

## Study Tour to Switzerland of top government officials and top local decision makers of Ukraine

Organised in framework of the UNDP-led Municipal Governance and Sustainable development Programme under support from Swiss Confederation



### 1. Background and situation analysis

The Municipal Governance and Sustainable Development Program (MGSDP) through its sub-project: "Promoting conditions of participatory Governance and Development in Urban Areas" contributes to the effective provision of public services through development and dissemination of effective approaches and mechanisms of decentralised municipal governance.

The project's specific objectives are to: increase the living quality of local communities through further support of the implementation of community projects as best examples of decentralized arrangements for service provision at local level; improve the quality of municipal governance in the partner municipalities for better service delivery through the application of the public-private partnership tool and the wide engagement of the communities in decision-making processes; strengthen the municipal governance in the project operational area through the promotion of best practices of local self-governance on examples of "best model city"; introduce the lessons learned and best model(s) for sustainable local development in the national legal and policy frameworks.

Decentralization and local governance (DLG) is a key area of UNDP's democratic governance-related work and one of the priority directions of the Swiss Agency for Development and Cooperation and its support to Ukraine. Therefore, from UNDP/MGSDP's perspective DLG is supported as a critical mechanism in empowering sub-national levels of society to ensure that local people participate in, and benefit from their own governance institutions and development services. Institutions of decentralization, local governance and urban/rural development aim to bring policy formulation, service delivery and resource management within the purview of the people. DLG is thus crucial in attaining human development and the MDGs.

The decentralization process undergoing in Ukraine since 2005 aims at devolution of powers and transfer of more financial and operational responsibilities from the national to the local level. But not all municipalities are yet aware of the reform principles, the new opportunities the decentralization may create and/or lack practical experience and skills, particularly with regard to decentralized services provision, strategic planning and resource management. Another challenge remains is that the population in general still carry the old mindset that the state is responsible for delivery of public services.

Some of the municipalities successfully elaborated and introduced (especially with support of SDC) mechanisms for involving citizens in the decision-making process, and in some cases local communities have demonstrated active participation in development and efficient delivery of community services. However, the successful experiments are yet to be fully understood and accepted by the policy-making institutions and scaled-up country-wide.

For 2008-2009, MGSDP partner-municipalities, in particular those which are partnering with MGSDP for 3-4 years, have adopted area based approach in their respective socio-economic plans. These cities reformed municipal service provisions, decentralized it and put on a competitive basis. At the same time, in close partnership with national and international experts, they initiated process of developing capabilities of local communities to participatory plan and implement local development initiatives, manage the gained results in a sustained manner. However, this process is still to be replicated by other Ukrainian municipalities, especially in AR of Crimea. For this purpose, Mayors and decision-makers from Ukrainian cities need to develop their capacities for better understanding of decentralization principles and mechanisms of ensuring effectiveness of local governments.

With this in mind, 5-days study tour for Ukrainian officials and experts was organized by UNDP/MGSDP in framework of the SDC-supported sub-project "Promoting Conditions of Participatory Governance and Development in Urban Ukraine – Phase III" on June 28 – July 3<sup>rd</sup> 2010.

## **2. Objective**

The main objective of the study tour was to expose Ukrainian top government officials and top local decision-makers (Mayors/their deputies) to Switzerland to the best practices of functioning of local self-government as well as benefits of decentralisation with clear separation of functions, responsibilities and authorities of central and local governments

## **3. Participants**

### MGSDP team:

1. Bogdan Bilyk, Head of Department of Socio-Economic Development and European Integration of Ivano-Frankivsk municipality, Chairperson of the National Forum of Partner Municipalities in 2010
2. Yuriy Gerzhov, Mayor of Voznesensk municipality, Chairperson of the National Forum of Partner Municipalities in 2009
3. Mykola Borovets, Mayor of Novograd-Volynskiy municipality, Chairperson of the National Forum of Partner Municipalities in 2007
4. Viktor Mandrus, Mayor of Kirovske Municipality
5. Valeriy Vesnyanyy, Mayor of Tulchyn municipality
6. Anatoliy Busenkov, Mayor of Rubizhne municipality

7. Oleg Klyuy, Mayor of Saky municipality
8. Valentyn Synytsky, Mayor of Dzhankoy municipality
9. Volodymyr Chayka, Mayor of Mykolayiv municipality
10. Volodymyr Garazd, Mayor of Dolyna municipality
11. Oleh Berezyuk, Head of Lviv City Administration
12. Ms. Olena Ursu, Governance and Sustainable Development Expert, UNDP/MGSDP.
13. Ms. Skaliy Iryna, Project Manager, UNDP/MGSDP
14. Aider Seyitosmanov, CIDP Governance Adviser
15. Mykhaylo Gavrysh, Interpreter

