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Local Stakeholders and Ukraine's Resilience

A Survey of Community-Level Engagement During the War

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Summary

The activities of civil society and local stakeholder engagement in Ukraine's communities have been decisive in ensuring societal resilience and the positive impact of international assistance in the country. In the context of overlapping crises—including the COVID-19 pandemic, Russia's full-scale invasion, economic recession, outward migration, and internal displacement—local actors have been vital. But they are also constrained by the increasing centralization of power. A better understanding of how civic actors cooperate with other stakeholders at the local level during the war is key to strengthening Ukraine's democracy and advancing its long-term recovery.

The German Marshall Fund of the United States and Institute Respublica conducted a comprehensive expert survey about the engagement and capabilities of various local stakeholders in Ukraine. This focused on 18 localities of different sizes and in different regions, including rural communities, administrative hubs, economic hubs, and conflict-affected communities. The stakeholders that were the object of the survey are civil society, local public authorities and the central government, local and national media, the private sector, and international organizations.

Civil society is judged to be the stakeholder most engaged and interested in local affairs, and its influence is rated positively, but only a small minority say this influence is very large. Local public authorities and the private sector are seen as more influential and more capable of mobilizing resources effectively. International organizations are viewed as interested in local affairs but lacking influence. National media receive lower scores on interest and influence.

A relatively small minority of respondents say their community was prepared for the war, but there is also a strong recognition of the agility and adaptability of communities in dealing with its impacts. Civil society is the most positively rated stakeholder for agility and ability to overcome challenges, followed by the private sector. Local public authorities and the central government are seen as slower to react but more capable of having an impact in communities.

Civil society is also seen as the stakeholder with the highest level of organizational and human-resources capacity. However, its financial capacity is rated considerably lower. This limits civil society's long-term sustainability. By contrast, local public authorities and the private sector are rated highly for financial and human resources capacity but moderately for organizational strength.

Resilience should be conceptualized beyond crisis response. It should encompass preparedness, agility, robustness, and societal impact. Ukraine's civil society and private sector have performed strongly across these dimensions, showing they play a crucial role in local recovery and democratic resilience.

Effective cooperation between local stakeholders is a key factor in resilience. The quality of cooperation is rated highest between civil society and the private sector and between local public authorities and the central government. Cooperation between civil society and the central government is rated lowest; this reflects that it is hampered by limited transparency, centralization, and fragmented civic representation.

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There have been many examples of local collaboration in emergency response, rebuilding infrastructure, and providing social-support services. However, most of these efforts remain informal and dependent on personal networks rather than institutionalized mechanisms.

International organizations are often seen as neutral facilitators. While they play an important role in funding and technical assistance, their limited local and long-term presence as well as their focus on niche groups does not help the building of broad coalitions.

Despite the importance of inclusive planning, stakeholders' awareness and participation in the National Recovery Plan remain low. Large majorities say they had not heard of it nor been involved in its development. The process remains largely top-down, with the central government playing the dominant role. In contrast, stakeholders report higher awareness of and involvement in local community strategies. However, the implementation of these is impeded by capacity limitations at the local level. Effective and accountable investment planning must include early-stage stakeholder participation, especially in the evolving reconstruction framework.

Stakeholders see transparency and the quality of public services as the top priorities for their community, followed by safety and security, accountability, and civic engagement. Despite the scale and impact of the war destruction caused by Russia, physical infrastructure and housing rank lower in priority for stakeholders, except in some conflict-affected communities. This suggests a strong societal emphasis on governance quality and inclusive decision-making.

Ukraine's local stakeholders, especially civil society and the private sector, have shown remarkable agility and resilience during wartime. However, their long-term effectiveness depends on improving cooperation with public authorities and reducing over-centralization. Developing a structured mechanism for stakeholder collaboration, fostering trust, and building capacity at the local level will be essential for a sustainable recovery.

It is crucial that the EU and other international donors structure their funding to allow direct access for local actors, and that they promote inclusive planning processes and community engagement. International support should aim at reinforcing inclusive civic participation in public policy processes, and also at improving cooperation and dialogue between civil society and the relevant national and local authorities. More importantly, donor funding should support directly engagement between citizens, local civil society, and local public authorities to improve the quality of policymaking so that it fits better people's needs and fosters vibrant debates on issues affecting everyday life and the future of the country, building democratic society. This will help align recovery efforts with community needs and mitigate the risk of corruption, clientelism, and governance disconnects.

Ultimately, Ukraine's resilience is a whole-of-society endeavor. Continuing to invest in a civil society that is active at the local level is crucial for accountability in decision-making processes and local development in the country's communities. Empowering local actors through collaboration, transparency, and capacity-building will strengthen Ukraine's democratic governance and recovery.

Introduction

The impact and effectiveness of international assistance and donor conditionality can be linked to domestic efforts of societal mobilization and the empowerment of local actors.¹ The capacity of local actors to exert a positive influence in their community has been a key focus of international assistance in the context of overlapping crises such as the COVID-19 pandemic, the full-scale invasion of Ukraine, economic recession, outward migration, and internal displacement of people. In parallel, in times of crisis, local actors see their influence constrained by the tendency of states toward centralization of power.

The balance of power between central and local governments is crucial, but among local actors the latter have the largest influence in community affairs given their regulatory and budgetary powers. However, a better understanding of the role of nonstate actors in local affairs in times of crises and power centralization is needed.

In the case of wartime Ukraine, most of the evidence about domestic stakeholders' involvement in the development of local communities has come from international organizations,² think tanks,³ or domestic civil society organizations (CSOs).⁴ Such assessments analyze local actors through the programmatic lenses of the international donor community rather than their embeddedness in their communities. It is important to understand what enables different local actors in Ukraine to have a meaningful role in their community during the war as this would advance societal resilience in the country.

Methodology

The German Marshall Fund of the United States (GMF) and Institute Respublica, with support from the Porticus Foundation, carried out in 2023–2024 a comprehensive mapping of the engagement and capabilities of various local actors in Ukraine. An original expert survey was conducted in 18 Ukrainian localities of different sizes and in different regions: Bohuslav, Cherkasy, Dnipro, Drohobych, Kharkiv, Khmelnytskyi, Kamianets-Podilskiy, Kyiv, Kropyvnytskyi, Manevichi, Odesa, Poltava, Rivne, Sumy, Uzhhorod, Voznesensk, Zaporizhzhia, and Zhytomyr. The selection was informed also by the extent of the local reach of GMF and Institute Respublica as the result of their past activities with local stakeholders.

