

STATE SUPPORT FOR INFRASTRUCTURAL DEVELOPMENT OF JOINED TERRITORIAL COMMUNITIES

Yarovy V.D.

Candidate of Economic Sciences,
Senior Research Scientist at Department of Economics
and Policy of Agrarian Transformation,
Institute for Economics and Forecasting,
National Academy of Sciences of Ukraine

It is examined how the state infrastructural subvention is distributed between joined territorial communities in 2016 according to the Resolution of the Cabinet of Ministers of Ukraine "Some Aspects of Allocating Subvention from the State Budget to Local Budgets for Construction of Infrastructure in Joined Territorial Communities" adopted on 16 March 2016. It is argued the need to improve the existing approach to the distribution of subvention.

According to the existing approach, a subvention for the specific territorial community is calculated based on the number of rural population and area of community. Such approach does not reflect some important spatial and settlement characteristics of joined territorial communities. Under such an approach, two communities with the same areas and number of rural population will get the same infrastructural subvention. But their spatial organizations are usu-

ally different. There are communities with approximately same areas and rural population but different settlement patterns that are reflected in different distribution of population lived in settlements not far the administrative centres of their communities and in remote settlements. The need for state financing to develop communal infrastructure is higher in communities with higher share of population in remote villages.

Based on local spatial and settlement characteristics of joined territorial communities, a new formula is proposed to allocate the subvention in next budget periods. According to the proposed approach, the subvention for a specific territorial community is to be calculated based not only on the number of rural population and area of community, but also on the number of population in remote villages (with time accessibility to the administrative centres of their communities of more than 30 minutes).