DesPro team:

16. Oksana Garnets, DesPro Senior Project Coordinator
17. Andriy Gyzhko, Head of the Chief Department of Economics of Vinnitsya Oblast Administration
18. Zamir Khaybullaev, Deputy Head of Bakhchysaray Rayon Council

SDC representative:

19. Olena Lytvynenko, SDC Programme Officer

SKAT:

20. Claudia Schneider, Governance & Institutional Development Specialist
21. Jürg Christen, Managing Director, Skat

#### 4. Schedule and agenda

Time	Programme	Contact
<b>Monday, 28 June</b>	<b>Arrival day</b>	
11:15	Arrival Delegation @ Zurich Airport with LX 4271	
12:00-12:30	Transfer to Zurich city centre (Bürkliplatz)	
13:30-15:13	Boat trip on Lake Zurich (lunch will be served in the boat's restaurant) to Rapperswil	Zürichsee Schifffahrt ahoi@zsg.ch
15:15-16:15	Short walk through the old part of Rapperswil town	
16:30-19:00	Pick-up by bus in Rapperswil & transfer to Berne by bus (scenic tour along the Alps)	
19:00	Check-in at Hotel	
19:30	Walk to Restaurant (through historic city centre)	
20:00	Dinner	Altes Tramdepot Brauerei
	Walk back to Hotel	
<b>Tuesday, 29 June</b>	<b>Thematic field: Introduction to the Swiss political and administrative system</b>	
8:30	Pick-up by bus from hotel to Haus der Kantone	
9:00-9:15	Welcome and introductions	Haus der Kantone www.haus-der-kantone.ch

9:15-10:30	Presentation "Introduction to the Swiss Political System in the Light of Decentralization" including questions. 30' Presentation. Questions & discussion Dr. Marc Bühlmann, Zentrum für Demokratie, Aarau	Dr. Marc Bühlmann Zentrum für Demokratie NCCR Democracy Küttigerstrasse 21, 5000 Aarau marc.buehlmann@zda.u zh.ch +41 (0)62 836 94 48
10:30-10:45	Coffee Break	
10:45-12:00	Presentation on Local Services and Infrastructure from an Administrative and Legal Perspective, including questions. 30' Presentation. Questions & discussion Mrs. Vanessa Rüegger, Research Assistant, MLaw, International Research and Consulting Centre IRCC, Institute of Federalism IFF, University of Fribourg	Vanessa Rüegger, Research Assistant, MLaw, Institute of Federalism IFF, University of Fribourg Rte d'Englisberg 7 , 1763 Granges-Paccot +41 26 300 81 72 (direct) +41 26 300 81 25 www.federalism.ch vanessa.rueegger@unifr .ch
12:00	Walk to Bundeshaus	
12:30-13:15	Exchanges with Swiss Members of Parliament on experiences with local self-governance Mr. Eugen David, Member of Parliament (Ständerat SG)	kanzlei@eugendavid.ch www.eugendavid.ch
13:15-13:45	Pick-up by bus & transfer to Restaurant "Dählhölzli"	
13:45-14:45	Lunch	Restaurant Dählhölzli
14:45-15:15	Pick-up by bus & transfer to Haus der Kantone	
15:15-16:15	Presentation about fiscal decentralization, financial equalization between cantons and the federal state, decision-making of Swiss Foreign Ministry, its collaboration with the Parliament, etc. Presentation. Questions & discussion Mr. Walter Moser, Representative of the Conference of the Cantonal Governments	Mr. Walter Moser, Representative of the Conference of the Cantonal Governments +41 31 320 30 25 w.moser@kdk.ch
16:15-16:30	Coffee Break	
16:30-17:30	Welcome & introductions by SDC  1) Welcome and Introduction into Swiss Cooperation with Eastern Europe Mr. Hubert Eisele, Acting Head of the Corporate Domain Cooperation with Eastern Europe  2) Swiss Cooperation Program in Ukraine Mr. Christian Disler, Program Manager, CIS Division  3) Priority topics of SDC in the area of Decentralization and Local Governance Mr. Kuno Schläfli, Focal Point of Decentralization and Local Governance Network	Christian Disler christian.disler@deza.a dmin.ch  Kuno Schläfli kuno.schlaefli@deza.ad min.ch
18:00-19:30	Pick-up by bus & transfer to Zurich	
19:30	Check-in at Hotel	
19:45	Transfer by bus to restaurant	
20:00	Dinner	Restaurant zum Kropf, Zürich
	Transfer back to Hotel by bus	