The focus was on the following types of stakeholders: civil society (including civic actors and informal citizen groups), local public authorities and the central government, local and national media, the private sector, and international organizations. The expert survey was carried out between March and April 2024 with 426 respondents including members of civil society (157), the private sector (98), local and central government (79), and local and national media (110), as well as local representatives of international organizations (12). This distribution among the stakeholder groups moderates bias and reflects wider societal perspectives. The survey data was complemented by local consultations with experts and an in-depth, up-to-date assessment of the needs of and potential opportunities for civic actors in Ukraine.

Local Communities Surveyed

	 Rural Communities: Bohuslav, Manevichi, Voznesensk.	 Administrative Hubs: Cherkasy, Drohobych, Khmelnitskyi, Kropyvnytskyi, Poltava, Rivne, Uzhhorod, Zhytomyr.	 Economic Hubs: Kamianets-Podilskyi, Kyiv, Odesa.	 Conflict-Affected Communities: Dnipro, Kharkiv, Sumy, Zaporizhzhia.
Stakeholders With Largest Influence	Local public authorities.	Local public authorities, central government, private sector.	Balanced influence of all relevant stakeholders.	Civil society, local media, international organizations.
Impact of War	Decrease in economic activity and job losses.	Increase in the number of internally displaced persons, creating additional strain on local resources and services.	Decrease in economic activity and job losses.	Significant destruction of infrastructure and housing, complicating access to basic services.
Response	Private sector and local public authorities collaborated to support businesses, create new jobs, and attract investments for economic recovery.	Collaboration between local public authorities and the central government, CSOs, and international donors to provide housing and support for internally displaced persons.	Private sector and local public authorities collaborated to support businesses, create new jobs, and attract investments for economic recovery.	Local authorities and CSOs actively worked on restoring infrastructure and providing housing for affected individuals.



This report assesses the interest, influence, and capacities of various local stakeholders in Ukraine by looking at the extent of their engagement, influence, and cooperation in a selection of different communities since the start of Russia's full-scale invasion in February 2022. These stakeholders are civil society, local public authorities and the central government, local and national media, the private sector, and international organizations. The report also examines challenges to the local ecosystem in Ukraine, such as the impact of exogenous threats like the war or of endogenous issues like corruption and clientelism. It also sheds light on when and how Ukraine's local actors can contribute in meaningful ways to democracy and governance processes and societal resilience in times of crisis.

Stakeholders' Interest and Influence in Community Affairs

Based on their population, economic statistics, and situation in relation to the front line of the war, the local communities included in this study can be divided into four categories: small-sized "rural communities", medium-sized "administrative hubs", large-sized "economic hubs", and "conflict-affected communities".

Survey respondents were asked to rate the scale of each stakeholder category's interest in and influence on local community affairs on a scale of 0 (none) to 5 (very large). Here and throughout this report, responses from 0 and 2 (that is, below the median point) are considered to be "negative" views and those from 3 and 5 (that is, above the median point) are considered to be "positive" views.

The survey finds that civil society is seen as the stakeholder most interested in local community affairs, with 91% of respondents expressing a positive view of their interest and 36% viewing it as very large. Civil society is rated clearly higher in these regards than local public authorities, at 74% and 46% respectively. Only 8% of respondents see the central government as taking a very large interest in local affairs.

In contrast, and not surprisingly given their powers, local public authorities are clearly seen as the stakeholder with the most influential in local affairs, with 84% positive views of its influence and 39% saying it is very large. Next comes the central government with 20% seeing its influence as very large. By comparison, 70% view the influence of civil society as positive but only 9% say it is very large.

The level of influence of local public authorities is seen as broadly similar to that of local media, and as somewhat less than that of the private sector. While 79% express positive views of the level of the local media's interest in local affairs, only 7% say they have a very large influence. By contrast, the national media is seen as having a lower level of interest at 45% positive views but even less as having a very large influence at 5%. A similar share of respondents expresses a positive view of the level of the private sector's interest at 80%, though slightly more as having a very large influence at 9%. International organizations are broadly perceived as interested in local affairs with 68% positive views and as having a similar level of very large interest as these other stakeholders at 8%.

The fact that civil society, local media, and the private sector are seen to take the greatest interest in local affairs reinforces the argument that it is important to advance coalition-building between these stakeholders and local public authorities, whose power to serve local communities is much greater. A careful triangulation of their different levels of interest and influence in local affairs would strengthen the positive impact all these stakeholders could have in their communities, especially in times of crisis.

The perceived level of influence of the stakeholders differs across the four categories of communities. Local public authorities are seen to be the most influential ones in the rural communities, while national and local media are seen as having only minimal influence there. In the administrative hubs, which have an important position in their respective regions but not a large economic one, local public authorities and the central government are seen as the most influential local stakeholders, and to a certain extent the private sector too.

In contrast, in the economic hubs, there is a much more balanced view of the influence of civil society, local public authorities, the local and national media, and private sector. The economic hubs seem to be more dominated by the private sector and local public authorities. The influence of civil society is seen as moderate, and that of international organizations low. The private sector and local public authorities yield more influence in these communities, as they often collaborate to support businesses, create new jobs, and attract investments for economic recovery.

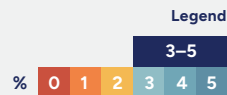
In the rural communities, the private sector's influence is seen as relatively small, and local public authorities and civil society are perceived to have a larger influence on community affairs. The influence of local media is seen as notably higher in the administrative hubs, such as in Kyiv where there is a strong tradition of political engagement and activism. Additionally, local media are seen to have a significant influence in conflict-affected communities like Dnipro, Kharkiv, and Sumy. There, local media, along with civil society as well as international organizations, is seen to play a crucial role in shaping public opinion and informing the population.

Stakeholders' Capacity

Respondents were asked to assess the level of each stakeholder's capacity from a financial, human resource, and organizational perspective. Averaging the positive views of all stakeholders in each of the three categories shows that the most positive score is for human-resource capacity (74%), followed by organizational capacity (72%) and financial capacity (70%).

Financial capacity addresses the ability to mobilize and manage funds—including through budgeting, accounting systems, bank account management, and documentation—which contributes to their overall financial stability and capacity to meet operational and donor requirements. Local public authorities, the central government, the private sector, and international organizations are perceived to possess a high level of financial capacity, with positive views of this ranging from 68% to 84%. In contrast, only around half of respondents have a positive perception of the level of financial capacity of local media (49%) and civil society (53%).

