

UDC 336.1:352

**Pylypiv V.**

*Doctor of Economics,  
U-LEAD with Europe Programme,  
municipal finance advisor, Kyiv, Ukraine;  
e-mail: vpylypiv@gmail.com; ORCID ID: 0000-0002-5887-3897*

**Ventsel V.**

*Doctor of Public Administration,  
Zhytomyr Oblast State Administration,  
Director of the Finance Department, Ukraine;  
e-mail: ventsel@ukr.net; ORCID ID: 0000-0002-1902-6126*

**Ventsel N.**

*post-graduate student of the Philosophy Department  
of the Zhytomyr State University named after Ivan Franko,  
Director of the Separate Subdivision «Scientific Lyceum»  
of Zhytomyr Polytechnic State University, Ukraine;  
e-mail: n.ventsel@ukr.net; ORCID ID: 0000-0003-4477-2179*

### FISCAL SPACE FOR EMERGENCIES IN MUNICIPALITIES

**Abstract.** Emergencies that have become an integral part of the lives of different municipalities and the threat of their negative consequences requires an adequate response from local governments. The article outlines the main causes of such situations and substantiates the need to address them by joining efforts both at the national level and at the level of local self-government. The concept of fiscal space is considered by the authors as the presence of a certain budget reserve to achieve the desired goals without violating financial stability. In the context of emergencies, this is a fiscal space to fund certain goals, which can sometimes be actualized in a very short time (as happened with the situation in health care in 2020). The possibility of targeting the fiscal space in the field of health care, social protection, overcoming the effects of natural disasters, combating poverty, achieving the goals of sustainable development, etc. is noted.

The article presents the results of a study of the impact of emergencies (eg, the COVID-19 pandemic) on the ability of local authorities to respond to their consequences. The authors analyzed budget expenditures to combat COVID-19 and assessed changes in the financial capacity of municipalities and funding priorities, including funding for pandemic control at the national and subnational levels, the impact of the COVID-19 pandemic on municipal finances in terms of compliance with the principles of the European Charter of Local Self-Government, the impact on funding priorities at the local level and municipality development strategies, the ability of local governments to respond to emergencies and highlighted some already tested effective practices. The article examines the methods of forming fiscal space, which were used to overcome the consequences of emergencies: reprioritization of expenditures, improving the efficiency of available resources, revenues to local budgets, which are additionally obtained due to understatement of initial revenue plans, reserve fund.

**Keywords:** fiscal space, emergencies, municipal finances, municipalities.

**JEL Classification** R51

Formulas: 0; fig.: 1; tabl.: 1; bibl.: 15.

**Пилипів В. В.**

*доктор економічних наук,  
Програма «U-LEAD з Європою»,  
радник з питань муніципальних фінансів, Київ, Україна;  
e-mail: vpylypiv@gmail.com; ORCID ID: 0000-0002-5887-3897*

**Венцель В. Т.**

доктор наук з державного управління,  
Житомирська обласна державна адміністрація,  
директор Департаменту фінансів, Житомир, Україна;  
e-mail: ventsel@ukr.net; ORCID ID: 0000-0002-1902-6126

**Венцель Н. В.**

аспірантка кафедри філософії та політології  
Житомирського державного університету імені Івана Франка,  
директор Відокремленого підрозділу «Науковий ліцей»  
Державного університету «Житомирська політехніка», Україна;  
e-mail: n.ventsel@ukr.net; ORCID ID: 0000-0003-4477-2179

## ФІСКАЛЬНИЙ ПРОСТІР ПОДОЛАННЯ НАСЛІДКІВ НАДЗВИЧАЙНИХ СИТУАЦІЙ У ТЕРИТОРІАЛЬНИХ ГРОМАДАХ

**Анотація.** Надзвичайні ситуації, які стали невід'ємною частиною життя різних громад, а загроза їхніх негативних наслідків потребує реакції на них з боку органів місцевого самоврядування. Окреслено основні причини виникнення таких ситуацій та обґрунтовано необхідність їх вирішення шляхом об'єднання зусиль як на національному рівні, так і на рівні місцевого самоврядування. Концепція фіскального простору розглядається як наявність певного бюджетного резерву для досягнення бажаних цілей без порушення фінансової стійкості. У контексті надзвичайних ситуацій ідеться про фіскальний простір для фінансування певних цілей, які іноді можуть актуалізуватися в дуже короткий термін (як це трапилося із ситуацією в охороні здоров'я 2020 року). Зазначається можливість цільового спрямування фіскального простору у сфері охорони здоров'я, соціального захисту, подолання наслідків природних катаклізмів, боротьби з бідністю, досягнення цілей сталого розвитку та ін.