<b>Wednesday, 30 June</b>	<b>Thematic field: Municipal services / best practices at City Level</b>	
8:45	Pick-up by bus from hotel	

9:15-10:00	Welcome by the Municipality of Zurich: Introduction into the city of Zurich Mrs. Christina Wandeler, External Relations, City Administration of Zurich	Mrs. Christina Wandeler, External Relations, City Administration of Zurich +41 44- 412 37 84 christina.wandeler@zuerich.ch
10:00-10:15	Coffee Break	
10:15-11:15	Presentation on Energy Efficiency / 2000-Watt-Society Mr. Toni Püntener, Deputy Head, Section Energy and Sustainability, Department of Health and Environment, Zurich City	Mr. Toni Püntener, Deputy Head, Section Energy and Sustainability, Department of Health and Environment, Zurich City toni.w.puentener@zuerich.ch
11:15-11:45	Walk to the restaurant	Restaurant Reithalle
11:45-13:30	Lunch	
13:30-14:00	Walk back to the Amtshaus IV	
14:00-14:15	Welcome by Mr. Beat Gähwiler, Head of City Chancellery / Dep. Town Clerk	Mr. Beat Gähwiler beat.gaehwiler@zuerich.ch
14:15-15:15	Traffic Management Mr. Christian Heimgartner, Head of Simulation & Modelling, Traffic Section, Zurich City Administration	Mr. Christian Heimgartner, Head of Simulation & Modelling, Traffic Section, Zurich City Administration christian.heimgartner@zuerich.ch
15:15-16:15	Health System in Zurich Dr. Albert Wettstein, Head of City Health Services, Department of Health and Environment, Zurich City	Dr. Albert Wettstein, Head of City Health Services, Department of Health and Environment, Zurich City Wettstein.Albert@zuerich.ch
	Transfer back to Hotel by bus. Free time	
19:30	Transfer from Hotel to restaurant	
20:00	Dinner	Restaurant Certo
	Transfer back to Hotel by bus	

<b>Thursday, 1 July</b>	<b>Thematic field: Public services / best practices at town level</b>	
8:30-10:00	Pick-up by bus and transfer to Weinfelden	
10:00-10:30	Visit to Technische Betriebe Weinfelden (TBW AG), a publically owned company in charge of water, gas, electricity and communication services; municipal-to-municipal cooperation. Introduction to TBW AG by Mr. Walter Krähenbühl, Director	Mr. Walter Krähenbühl, Director +41 71 626 82 82 walter.kraehenbuehl@bweinfelden.ch
10:30-10:45	Coffee break	
10:45-11:00	Welcome by the Mayor of Weinfelden (Mr. Max Vögeli) Discussion about the institutional model, interactions with the municipality, communication and decision-making, strategic & operational advantages and disadvantages from different perspectives.	Max.Voegeli@weinfelden.ch
11:00-12:00	Guided tour through the Technical Administration of Weinfelden (planning and operation of water supply, gas, electricity)	
12:00-12:15	Transfer by bus to Restaurant	
12:30-14:30	Lunch	Restaurant zum Trauben
14:30-15:30	Transfer by bus to St.Gallen	

16:00-16:30	Welcome by the Mayor of St.Gallen (Mr. Scheitlin) Exchange on participation in local self-government	Jeannette Zwissler Sekretariat Stadtpräsident Rathaus 9001 St.Gallen +41 71 224 53 21 jeannette.zwissler@stad t.sg.ch
16:30-18:00	Introduction to the waste management system at municipal level, institutional set-up, finances, organization, communication and decision-making. Mr. Fredy Brunner, Councillor of Town Council St.Gallen / Director of Technical Services Department of the Municipality of St.Gallen Guided tour through the waste incineration plant by Mr. Walser, Director of the Solid Waste Incineration Plant	Mr. Fredy Brunner, Councillor of Town Council St.Gallen / Director of Technical Services Department of the Municipality of St.Gallen +41 71 224 55 10 fredy.brunner@stadt.sg ch
18:00	Transfer by bus to Hotels	
18:30	Check-in at Hotel Säntispark (3 DesPro participants, Olena Lytvynenko)	
19:00	Check-in at Hotel Executive Campus HSG (15 UNDP participants). Free evening	
20:30	Pick-up by bus from Hotel Säntispark. Walk from Hotel to Restaurant Wienerberg	
21:00	Late Dinner	Restaurant Wienerberg
22:00	Transfer back to hotels	