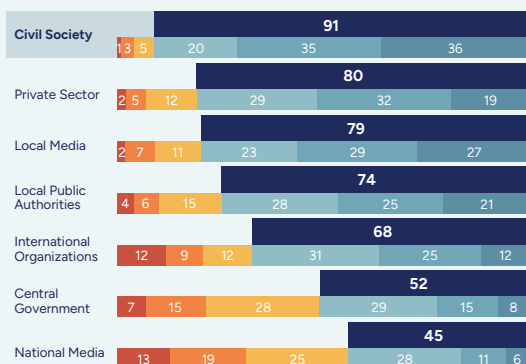
Interest, Influence, and Capacity



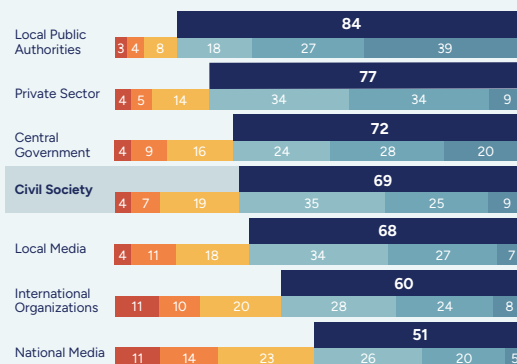
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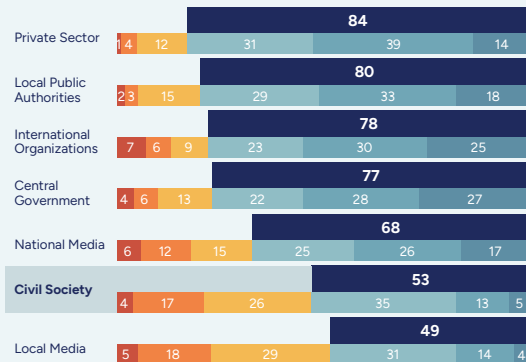
Interest in local affairs



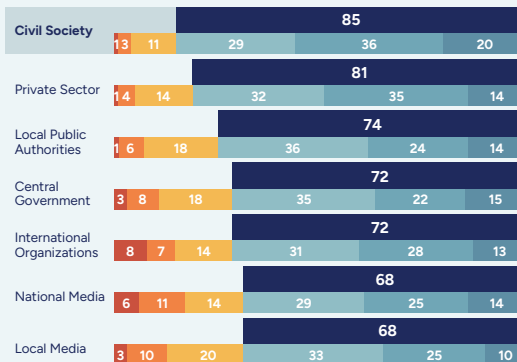
Influence in local affairs



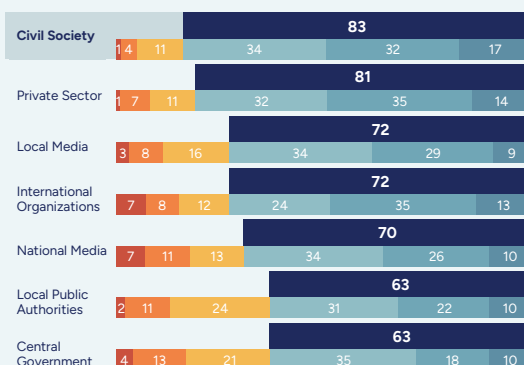
Financial capacity



Human resource capacity



Organizational capacity



Human-resource capacity refers to the extent of having adequate staffing, skilled personnel, and internal structures to sustain operations and to carry out different activities. This includes components such as systematic staff management, professional development, and retention mechanisms. The level of human-resource capacity of all stakeholders is seen as clearly high, with positive views ranging from 68% to 85%, and civil society receiving the highest score. That of local public authorities is seen as slightly higher than that of the central government, with both clearly lagging civil society at 74% and 72% respectively. National and local media are the lowest scorers in this regard at 68% each.

Organizational capacity refers to the scope of structured procedures, know-how, and overall institutional strength. Governance and legal structure, administrative and procurement systems, and management plans demonstrate stakeholders' strategic orientation. Each element is needed to build a resilient institutional framework that can sustainably support a stakeholder's goals. In this category, civil society is viewed as having the highest level with 83% positive views, followed by the private sector with 81%. Local public authorities and the central government lag considerably behind with 63% each.

Organizational and Societal Resilience in Local Communities

Various national and international bodies have adopted a broad interpretation of resilience in their approach to crisis management, as opposed to the narrow one that sees resilience as a reaction to disaster. In the broader view, resilience is often referred to as the process in which organizations not only react to crisis but also anticipate and prepare for them. In this case, resilience can be defined as the ability of a system, community, or society exposed to resist, absorb, accommodate to, and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic functions.⁵

Societal resilience refers to a community's capacity to resist and respond to a crisis, which must include democratic resilience.⁶ At the local level, there are four key dimensions to societal resilience from the political perspective of democratic resilience: institutional capacity, social capital, quality of governance, and trust. While international organizations have long aimed to strengthen democratic resilience by looking at democratic processes and good governance, current challenges such as funding limitations, the war in Ukraine, or the malign interference from Russia across the region require more holistic mechanisms of support. This means reinforcing each of these interlocking dimensions and investing in their core determinants. For example, building institutional capacity requires developing control, planning, and reporting capabilities within organizations to make them self-sufficient and more responsive to their constituents. Yet, these efforts should strive to avoid negative consequences, such as corruption or kleptocracy, that distort the social contract and increase social vulnerabilities. Conversely, the social contract is reinforced when there is sufficient social capital to respond to and work with strong institutions. The solution is strong civic culture and social trust at all levels.

As the lines between different stakeholders blur in times of crisis, the PARI methodology for institutional resilience—which is structured on the four dimensions of preparedness, agility, robustness, and impact in society—can be applied to all of them.⁷ It is derived from earlier research on institutional management of crises, business resilience, or long-term recovery after crises. Resilience is generally defined as the capacity to react and recover from a crisis, and institutional resilience can be defined as the capacity of an organization to resist, adapt, and recover its functions and structures after a crisis while maintaining a positive influence in its community. Institutional resilience can thus be seen as a continuum of what an organization does in preparation for a crisis (preparedness), how fast it reacts to a crisis (agility), and to what extent it survives or is able to maintain its activities after the crisis (robustness).⁸

Local resilience can be defined as a community's ability to resist, adapt, and recover its functions and structures after a crisis or a disruptive event, which requires a concerted effort from all stakeholders. It also includes various aspects of community life, including institutional capacity, market conditions, decision-making processes, critical infrastructures, and mitigation measures against key vulnerabilities. This understanding of resilience reflects processes such as governance, competitiveness, the rule of law, climate action, and cybersecurity.