Представлено результати дослідження впливу надзвичайних ситуацій (наприклад, пандемії COVID-19) на спроможність місцевої влади реагувати на їхні наслідки. Проаналізовано бюджетні видатки, що спрямовувались на боротьбу з COVID-19, а також здійснили оцінку зміни фінансової спроможності територіальних громад та пріоритетів їх фінансування, включаючи питання фінансового забезпечення заходів боротьби з пандемією коронавірусу на національному і субнаціональних рівнях, впливу пандемії COVID-19 на місцеві фінанси в частині відповідності принципам Європейської Хартії місцевого самоврядування, впливу на пріоритети фінансування на місцевому рівні та на стратегії розвитку громад, можливостей реагування органів місцевого самоврядування на надзвичайні ситуації та висвітлено деякі вже випробувані ефективні практики. Досліджено способи формування фіскального простору, які застосовувалися для подолання наслідків надзвичайних ситуацій: репріоритизація видатків, підвищення ефективності використання наявних ресурсів, надходження до місцевих бюджетів, які додатково отримані внаслідок заниження початкових планів доходів, резервний фонд.

**Ключові слова:** фіскальний простір, надзвичайні ситуації, місцеві фінанси, територіальні громади.

Формул: 0; рис.: 1; табл.: 1; бібл.: 15.

**Introduction.** The emergencies have become an integral part of society's life and a permanent challenge that national and local governments in different countries are constantly faced with in recent decades. The causes of such situations often lie outside the influence of any country while their consequences become tangible even at the local level. Global climate change, epidemics, military conflicts are increasingly leading to complex emergencies that require significant efforts at both the national and local levels.

COVID-19 pandemic, which began abruptly in early 2020, is one of the largest manifestations of a complex emergency that has affected all areas of human life around the world.

The main consequences of the pandemic were significant world economy reduction, rising unemployment, the decline of many industries, culture and art, tourism, reformatting the educational process and more. National and municipal public finances have also been significantly affected.

As a result of these processes there may appear an unpredictable need for a significant increase in funding for previously unforeseen expenses. At the same time, the sources of budget revenues (due to declining incomes, business closures, property losses, etc.) are also negatively affected, which creates the so-called «scissors effect» of increasing costs while reducing budget revenues. In order to respond adequately to emergencies, the state and local governments need an appropriate fiscal space within which the necessary resources can be mobilized, rapid reprioritization and redistribution of expenditures between different sectors can be provided.

**Analysis of research and problem statement.** The ability of municipalities to adapt and respond quickly to new challenges, as well as to develop in conditions of constant stress and shock, is defined by Goal 11 of the Sustainable Development Goals. «Sustainable» municipalities must be characterized by a resiliency, which is determined by factors of vulnerability to environmental, social, economic, migration and other disasters and the ability to adapt to threats and prevent their serious consequences.

Public finance is one of the areas most affected by emergencies but it is also a key mechanism for overcoming their consequences. That is why the issue of forming an appropriate fiscal space to respond to emergencies is an important issue to ensure the sustainable development of local communities.

Numerous studies on the impact of the COVID-19 pandemic on the ability of local governments to perform their functions have been conducted by international organizations such as the OECD [1—3], IFC [4], ILO [5], UN-Habitat [6], Deloitte [7], LSE cities [8—10]. They also substantiate the recommendations for new models of emergency risk management at different levels. In particular, LSE cities, together with the United Cities and Local Governments (UCLG) and the World Association of Largest Metropolises (Metropolis), has established the Emergency Management Initiative (EMI), which explores the institutional dimensions of rapid and radical response to global emergencies. In 3 published studies, the authors use a new category of «complex emergencies» which mainly relate to COVID-19 health emergencies, the global climate emergency and, finally, social emergencies, including migration, forced relocation and housing problems. Over the past few years, local authorities have begun to play an increasingly important role in confronting complex emergencies, helping to identify, discuss, make decisions and respond.

One of the key principles identified by the UN to respond such emergencies is the formation of an adequate municipal fiscal space for recovery and reconstruction after a pandemic [6]. In this context, special attention is paid to finding opportunities for debt financing of emerging needs. However, for developing countries with underdeveloped municipal bond markets or other forms of debt financing, such opportunities are often lacking. According to an alternative approach, governments and local self-governments create reserve funds. International experience has many examples of national and regional funds of this type, which, with proper structuring and volume, help mitigate the impact of shocks and improve fiscal discipline [11].