<b>Friday, 2 July</b>	<b>Thematic fields: Best practices in roles &amp; responsibilities of a district administration</b>	
8:00	Pick-up by bus	
8:30	Pick-up by bus and transfer to Premises of Canton Government	
9:00-10:30	Canton of St.Gallen: Welcome by the representative of the Canton Government, Mr. Rolf Vorburger, Head of Intercantonal and Foreign Relations Introduction to the federal administration system, legal framework, roles & responsibilities at district/canton level, financial issues and organization of services delivery. Relations and communication between the district and municipal and national level. Presentation. Discussions and experience exchange	Mrs. Hauser , Canton SG Office of Intercantonal and foreign relations +41 71-2293218 sarah.hauser@sg.ch www.sg.ch
10:30-11:00	Walk to Hotel Walhalla for closing session incl. coffee	
11:00-12:00	Wrap-up and closing of the study tour. Main questions: What are the lessons-learnt/major impressions for participants? How will they include them in daily life work back home? How will lessons learnt be fed into the activities of partner municipalities of MGSDP?	
12:00	Pick-up by bus and transfer to Schwägalp	
13:00 (Departure of cable-car)	Tourist excursion to Säntis mountain (cable-car) Lunch (13:30 in Panoramablick Restaurant, Säntis)	www.saentisbahn.ch
16:00	Transfer by bus from Schwägalp to Stein	
16:30–18:30	Demonstration of cheese making. 16:30-17:30 Guided tour	www.schaukaeserei.ch
18:30-19:00	Transfer to restaurant Eggli	
19:00	Farewell dinner in a typical Swiss restaurant	Restaurant Eggli, Appenzell
	Transfer back to hotels	

<b>Saturday, 3 July</b>	<b>Departure</b>	
8:00	Check-out from hotels	

8:30	Pick up by bus	
9:00	Pick up by bus & transfer to Zurich Airport	
12:10	Flight departure to Kiev (LX 4270)	
Afternoon	Arrival in Kiev	

## 5. Mutual learning and scope of knowledge utilization

All the participants responded positively regarding the organisation of the study tour. The overall impression was that lectures and presentations of Swiss resource persons were provided on highly professional theoretical and practical level; logistics was organised properly; and commitment and flexibility of the involved personnel from SKAT was remarkable. Meetings with practitioners - representatives of Swiss local and national authorities - drew special interest of the participants.

At the final discussion meeting and as part of follow up report, the participants were asked three major questions. Below the most typical answers to these questions are listed:

### What are your major impressions from the study tour to Swiss Confederation?

1. Case of Switzerland shows the best example of people-centred democracy at all levels, which lies in direct and regular citizens' participation in managing the state and the local communities through elections and voting / referendums, application of subsidiarity and concordance principles.

Considering the fact that Ukraine is at the beginning stage of forming the independent state, this kind of positive examples allow considering the best global experience of public administration and democratic principles of direct citizens' participation in decision-making.

Unfortunately, in consequence of the lengthy period of Soviet type public administration (command economy) when the communist party was the only governing body and the citizens' opinions have never been taken into account, the independent Ukraine has failed to overcome the negative stereotype regarding the public outreach activities to consult with and report to the citizens (voters). Cases when public hearings are considered unnecessary still exist. And in case when the decisions of authorities are perceived negatively by the citizens, cases of alternative "pro-government" public hearings are also frequent which leads to the low level of trust of citizens in their government.

Therefore, mechanism of regular voting and referendums at state and local levels in Switzerland is the exemplary case to be followed for ensuring the maximum support for governmental decisions. What is also important, public referendums ensure that decisions made on development issues should be unconditionally implemented no matter which political force is in power after the elections.

2. Case of political system of Switzerland demonstrates the optimal structure of public administration through clear division between regions (cantons) and communities, administrative functions and management mechanisms between all branches of power at horizontal and vertical levels.

The study tour gave an opportunity to compare the state construction in Switzerland with analogous mechanisms in Ukraine, and to clearly see that high level of decentralisation is not only the theoretical model developed by scientists, but also an effective tool of public administration.

Some of the participants became supporters of the idea of federalism for Ukraine, some claimed that federalism will not work in Ukraine because of its historical context and unprepared mentality of population, but, nevertheless, case of Swiss Confederation was perceived by all as the best balance of state power and independence of cantons and communities.

3. Staffs working in the municipalities at each level are not regular specialists, but rather managers of their own areas, organising service provision to population and earning money into the city budget. It is an absolutely different philosophy of work, leading to different attitude and commitment of the personnel. This arrangement allows Mayors to be responsible for strategic projects, investments and development of the city compared to Ukrainian context when Mayors are forced to respond to the urgent day-to-day operational problems of municipal management and infrastructure repairs.
4. As the study tour programme envisaged visits to 6 Swiss municipalities - Berne, Zurich, Rapperswill, Weinfelden, St-Gallen, Appenzell – the overall impression of the participants is that the Swiss cities

and villages are well maintained – general appearance of buildings, roads, infrastructures, containers for wastes, public transportation etc are of a proper level.