The vast majority of the survey's respondents (80%) say their local community had not been prepared to face the war or any other crisis at the time of the full-scale invasion, with 28% saying it had not been prepared at all. However, comparably large majorities also say that their community showed a high level of agility in responding to the circumstances of the war. One possible explanation for this apparent dissonance is that respondents understand being prepared for the war exclusively in terms of the moment of the full-scale invasion and its immediate aftermath, and that they separate this from the ability to deal with the war's consequences over a longer period.

Civil society is seen by a considerable margin as having been the most agile in responding to the war circumstances.

Respondents assessed as low the level of preparedness of all categories of stakeholders for the war or any other crisis, with positive views ranging from 37% to 43%. However, some are seen to have been much more agile than others in their reactions to the situation from February 2022 on. Civil society is seen by a considerable margin as having been the most agile in responding to the war circumstances, with 81% positive views and 27% saying they have had a very high level of agility. Local public authorities and the central government lag far behind at 55% and 54% positive views respectively. Civil society is ranked first when it comes to the ability to overcome the challenges of war (74% positive views and 15% saying they were very able). By contrast, they are seen as having had slightly less ability to continue to have an impact in their community, with 68% positive views, behind local public authorities and the central government as well as the private sector.

The survey answers suggest that civil society, local media, and the private sector are highly agile, being most able to adapt to the wartime crisis situation. By contrast, local public authorities, the central government, and international organizations are perceived to have been the least agile.

Preparedness, Agility, Responsiveness, and Impact

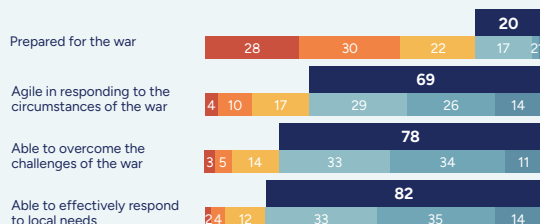
Legend



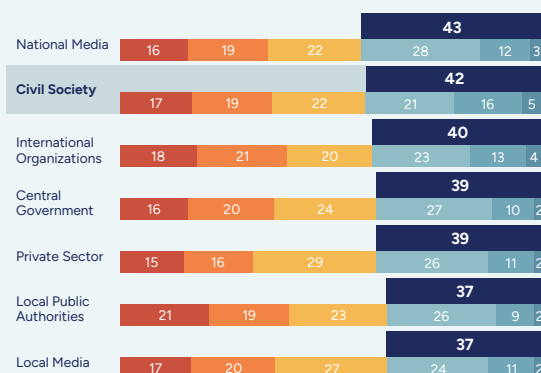
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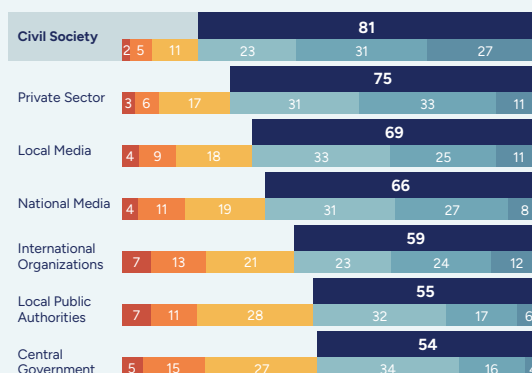
To what extent do you think your local community was:



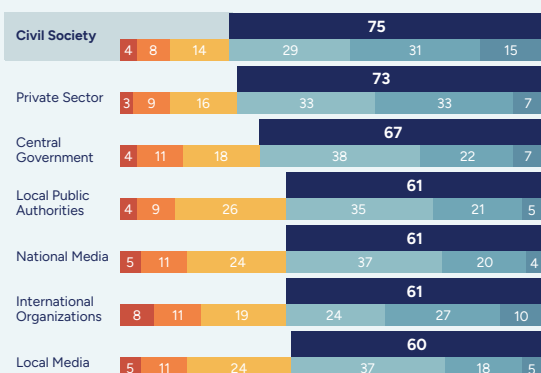
Prepared for the war or any crisis



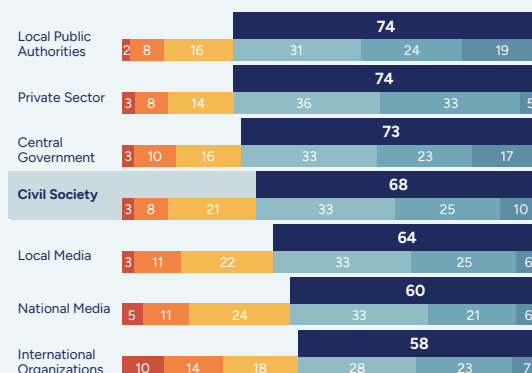
Agile in responding to the circumstances of the war



Able to overcome the challenges of the war



Continues to have an impact in your local community



The different categories of stakeholders are seen to have been broadly able to overcome the circumstances of the war, with positive views ranging from 60% to 74%. Civil society (as noted above) and the private sector are seen as having done best in this regard with 75% and 73% positive views respectively.

Local public authorities, the central government, and the private sector are seen as having been the stakeholders with the greater ability to continue having an impact on local communities, with civil society rated not far behind them with 68% positive views.

In the wartime context, people can clearly make a difference in their local community. As consulted experts pointed out, civil society “is not just registered NGOs, but also people, volunteers who show up to clean the rubble from an attack”.⁹ Many local experts note that there is a sense of solidarity between multiple actors toward the goal of victory in the war and safeguarding Ukraine's Euro-Atlantic orientation that started with the Revolution of Dignity.

The consultation with experts identified three major strengths of Ukraine's local communities. First, the country's decentralization process begun after the Revolution of Dignity has provided local communities with a sense of empowerment, and the resulting grassroots actions have contributed to social resilience in the context of the war. Second, as also noted by the survey responses, civil society has been very agile. This has been demonstrated not only in responsiveness to local needs but also in many civic actors shifting the focus of their activities; for example, from watchdog functions to public advocacy for foreign military assistance or managing centers for internally displaced persons. Third, the dependency of civic actors on financial assistance from international donors provided them with opportunities for public diplomacy or Track 3 diplomacy, with many civic actors using their long-term relations with their international partners as well as with the public authorities to form coalitions and to make progress on shared priorities for Ukraine, such as advancing reforms and mobilizing international support and assistance in the war.