An estimated budget revenue loss due to the COVID-19 pandemic are disclosed in ILO publications [5]. In particular, according to the ILO, in 2020 the global labor market recorded huge losses of working time, which led to budget revenue losses. Globally, PIT revenues decreased by 8.3% in 2020 compared to 2019 — by 10.3% in the United States, by 8.7% in Europe and Central Asia, by 6.6% in Asia and the Pacific. In average, the countries with the lowest average income — 12.3% — suffered the largest losses. According to estimates of the COVID-19 fiscal effects in the United States, the corresponding revenues of the state and local government will decrease by

approximately 5.5% in 2021, 5.7% in 2022 and 4.7% in 2023 [12]. Some issues of estimated local budgets losses in Ukraine in 2020 were presented in the study of the U-LEAD Program with Europe [13].

This article offers a study of the possibilities of the fiscal space formation on the case of the impact analysis of such a complex emergency as the COVID-19 pandemic on local finances in Ukraine.

**Research results.** The concept of fiscal space appeared in the scientific literature in 2005 in the IRF materials by Peter Heller [14]. In a broad sense, fiscal space is understood as the existence of a certain budget reserve to achieve the desired goals, the use of which will not violate the financial stability of the government. Fiscal space is assessed from the standpoint of targeted budget resources. In other words, fiscal space is set up for financing certain goals, and can be activated in a very short time (as happened with the situation in health care in 2020). Examples of targeted fiscal space are health care, social protection, emergency response, poverty reduction, sustainable development goals, and more.

Another important aspect of the fiscal space formation is its possibility for achieving national goals as well as local goals, ie fiscal space can be formed within the municipal budgets.

The most common ways of fiscal space formation are:

- tax measures,
- external grants,
- improving funds efficiency,
- internal and external borrowings,
- reprioritization.

Many of these methods are used in the practice of fiscal space formation in Ukraine.

In the regulatory environment of Ukraine, the category «fiscal space» first appears in the Budget Declaration for 2022—2024 as a reserve of funds to ensure the state's ability to withstand fiscal risks, respond to possible needs to increase funding for expenditures not provided for in the Budget Declaration to carry out consistent and comprehensive implementation of sectoral reforms [15]. In fact, these are unallocated expenditures of 50 to 100 billion hryvnias.

Health care is among the socially significant sectors to which such a redistribution is likely to take place. The situation with the pandemic in 2020 has shown that the health care sector may fall into the category of complex emergencies, which will require appropriate fiscal space to meet the challenges at both national and local levels.

Ukrainian legislation has identified health care as one of the priority sectors of state support. State health care policy is provided with budget allocations in the amount that meets its scientifically justified needs, but not less than 10% of national income. In 2020, health care expenditures accounted for 4.1% of GNI, which is 2.5 times less than the statutory level. Since 2011, the largest amounts of budget funds were allocated to medicine in 2012, 2013 and 2020, when the share of expenditures was 4.1% of GNI.

During this period from 2011 to 2020, underfunding of the healthcare sector to the level set in legislation was UAH 1,624.3 bln. It should be noted that budget expenditures on healthcare sector were equal to the amounts allocated for public debt service in recent years (this applies to the payment of interest on the principal amount of debt). Only in 2019, starting from 2015, healthcare expenditures exceeded public debt service expenditures by 6.9% and amounted to UAH 128.4 bln against UAH 120.1 bln. In 2020, when the government collected additional funds to combat COVID-19, the amount of spending on healthcare grew significantly and amounted to UAH 175.8 bln against UAH 121.2 bln spent on public debt service. In general, during the period, healthcare expenditures increased 3.6 times — from UAH 49.0 bln in 2011 to UAH 175.8 bln in 2020. At the

same time, expenditures on public debt service increased 5.1 times – from UAH 23.9 bln in 2011 to UAH 121.2 bln in 2020.

Compared to other countries, budget expenditures on healthcare in Ukraine are significantly lower. For the period from 2011 to 2019, the average budget expenditure of Ukraine on healthcare financing was 3.6% of GDP, while the same figure in the EU as a whole was 7.1%, ie 1.8 times more. Compared to European countries, with the exception of Switzerland, Ukraine allocates the least share of funds to finance medicine relative to GDP.

The consequences of unsatisfactory financing of the medical industry of Ukraine were especially acute in 2020 during the COVID-19 pandemic. Chronic underfunding of medicine has led to a low level of logistics, lack of personal protective equipment for doctors and priority medicines, dismissal of medical staff. According to the State Statistics Service of Ukraine, in 2020 the average monthly salary in Ukraine was UAH 11,591 while the average salary in the healthcare sector was one of the lowest at UAH 8,995, which is 24.4 % less than the average in all industries.