5. Populations' behaviour is also impressive – people's habits to pay for the services (buying tickets in public transport, paying for parking of the cars), their care about the environment (cleaning of their houses and yards, using bicycles as transportation means), their high level of citizens' consciousness (high level of participation in voting and referendums) etc.
6. Efforts of the Swiss Confederation and its municipalities in terms of energy efficiency are worth mentioning. The state has sufficient financial resources, but at the same time has the high level of understanding that reduction of resource consumption is needed to protect environment, and, therefore, develops and implements various programmes to create the 2000-Watt-Society.
7. Example of TBW Company for provision of water, gas, electricity and communication services to population was considered inspiring. It was also valuable to see in practice how the tool of municipal-to-municipal cooperation is utilized by the company to ensure better efficiency.
8. Valuable approach applied by Swiss municipalities is the project principle in municipal management and, consequently, performance-based budgeting in practice. Local decision-makers should not be afraid of investing, earning money and controlling the process.
9. Financial equalization is vital for Ukraine, but deeper understanding of the process introduced in Switzerland is needed to identify what part of it can be applied in Ukraine.

#### How can you utilise the lessons learnt in your work in Ukraine – future course of action?

1. Within given authorities, raise the level of citizens' engagement into the decision-making process – for approval of local regulatory acts, for making important decisions of city development etc. It should be done despite the fact that in Ukraine there is no Law which would allow referendums at local level. In current legislation, only public hearings are allowed which are usually of a local nature. As the first step, some very pragmatic referendum could be organised to ask people's opinions on some important city development agenda; this exercise would be most useful before the local elections (for instance, in Lviv, Novograd-Volynskiy). In Ivano-Frankivsk municipality Strategic Development Plan till 2015 is now in process; it is confirmed now to include the referendum on important agenda of city development to this activity

Action for MGSDP: Collect stories from applying the lessons learnt from the study tour to Switzerland for the progress report of the project.

When: for the Annual Progress Report 2010.

2. As there is no definite state policy in Ukraine regarding solid waste management, all cities and regions are to find their own way of dealing with this problem. Therefore, example of separate collection of glass, paper, metal wastes can be followed, at the same time opportunities for construction of the waste incineration plant under support of the Governmental Grant Programme on Kyoto protocol will be assessed by some oblast level cities (like Ivano-Frankivsk, Mykolayiv).

Some Mayors at the same time claimed that construction of waste incineration plants is too costly for Ukraine and return on investments would be too long. Therefore, for Ukraine another way should be chosen – separate waste collection and processing. From Swiss example, Ukraine should learn the strict policy defining that tariffs must in any case cover the expenses for service provision and allow minimum profit for the service-providing enterprises to ensure their future development (according to Dolyna mayor).

Action for MGSDP: Follow up with SDC regarding involvement of the Swiss expert to provide consultancies on Solid Waste Management.

When: 3<sup>rd</sup> quarter 2010.

3. It is necessary to develop the bicycle usage and relevant infrastructure in Ukraine, and municipal officials should do it on their own to motivate population for wider usage of bicycle as transportation means (especially Ivano-Frankivsk region cities, where it could further support tourism development).
4. Deepening of bi-lateral and twinning relationships between Ukrainian and Swiss cities can be achieved, e.g. between Vinnytsya and Zurich, Ivano-Frankivsk and St-Gallen. Also, participation in



this study tour is an impulse for strengthening of inter-municipal cooperation between the cities in Ukraine itself, e.g. municipalities from East and West.

Action for MGSDP: Support municipalities willing to establish inter-municipal cooperation, also between different Ukrainian cities.

When: 3-4<sup>th</sup> quarter 2010.

5. In order to form the proper citizens' consciousness, more work is needed at the level of school children – introduction of proper training and thematic lessons for school children; ultimately, it will lead to formation of the new generation of Ukrainian citizens ready to participate in local decision-making and actively solve the problems of their own communities (more practical work on this front is being planned in Rubizhne)

Action for MGSDP: Disseminate information about training course for school children on the available course on sustainable development and opportunities for municipalities to get support from MGSDP for introduction of this course.

When: August 2010.