Stakeholders' Cooperation

The consultation with experts identified several positive examples of cooperation between stakeholders at the local level. Given the high level of agility and responsiveness that local stakeholders showed in the context of the war, it is no surprise that one of the most successful examples of cooperation between civil society, local public authorities, the private sector, and international organizations has been in emergency response. That is, in the establishment of housing and shelters for internally displaced persons, the provision of personal goods (for example, hygiene products and food) and services (for example, psychological support and legal assistance) to vulnerable persons. Experts also assessed that the cooperation between civic actors and local authorities has been key to ensuring the timely delivery of humanitarian assistance to the front lines.

Survey respondents judge the highest quality cooperation between stakeholders to be found between civil society and the private sector, as well as between local public authorities and the central government. This shows that nongovernmental actors are willing and able to engage and to further solutions together for their community, which reinforces the importance of a whole-of-society approach in advancing local priorities and societal

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resilience. Since the full-scale invasion, civil society and the private sector have been the stakeholders able to deploy most rapidly human and material resources in support of local communities. Seen as more agile than governmental bodies, they have shown a greater ability to adapt to the new challenges and circumstances.

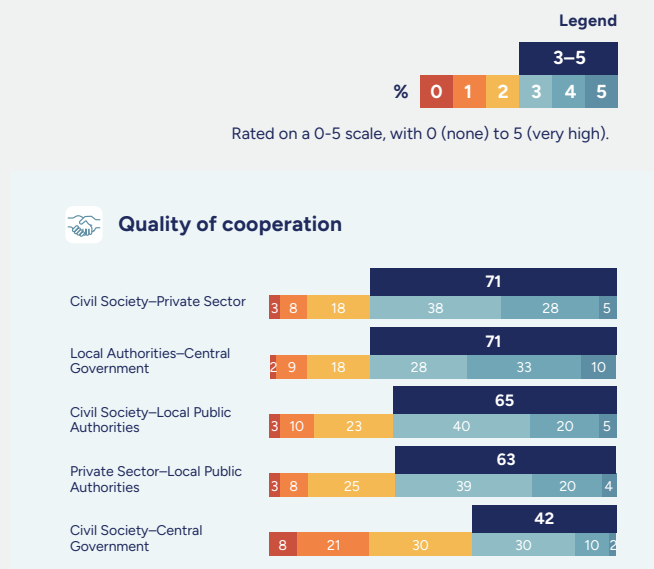
The consultation with experts turned up many examples of how civil society and the private sector cooperation have provided humanitarian assistance and contributed to evacuation efforts and the provision of essential goods and services. To this day, many local support facilities are still run by civil society with support from the private sector and international organizations. In the ongoing and increasing shift from emergency relief to longer-term support, there are also examples of such good practices as collaborative workshops for young entrepreneurs organized by businesses and CSOs to promote new business opportunities and to provide access to grants or financial contributions and donations by local businesses to support the armed forces.

Survey respondents see cooperation on local affairs as being weakest between the central government and civil society. There is a very poor consultation process between them as the central government generally limits its transparency and openness to disseminating public information on programs and decisions that were taken unilaterally. The state of martial law is not conducive to greater involvement of local stakeholders in the design of national investment programs and reforms, and most of the executive functions are still highly centralized.

Respondents evaluate local public authorities to have a broadly good level of collaboration with civil society, with 65% positive views—as much as that with the private sector (63%) and not far behind that with the central government (71%).

The ability of stakeholders to exert an impact on their local community is linked to the quality of cooperation among them, and overall such cooperation is seen as good, except in the case of cooperation between civil society and the central government, with 58% negative views.

Further analysis found positive examples of initiatives led by local media and civil society with support from local authorities: for example, local media working with local authorities to publicize successful projects, to address corruption, and to promote accountability, and local civic actors mapping community needs and informing the local authorities. Local authorities have frequently engaged other stakeholders, as in the case of collaboration with CSOs and businesses to rebuild roads, schools, and shelters damaged by the war. Some local authorities have also developed strategic community plans, such as the Green City initiative in Lviv, with inputs from multiple stakeholders.¹⁰ Another example is that of the Victory Gardens food-security and waste-reduction campaigns



supported by volunteers and local governments, and involving the central government in the form of the Ministry of Regional Development and the Ministry of Agrarian Policy and Food.¹¹

Experts consulted pointed to difficulties for other stakeholders in collaborating with local authorities and the central government due to limited access to information and bureaucratic obstacles. Local authorities are often seen as reluctant to engage with the media and civil society, particularly when it comes to responding to critical reporting or demands for accountability. Some have simplified their administrative procedures to allow greater accessibility for CSOs and local businesses. Given the emphasis on expediency in the wartime context, broader consultative processes are largely absent in Ukraine's communities. However, many civic actors believe expediency and at the same time participation could be achieved with the development of more structured institutional consultation processes instead of ad hoc information dissemination by the authorities.

There is growing distrust between civil society and the central government. CSOs often perceive the authorities in Kyiv as opaque and resistant to meaningful collaboration. But, on the other hand, the fragmentation of the civic sector creates an unnecessary burden for the central government and local authorities in a wartime context in which they have to make decisions very quickly. Even when they engage in a dialogue with civic actors, it is hard to establish to which extent the latter are representative and how to select the interlocutors.

There has been a surge in cooperation since the start of the full-scale invasion as civil society, the private sector, and some local authorities came together to address urgent humanitarian needs.

International organizations are perceived as having a role as facilitators in advancing solutions for local communities. They are often viewed as neutral actors able to advance collaboration among various local stakeholders. They have provided financial and technical support to civil society initiatives and helped bridge gaps between local authorities and community organizations. However, their influence is sometimes perceived as limited due to their lack of long-term local engagement. There is significant awareness of those international organizations and partners that support projects in communities. Some international organizations are more focused on creating sustainable replicable capabilities at the local level; for example, through initiatives to train volunteers to provide psychological support in communities affected by war.¹² There is a high level of appreciation for the international organizations that provide funding and technical support to build capacity for local CSOs and local governments. International assistance aimed at promoting multi-stakeholder partnerships is also recognized as important; for example, the partnership between international donors, including UNICEF, and various organizations and donors, local businesses, and local authorities in support of youth centers.