In addition to healthcare, the COVID-19 pandemic has had a significant impact on all areas of human life around the world. Even now, 2 years after the beginning of the pandemic, it is impossible to estimate the material and intangible losses caused by it, because the pandemic is still far from over.

The COVID-19 pandemic and the quarantine measures that took place in 2020 and 2021 significantly affected all areas of economic activity, which ultimately affected the financial capacity of municipalities, the ability of local governments to exercise their powers and implement development strategies. Reduced revenues and the need for additional funding for anti-pandemic measures have significantly complicated the situation of local budgets. During the pandemic, the fiscal space of local governments narrowed significantly due to reduced tax revenues and increased pressure on local budgets by the need to finance additional measures to overcome the pandemic and its socio-economic consequences.

In 2020, one of the instruments for financing anti-epidemic measures in Ukraine was the Anti-COVID-19 Fund, which was established as part of state budget. The amount of the Fund was approved in the amount of UAH 80.9 billion, of which UAH 66.5 billion was actually used:

- the biggest share of the Fund was allocated for the construction and repair of the roads of national significance – UAH 26.2 billion. UAH 25.7 billion (98.3%) have been spent so far;
- UAH 8.8 billion (82.1% of the allocated amount) were spent to support the Unemployment Insurance Fund;
- UAH 5.5 billion (92% of the allocated amount) were spent as bonuses for healthcare workers;
- UAH 4.5 billion (100% of the allocated amount) were spent as bonuses for police and military personnel;
- UAH 1.7 billion (4.5% of the allocated amount) were spent for the construction and repair of hospital admission units;
- UAH 3.9 billion (74.1%) were spent for the additional funding of State-guaranteed healthcare services;
- UAH 3.6 billion (43.6%) were spent as financial support for citizens who lost their income due to the restrictions on their economic activity.

In fact, the anti-COVID Fund can be seen as a fiscal space to strengthen the health care system and overcome the effects of the pandemic, which was formed by reprioritizing expenditures.

However, significant part of the Fund was still spent for the purposes that were planned at the beginning of the year.

The total local budgets expenditures directly related to anti-Covid measures are equal to UAH 10.3 billion (2.1% of their total expenditures). In addition to the need to incur additional costs to combat the pandemic, municipalities have suffered significant revenue losses. According to the results of 2020, general fund revenues of local budgets of Ukraine (excluding intergovernmental transfers) amounted to UAH 290.1 bln, which compared to 2019 means a nominal increase in revenues by UAH 14.9 bln (+5.4%). It should be noted that in 2019, the increase in revenues compared to 2018 was 17.5%. Given the dynamics and actual revenues, the decline in business activity due to quarantine restrictions, there is reason to believe that the total direct loss of local budgets revenues in Ukraine (general fund) in 2020 amounted to UAH 28.3 bln [13].

One of the consequences of quarantine restrictions and a decline in economic activity was the reformatting of the local budget expenditure's structure. Compared to 2019, in 2020 the share of expenditures on wages in the budget sphere and a decrease in the financing of current expenditures increased.

According to the official reports, salary expenditures in the public sector in 2020 amounted UAH 206.7 billion, which is UAH 27.4 billion (15.3%) higher compared to 2019 (chart 8). It must be noted that the revenues of local budgets increased by 5.4% only. That is, the expenditures dynamics was much higher than local budget revenues dynamics.

The significant increase of the salary expenditures along with the humble increase of the revenues explains their significantly increased share in the spending structure. The share of the salary expenditures in 2020 ended up at 43.2% compared to 37.1% in 2019, while the current expenditures went down from 18.6% to 14.4%. It should be noted that in 2020, local councils almost did not adopt special programs aimed at financing activities related to the fight against COVID-19. The financing of such expenditures (in particular, the purchase of protective equipment and disinfectants, medicines, etc.) was mainly carried out at the expense of funds provided for the implementation of relevant budget or programs. Only in some cases was their funding increased.