6. In process of decision-making at all levels, civil servants should first of all think of 1) people for whom they work, and 2) quality of service they provide. This will allow us to develop Ukrainian society and improve the accessibility and quality of administrative services. For this purpose, this subject must be incorporated into the agenda of vocational trainings for civil servants in Ukraine. It should also be enriched thematically – judging from the most valuable Swiss experiences, modules on solid waste management, water supply, energy efficiency could be added (MGSDP, CIDP, DesPro are requested to support this process)

Action for MGSDP: Organise and participate in the working meeting between DesPro, MGSDP and National Academy of Public Administration to discuss development of training programme for civil servants and municipal officials, draft TOR for this training Programme and initiate its development, hold the information and promotional roundtable to announce plans of NAPA under SDC support (through DesPro, MGSDP) in regard with vocational trainings on decentralization and local self-government agenda

When: meetings – in August 2010, initial roundtable – 23<sup>rd</sup> September, TOR – October 2010; new training Programme should be included in the curriculum of NAPA in 2011.

7. UNDP/MGSDP should analyse the needs of Ukrainian municipalities and identify the knowledge and experience which is considered as the most valuable, translate, adjust it to Ukrainian context and further disseminate in Ukraine

Action for MGSDP: Collect presentations of the study tour programme, ensure their translation, analyse similar experiences of Ukrainian municipalities, where applicable, and disseminate to MGSDP partner municipalities and DesPro partners.

When: September 2010.

8. Identify clear needs of Ukrainian municipalities, request support in the area of solid waste management and prepare the TOR and plan of actions for the Swiss expert which may be engaged by SDC for further technical support on this matter

Action for MGSDP: Follow up with SDC regarding involvement of the Swiss expert to provide consultancies on Solid Waste Management.

When: 3<sup>rd</sup> quarter 2010.

9. Seeing great performance of Switzerland in many areas but understanding the limitations of Ukraine which hamper application of this experience in practice (resources, attitudes, mentality etc), the idea of identifying best examples of Ukrainian municipalities and their promotion comes out. For this purpose, UNDP/MGSDP can use its collection of "Success Stories" and other tools developed within the SDC-supported sub-project

Action for MGSDP: Identify list of the best practices of Ukrainian municipalities for which more success stories can be prepared, and work on collecting information for these success stories.

When: preparation - 3<sup>rd</sup> quarter 2010, final success stories to be added to the Annual Progress Report 2010, as well as to the new edition of the "Success Stories" (December 2010 – January 2011).

10. Yearly festival of partnership and cooperation presented in Zurich may be applied by Ukrainian cities as a tool of bringing together representatives of all branches of power and authorities in Ukraine (Verkhovna rada, Cabinet of Ministers, banks etc) for joining forces and resources in solving the city development problems. Such kind of event is already approved and planned in Ivano-Frankivsk

Action for MGSDP: have dialogue with Ivano-Frankivsk municipality to make presentation about introduction of this innovation during the follow up meeting.

When: November-December 2010.

11. As Ukraine is now at the stage of preparation to the local elections, it is recommended that after coming in force of the new managerial teams revision of the terms of references of staffs in the municipalities should be made, in process of which the staffs responsible for development of specific areas should become rather managers than regular specialists, which would eventually lead to fostering development of municipal economy

Action for MGSDP: Disseminate Ukrainian version of this report to Ukrainian municipalities to make sure that they get this recommendation. In process of Annual Progress Reporting collect information from municipalities on whether it was followed in their practice.

When: report dissemination – August 2010, collection of feedback - November-December 2010.

12. In process of applying to different development agencies on transborder cooperation, environmental issues will be included as part of projects (e.g. Ivano-Frankivsk projects in framework of cooperation between Hungary-Romania-Slovak Republic-Ukraine and Poland-Bielorus-Ukraine), e.g. initiatives of rivers' purification, support to development of bicycle movement, solid waste management etc.

What can you recommend to improve in future organisation of such study tours?

1. The organized study tour was able to perfectly show the horizons which Ukraine should try to achieve, but more accent should be made on showing the way how this kind of political system, public administration and citizens' consciousness may evolve. This could serve as the how-to guide for Ukrainian decision-makers.
2. Include to a larger extent forms, methods and practical tools of municipal management at the level of departments and executive bodies to the study tour programme.
3. Incorporate meetings with civil society representatives and regular citizens to be able to learn their perception of state, regional and local authorities.
4. Be strict in following the time schedule to avoid unnecessary delays and announce rules of behavior at the beginning of the activity (e.g. usage of mobile phones etc).
5. Include representatives of national level NGOs working in the area of local self-government into the group of study tour participants (e.g. Association of Ukrainian Cities and Communities of Ukraine)
6. Work hard to ensure participation of top governmental officials in the study tour (Ministries, Parliament) to ensure their better understanding of the need to decentralize
7. Prepare the database of all experts and resource persons with whom the study tour meetings are organized in order to allow follow-up contacts and correspondence with them
8. Organize the follow up meeting in half a year after the study tour to analyse what in fact was done in the respective municipalities after return from Switzerland

Based on the results of the study tour, the participants came to the conclusion that it was very useful and informative. But still some subjects like fiscal decentralisation, operational municipal management, energy efficiency, youth policies etc are of extreme interest for Ukrainian representatives. They think this can become a topic of future learning.