There has been a surge in cooperation since the start of the full-scale invasion as civil society, the private sector, and some local authorities came together to address urgent humanitarian needs. The different stakeholders recognize the importance of a coordinated response. This increasing multi-stakeholder engagement in times of crisis has also been noted across the region in recent years.¹³ However, such cooperation in Ukraine has often been informal and lacked institutionalized mechanisms, making it dependent on individual relationships and ad hoc networks.

Public authorities have not been as actively engaged in local-level cooperation and are seen to be often top-down and centralized, which leads to an increasing disconnect between state policies and local community needs. This centralized approach has hindered more dynamic cooperation with local actors, particularly in the rapidly wartime changing situation.

The private sector is not usually as visible in local initiatives, but it is credited with engaging in relatively good cooperation with civic actors and local public authorities. Notable initiatives include the joint efforts by businesses and civil society to raise funds and produce drones for the military.

Key Limiting Factors for Cooperation

Key factors limiting stakeholder cooperation at the local level include lack of trust between them, bureaucratic obstacles and the lack of institutionalized channels of communication, resource constraints and capacity gaps, political or personal conflicts, and centralized decision-making regarding development strategies.

Civil society and local public authorities have a limited interest in developing their relationship. The central and local governments are not perceived as being truly open to an equal partnership with civic actors, while more established CSOs are more heavily focused on international advocacy than involved in the realities of local communities.

In the relationship between local civic actors and the international community a key limiting factor is that too much attention is given by the latter to niche groups and not enough to forming coalitions among larger networks of locally relevant partners. International support also has a narrow focus on select local beneficiaries, with well-established CSOs often becoming regular recipients of funding when new, grassroots actors might have a stronger interest in local affairs.

There are ways to address these limitations in cooperation and coalition-building. International organizations could decrease the administrative burden for financial support on the final beneficiaries of funding so as to increase the ability of civic initiatives and informal groups to access it. Donors should prioritize increasing local stakeholders' interest in and capacity for building broader coalitions and developing cross-regional networks that enhance their organizational capacity.

Stakeholders' Involvement in Strategic Planning

Russia's full-scale invasion has massively disrupted economic activity in Ukraine and damaged infrastructure, environment and people's livelihoods. Implementing the National Recovery Plan adopted in 2022 must involve an ample investment and reform process that aims not only to ensure that the country recovers from the war-related damage but also that it is able to make a leap forward in terms of economic growth and quality of life.¹⁴ The plan has a particular focus on supporting and mobilizing the private sector alongside restoration of housing, soft

infrastructure and services, energy, and transport. In February 2024, the World Bank estimated that \$5.5 billion of the necessary funding had been secured, from Ukraine's own resources and its international partners, but that about \$9.5 billion was still needed.¹⁵

The European Union has created a Ukraine Facility "to address the multifaceted challenges confronting Ukraine in the wake of Russia's war of aggression" for the 2024–2027 period, funded up to €50 billion.¹⁶ The establishing EU regulation states that the facility has to be underpinned by a reconstruction plan prepared by the government "with due involvement" of the parliament and representatives of CSOs.¹⁷

The level of funding that Ukraine's recovery requires necessitates robust accountability mechanisms and broad stakeholder engagement in the setting of priorities. When it comes to the new public investment management framework, there is a need for local governments, civic actors, and businesses to have an input in the early stages of planning as well as the latter stages of monitoring and evaluation. Such robust multi-stakeholder engagement processes will be central to ensuring the maximal impact of the National Recovery Plan investments.

Two-thirds of survey respondents say they are not aware of the National Recovery Plan and 80% that they have not been involved in its development. This shows the need for larger public deliberation with regard to the evolution of the plan as a living document with an evolving project pipeline. The central government, in particular, is largely seen as the key actor involved in the plan's ongoing formulation, leaving little ownership by local stakeholders.

Without the involvement of local actors and local communities early in the recovery planning process, the priority-setting will be flawed as a result of a lack of contextualization on different communities' wants and needs. Beyond their desirable input in the National Recovery Plan, its implementation will also be improved through early-stage ownership by local actors in key projects and priorities targeted at their communities. Maintaining the progress made in decentralization of public administration before the full-scale invasion would thus improve efficiency of planning, implementation, and monitoring, under the ongoing state of martial law and once it is lifted.

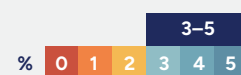
Without the involvement of local actors and local communities early in the recovery planning process, the priority-setting will be flawed.

Local governments are supposed to develop a local community strategy to access funding from the Regional Development Fund, which is estimated to reach €1 billion for 2025. By contrast with the National Recovery Plan, small majorities of survey respondents report a greater awareness of their local community strategy and involvement in its development. It is still unclear to what extent they can take on this strategic planning task on their own given the human resource and organizational know-how capacity gaps described above. For effectiveness and accountability purposes, the best approach would be for local governments to include other relevant local stakeholders from civil society and the private sector in elaborating the new local development plans.

Although the Law on Local Self-Government and the Law on Public Consultations provide for public hearings and public consultations as mechanisms for involving stakeholders, including at the level of local communities, in the decision-making and governance process, in practice these do not necessarily provide for proper discussion or

Involvement in Strategic Planning

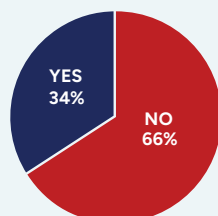
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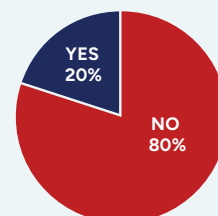
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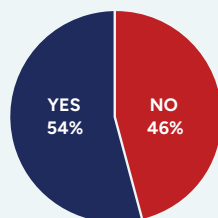
Are you aware of the National Recovery Plan?



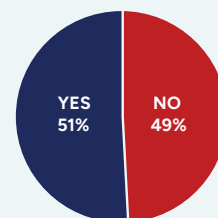
Were you involved in the development of the National Recovery Plan?



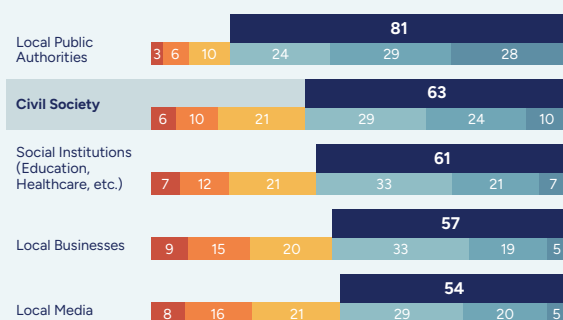
Are you aware of your local community strategy?



