is important for international partners of Ukraine – including national governments, multilateral organisations and cities – to remember this perspective in their efforts to support Ukraine's recovery and in their engagement with all levels of government and civil society in the country. The risks posed by incomplete or weakened decentralised structures could undermine the

democratic resilience of Ukraine and also discourage international donors and investors.

Winning the peace

There are still [a number of unresolved or incomplete elements](#) remaining from the previous decentralisation reforms. The territorial-administrative reorganisation from *rayons* to municipalities has led to some tensions, lack of oversight and a lack of clarity in relation to tasks and responsibilities. The absence of single public entities for local governments (the city of Kyiv, for example, is comprised of 3,400 different legal entities) means that a chain of accountability is virtually non-existent.

Large discrepancies in capacities also mean that many local governments, especially in rural areas, lack the resources and capacity to carry out key tasks. Since much of the reconstruction will be on locally-owned infrastructure, local governments need to have the capacity as well as the legal framework to absorb the funding and apply for loans needed.

Further decentralisation efforts will need to focus on institutionalising a better distribution of competences between national and local authorities based on the principle of subsidiarity and integrated with plans related to anti-corruption, capacity-building, fiscal policy, regional development, urban planning and infrastructure, housing, utilities, energy systems, education and social service provision, among others.

It is also crucial for local governments in Ukraine to take better notice of the opportunities afforded by strong collaboration with civil society in [tackling key societal transformations](#) such as the green recovery. For decades, civil society in Ukraine and the broader Black Sea Region has proven to be the most dynamic force for democratic resilience, transparency and accountability. It is civil society actors that are delivering social services to frontline territories and providing a compensatory function to authorities. It is only with the help of civil society that Ukrainian communities can flourish in a democratic and sustainable manner.

Just as in the past, the importance of decentralisation needs to be emphasised and supported by international partners. National governments, multilateral organisations, cities and city networks and associations from around the world should all be engaging with local partners in Ukraine to contribute expertise and advise on how to develop

innovative structures of multi-level governance.

Note: This article gives the views of the authors, not the position of EUROPP – European Politics and Policy or the London School of Economics. Featured image credit: [Drop of Light/Shutterstock.com](#)