The report from SKAT – organizer of the event in Switzerland – is attached in the Annex – 1.

**Report****Study Tour to Switzerland of Top Government Officials and Top Local Decision Makers of Ukraine**

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**28 June – 3 July 2010****1. Background**

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The Municipal Governance and Sustainable Development Program (MGSDP) through its sub-project: “Promoting conditions of participatory Governance and Development in Urban Areas” contributes to the effective provision of public services through development and dissemination of effective approaches and mechanisms of decentralised municipal governance.

The project’s specific objectives are to: increase the living quality of local communities through further support the implementation of community projects as best examples of decentralized arrangements for service provision at local level; improve the quality of municipal governance in the partner municipalities for better service delivery through the application of the public-private partnership tool and the wide engagement of the communities in decision-making processes; strengthen the municipal governance in the project operational area through the promotion of best practices of local self-governance on examples of “best model city”; introduce the lessons learned and best model(s) for sustainable local development in the national legal and policy frameworks.

With the aim of exposing Ukrainian top government officials and top local decision-makers (mayors, heads of municipal administrations) to best practices of functioning of local self-government and as well as benefits of decentralization with clear separation of functions, responsibilities and authorities of central and local governments in Switzerland, Skat organized and carried out a study tour in Switzerland. The study tour focused on successful experiences with decentralized municipal services delivery in large, medium and small municipalities in Switzerland.

**2. Summary of highlights**

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The study tour took place from 28 June to 3 July 2010. The delegation was composed of 15 participants from Ukraine of respective municipalities where MGSDP has activities, including one interpreter. The delegation was accompanied by the MGSDP Project Manager, MGSDP Governance and Sustainable Development Expert, SDC National Programme Officer- Kiev, and the organizers from Skat. Three participants from the SDC funded Decentralisation Support Programme Ukraine (DesPro) joined the delegation. This was also to foster cooperation and the existing synergies between MGSDP and Despro.

UNDP/MGSDP engaged a highly qualified interpreter (Ukrainian/Russian – German). Skat planned, managed and guided the study tour through the complete visit programme.

The study tour started with a day in Berne, the capital of Switzerland, where participants were provided with in-depth presentations about the Swiss political system related to decentralization and federalism, in particular roles and responsibilities of the different governmental levels. This was rounded up with thematic inputs about the fiscal, political and administrative matters of decentralization, historic insights, balancing municipal, district (Canton) and national budgets, cross-subsidisation, and decision-making mechanisms at the various governmental levels. Dr. Marc Bühlmann (Zentrum für Demokratie, Aarau) gave an introduction to the Swiss Political System in the light of decentralization. Mrs. Vanessa Rüegger (Institute of Federalism of the University of Fribourg) gave a lecture on local services and infrastructure from an administrative and legal point of view.

This was complemented with an experience exchange on local self-governance with a Member of the Swiss Parliament (Dr. Eugen David), from the Council of Cantons (Senate).

Mr. Walter Moser, representative of the Conference of the Cantonal Governments, presented the fiscal decentralization system in Switzerland, financial equalization between cantons, the federal level and the municipalities.

At the end of the day, representatives of SDC – Swiss Agency for Development and Cooperation from headquarters welcomed the delegation. Mrs. Anne Lugon-Moulin, Deputy Head of the CIS Division gave an introduction to the Swiss Cooperation with Eastern Europe. This was followed by a short input of Mr. Christian Disler, Program Manager in the CIS Division, about the Swiss Cooperation Programme in Ukraine. Mr. Kuno Schläfli, Focal Point of the Decentralization and Local Governance Network, gave an interesting insight into the priority topics of SDC in the area of governance. In addition, he reported from his own experiences as a municipal councillor - about constraints and opportunities in his home municipality.

The next day, the group visited the city administration of Zurich. The participants were welcomed by the Municipality of Zurich to exchange experiences on decentralisation, and to see best practices of municipal services delivery and management. The visit included short presentations and discussions in the areas of municipal economy, ensuring energy efficiency, rational usage of resources, traffic and health issues.

Mrs. Christina Wandeler, External Relations – City Administration of Zurich, gave an overview about the city of Zurich. This was followed by a very interesting and lively presentation about “Energy Efficiency / 2000 Watt Society” by Mr. Toni Püntener, Deputy Head of the Section Energy and Sustainability, Department of Health and Environment.