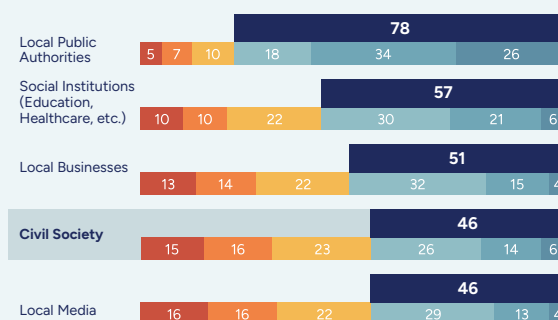
Were you involved in the development of your local community strategy?



Involved in the development of local community strategy: Participation in public consultations or other type of discussion event



Involved in the development of local community strategy: Participation in the committee



give citizens a guaranteed opportunity to influence decision-making. In fact, the process of taking decisions is exclusively in the hands of local authorities and officials, while the other parties are only “duly informed” about them. A large share of the experts consulted said that citizens are not involved in decision-making process in their local community and that public consultations are not necessarily useful.

The survey results show there is a clear view that the other local stakeholders lag local public authorities when it comes to participation in public consultations and the committees tasked with developing the local community strategies. Respondents rate the level of participation of local public authorities in both as considerably high, with 81% and 78% positive ratings respectively. Regarding public consultations, civil society is seen as having the next-highest level of participation, with a 63% positive rating, closely followed by social institutions, local businesses, and local media. When it comes to participation in strategy committees, the gap between local public authorities and civil society is greater, with the latter having only a 46% positive rating. Civil society also lags behind social institutions and local businesses in this dimension.

These survey responses point to the need to invest in building bridges between local public authorities, civil society, and local businesses to ensure more transparent, accountable, and inclusive governance.

These survey responses point to the need to invest in building bridges between local public authorities, civil society, and local businesses to ensure more transparent, accountable, and inclusive governance. Investing in the development of a coalition between them could significantly improve the quality and effectiveness of decision-making and strategic planning at the level of local government. Such a coalition would create the basis for sustainable synergies where they would support each other while planning the future of their community. It would also improve the implementation of local development strategies that serve the real interests of the community rather than those of particular groups.

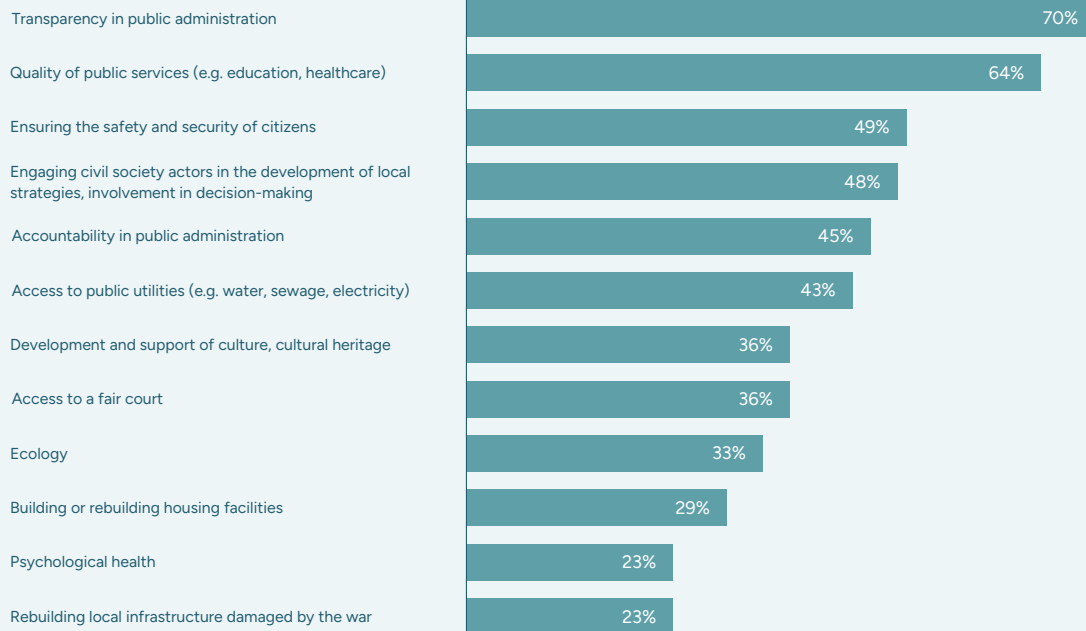
Investing in strengthening their cooperation can increase the level of trust and mutual understanding between these stakeholders, which is key to effective and sustainable community development. The business sector can provide the financial and innovative backbone for such cooperation; CSOs can provide oversight and monitoring to ensure transparency in decision-making; and local authorities can put strategies and decisions into practice. Coalitions with a high level of mutual understanding and trust can respond more quickly to challenges and crises, ensuring the resilience and sustainable development of local communities without additional external investment to ensure the longevity and sustainability of processes. And, given the potential opportunities from postwar reconstruction and development as well as from European integration, communities with well-established planning and decision-making processes will have more opportunities to receive EU support, funding, and experience exchange because they will be seen as reliable and predictable.

The low accountability of political elites and decision-makers to local stakeholders correlates with a relatively high perception on the prevalence of clientelism and corruption in each community. More than a quarter of the experts

Local Priorities



Select the top five priorities for your community out of the following issues



	Civil Society	Local Media	Local Public Authorities	National Media	Private Sector
Transparency in public administration	69 %	72 %	69 %	64 %	72 %
Quality of public services (e.g., education, healthcare)	64 %	68 %	70 %	37 %	62 %
Ensuring the safety and security of citizens	53 %	43 %	51 %	45 %	42 %
Involvement in decision-making	53 %	51 %	44 %	55 %	42 %
Accountability in public administration	47 %	45 %	37 %	55 %	47 %
Access to public utilities (e.g., water, sewage, electricity)	34 %	48 %	62 %	45 %	37 %
Development and support of culture, cultural heritage	39 %	35 %	35 %	36 %	34 %
Access to a fair court	27 %	36 %	25 %	55 %	60 %
Ecology	34 %	44 %	25 %	27 %	32 %
Building or rebuilding housing facilities	29 %	19 %	35 %	18 %	32 %
Psychological health	31 %	18 %	17 %	27 %	18 %
Rebuilding local infrastructure damaged by the war	22 %	19 %	31 %	9 %	22 %

consulted said that their community is affected by corruption, and about one-fifth said that their community was highly affected by corruption. More than one-third said clientelism had an impact on their community.