After lunch, Mr. Beat Gähwiler, Head of the City Chancellery / Deputy Town Clerk, welcomed officially the delegation, in the name of the City Mayor. He gave an excellent introduction into the electronic voting system of Zurich.

Mr. Christian Heimgartner, Head of Simulation and Modelling, Traffic Section, made the participants familiar with the traffic management and mechanism in Zurich. Dr. Albert Wettstein, Head of City Health Services informed about the health system at municipal level.

On the third day, visits to two examples of local services provision illustrated clearly the possible legal forms of entities, separation of responsibilities at municipal level and financing public services. The example of Weinfelden (small municipality) showed a model of a publically owned company which is in charge of water, gas, electricity and communication services. The visit touched upon the topics of municipal-to-municipal cooperation, institutional models, municipal economy, local decision-making, strategic and operational advantages and disadvantages from different perspectives.

Mr. Walter Krähenbühl, Director of the Municipal Technical Services of Weinfelden and team members provided a very useful introduction and guided tour through the planning and operation units. This was rounded up with a discussion together with Mr. Max Vögeli, Mayor of Weinfelden, about decentralized municipal services, their management and financing, as well as the division of roles and responsibilities.

The example of St.Gallen (mid-size town) was well chosen to demonstrate an efficient and effective solid waste management system at municipal level, institutional set-up, financial organisation, environmental issues, roles of community organisations, and communication. This included an experience sharing with representatives of the Municipality of St.Gallen on forms of communities’ participation in local self-government. Mr. Thomas Scheitlin, Mayor of St.Gallen welcomed the delegation and gave a clear presentation of the local government system. Mr. Fredy Brunner, Councillor of the Town Council of St.Gallen and Director of the Technical Services Department provided an in-depth introduction to the municipal waste management mechanisms, technical, administrative, and financing issues. Mr. Halter, responsible for the processes system guided the group through the technical central station of the waste incineration plant.

During the last day, the programme focused on the division of roles and responsibilities from the perspective of the local district level (Canton) to illustrate the Swiss decentralized model. This served as a summary of the knowledge gained during the study tour and to address open questions about the decentralized administration system, legal framework, financial issues, and management of public services.

The delegation was welcomed by Mr. Vorburger, representative of the Canton Government of St.Gallen – Head of Intercantonal and Foreign Relations. Mrs. Hauser from the same department provided a straightforward introduction to the federal administration system, the legal framework, roles and responsibilities at the cantonal level, financial issues and organization of services delivery, relations and communication between the canton (district), municipal and national level.

The visit programme ended with a wrap-up and closing session where participants reflected the learning experiences in the group and gave feedback to the organizers. The questions what have been the lessons-learnt and major impressions were addressed. In addition, the participants were asked to think about ways of how to include the freshly captured lessons-learnt into the activities back home and those of MGSDP.

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### 3. Visit Programme (See in main text of the report)

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### 4. List of Participants (See in main text of the report)

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### 5. Conclusions

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The participants of the study tour became familiarized with perspectives of how decentralized municipal services are conditioned by the legal, political, economic and socio-cultural environment. Gained impressions and lessons learnt through lectures, presentations, site visits and discussions helped participants to further develop an understanding for decentralized effective and affordable public services delivery in their respective areas of responsibility.

The participants were very active in posing questions to presenters and hosts, which led to fruitful and intensive discussions. As a whole, the delegation showed great interest in getting to know the Swiss mechanisms of federalism, questions of municipal budgeting, decentralized decision-making, autonomy in financial and power-related questions of municipalities. This enhanced interesting and lively experiences exchanges within the group. Inspired through various exposures, participants went home with a rich knowledge and numerous lessons learnt which can be used in their daily work as Mayors and head of municipal administrations and within further MGSDP activities.

The study tour took place in a positive and open atmosphere. The programme was well balanced with thematic inputs, technical presentations and practice oriented site visits. Group dynamics between participants were very good, as were the interactions with the numerous Swiss hosts.

The success of the study tour was only possible thanks to the welcoming hospitality and readiness of the Swiss hosts, entities and individuals from national, Cantonal, local levels, and academia to share knowledge and experiences:

- SDC,
- Conference of the Cantonal Governments,
- Dr. Eugen David (MP) and team,
- University of Berne (during preparation),
- Zentrum für Demokratie – Aarau,
- Institute of Federalism - Fribourg,
- Municipality of Zurich,
- Municipality and Technische Betriebe Weinfelden,
- Mayor of St.Gallen and his office,
- Municipality of St.Gallen (Technical Services Department, Municipal Waste Incineration Plant),
- Canton of St.Gallen (Office of Intercantonal and Foreign Relations)

Claudia Schneider, Skat, St.Gallen, 16 July 2010