Even if there is still a long way to go until larger financial transfers can be made to local governments as part of the recovery process, the design of the institutional cooperation process should be such that broader consultation and consensus-seeking is built into the local strategic planning for, decision-making process about, and monitoring of public investments. At the start of 2024, Ukraine's authorities estimated the country would need approximately \$15 billion for immediate reconstruction and recovery priorities at the national and local level.¹⁸ This level of funding can only be secured by involving private-sector actors and international partners, and the best guarantee to these stakeholders of accountability and proper use of funds is the design of an inclusive process of planning and governance. The operation of the Digital Restoration EcoSystem for Accountable Management (DREAM) system in a nondiscriminatory way with clear selection criteria for investment projects; the transfer of state subsidy schemes for education, health and social services, and infrastructure investments to local governments; and the use of the EU's Ukraine Facility all require robust checks and balances. They should also be co-designed with local stakeholders to reflect each community's priorities. According to the government's action plan for implementing the 2024–2028 Roadmap for Public Investment Management Reform, the Ministry of Economy is working on an updated methodological framework for public investment management so as to transform the approach to preparing, submitting, evaluating, and monitoring projects. Through this new system, the national, regional, and local strategic planning process will be implemented. Therefore, the extent to which local stakeholders are involved in the planning process will ensure to what extent their views inform the investment priorities in the recovery process in the coming years.

When survey respondents were asked to identify the priorities for their community, transparency in public administration was the top one (70%), followed by the quality of public services (64%). Then come some way behind ensuring the safety and security of citizens (49%), engaging civil society actors in the development of local strategies and involvement in decision-making (48%), and accountability in public administration (45%). It is striking that factors associated with good and inclusive governance are broadly considered higher or equal priorities as factors related to the physical and material well-being of citizens.

Identifying common priorities among the different stakeholder categories provides a basis for greater stakeholder cooperation at the local level.

Identifying common priorities among the different stakeholder categories provides a basis for greater stakeholder cooperation at the local level. When it comes to the breakdown of priorities across them, transparency in public administration and quality of public services are the most popular choice by all of them. Transparency in public administration and improving public services could be the areas with the most potential for collaboration as they are clearly the two top priorities across all stakeholder categories. Improving the accountability of local authorities, increasing involvement in decision-making, and ensuring the safety and security of citizens could have potential for cooperation as they are all relatively highly prioritized in all stakeholder categories.

In general, despite the material impact of the war, infrastructure and housing are not identified as high priorities across the stakeholder categories. There is, however, some variation here with stakeholders in some conflict-affected communities (Dnipro, Kharkiv, and Sumy) giving a higher priority to these topics. Ecology, cultural heritage, and psychological health are also given a lower priority across the stakeholder categories. This picture is mainly due to the low influence of local stakeholders on such issues. Ukraine's communities, especially the smaller ones, do not have the capacity to implement complex infrastructure projects or even to fully restore housing facilities. Cultural and psychological health issues also tend to be neglected at the local level.

Conclusion and Recommendations

The findings presented in this report underscore the importance of building more institutionalized and transparent mechanisms for stakeholder cooperation in Ukraine's different communities. While there have been examples of such cooperation, especially between civil society and the private sector, the lack of consistent engagement by the central government and local authorities, as well as challenges in their relations with the media, means there are clear areas for improvement. Institutionalizing successful cooperation patterns and addressing gaps in trust and transparency between stakeholders could strengthen local governance and community resilience.

Improving stakeholder cooperation requires addressing the key limiting factors noted above. The priorities for action should be fostering trust, improving communication, increasing transparency, and creating formal mechanisms for collaboration between various stakeholders at the local level, and primarily between CSOs and local authorities. Additionally, capacity-building initiatives should focus on enhancing the professional skills and resources of CSOs and the media to enable them to engage more effectively with local authorities and other stakeholders.

By strengthening their capacities, building strategic alliances, focusing on evidence-based advocacy, and enhancing community engagement, CSOs can significantly increase their influence in local affairs. These strategies not only empower civic actors but also promote more inclusive and transparent governance in Ukraine's communities.

Recommendations

Ukraine's national and local authorities should develop a structured process of cooperation between local authorities and CSOs, informal civic initiatives, the media, academia, and the private sector so that they can advance together key strategic priorities at the local level. Local needs could be best met and local capabilities mobilized most effectively through alliances for local development. Local actors' sense of ownership of the future of their community will help them retain human capital, thus advancing the resilience of the local communities.

International donors should focus their support on local priorities, nurturing stakeholders' involvement in community affairs and allowing core funding and more agile financial mechanisms for civic actors that create space for their responsiveness. This will increase the collaboration between civic actors and other local

stakeholders such as public authorities or the private sector, thus increasing the sustainability of their activities in the long term and decreasing their dependency on donors.

Civic actors should seek to build broader coalitions with their peers in their locality, in other parts of Ukraine, and especially abroad. Developing larger networks of knowledge exchange increases their organizational capabilities, raises international public awareness of the struggle and needs of Ukrainian localities, and broadens public support for their activities.

Additional areas of donor support could include fostering:

- o Collaboration between local public-sector and local businesses in projects: The value of the synergy in such projects can be demonstrated through the effective resolution of social issues as a result of increased efficiency and of the availability of additional funding from the private sector. Such collaboration can also enhance the competitiveness of small local businesses by leveraging the expertise and human capital in CSOs.
- o Interaction between the private sector, civil society, and local authorities that is covered by local media: Initiatives to this end will help improve mutual understanding among all stakeholders, and thus to overcome bureaucratic obstacles and distrust. They will be a foundation for identifying problems and finding ways to enhance the accountability of local authorities, particularly in the context of recovery and community-development processes.

Local media should play a more active role in raising public awareness on local community issues. Local and central government should develop strategic partnerships with local media to disseminate better across local communities the strategic planning efforts on the recovery and future development of Ukraine. Local media could also develop targeted civic education initiatives focusing with priority on vulnerable groups, youth, veterans, etc. Cross-border cooperation between local media organizations in Ukraine and Moldova could strengthen their respective approaches in providing high-quality information on EU and international developments that inform the enlargement process.

The European Commission should structure the EU pre-accession and recovery and reconstruction funding for Ukraine in a manner that gives opportunities for various local actors, including CSOs or local authorities, to access these funds directly. This will decrease budgetary clientelism between central and local governments, decrease CSOs' donor dependency and financial precarity, and increase accountability mechanisms and the societal impact of international assistance support for Ukraine.

Endnotes

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