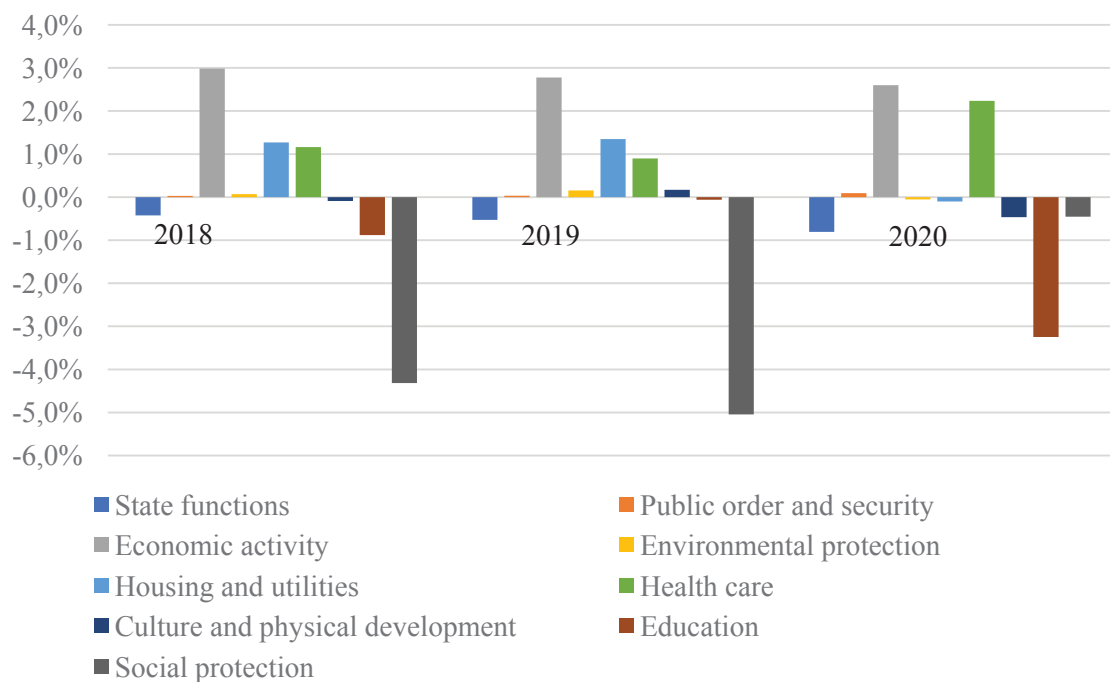
Fiscal space for health care at the local level was also provided by reformatting the activities of medical institutions without the use of significant additional financial resources. Redistribution was carried out and the efficiency of the use of available resources was increased.

An interesting feature of the local budgets revenue base formation in 2020 was that, despite all the challenges associated with reducing local budget revenues, the initially approved local budget revenues plans were performed by 105.3%, general fund own revenues — by 99.0%. In fact, there was a decrease in key revenues to local budgets, including personal income tax, the single tax and the land tax. It is estimated that town revenues loss in 2020 due to the pandemic amounted to more than UAH 28 bln. However, in the end, the initially approved plans turned out to be even over performed. This paradox differs significantly from the global practice of collecting local revenues in 2020, in particular, in countries whose main local budgets revenues are income taxes as in Ukraine (rather than property taxes).

Assumptions about compensation for losses in the form of additional transfers from state budget have not been confirmed. The amount of subventions from state budget to local budgets planned at the beginning of the year has hardly changed during 2020. That is, no additional COVID-related funds were allocated to local budgets and expenditures were financed through the redistribution of the total amount of funds planned during the adoption of the State Budget for 2020. With almost unchanged total transfers, the number of transfers has changed significantly (from 32 to 53) and some transfers have been redistributed in favor of health care and the construction and maintenance of roads.

The reason for the fact that, despite a significant reduction in revenues from personal income tax, land tax and the single tax during the year, the initially approved revenue plans were implemented, we see in the peculiarities of local budget planning. Due to the lack of sufficient information base for revenue planning, systematic methodological approaches, constant changes in budget and tax legislation, local governments have a tendency to underestimate the projected indicators of local budget revenues. Underestimation of the revenue base in the planning of local budgets creates additional fiscal space for local governments.

However, underestimation of the planned revenues is not the only source of fiscal space of local self-government. In the process of execution of local budgets there are deviations from the actual shares of expenditures from the planned ones, which indicates a certain reprioritization in terms of expenditures. In particular, such areas as economic activity and healthcare have traditionally been prioritized in recent years. If the first direction is connected with intensification of construction of roads in Ukraine, the second is connected with reaction to an emergency situation. The most de-prioritized areas of local self-government expenditure were social protection and social security, as well as education. However, the total deviation of actual expenditures of local budgets from the planned ones (excluding intergovernmental transfers) decreased from UAH 66.8 bln in 2018 to UAH 36.3 bln in 2019 and UAH 33.3 bln in 2020 (Fig.).



**Fig. Deviation of actual shares of local expenditures from the planned ones in 2018—2020 (general and special funds), %**

Source: calculated by authors on the basis of Ministry of Finance of Ukraine data.

Another source of fiscal space for municipalities is the reserve fund, which is formed within the local budget (up to 1%). However, in practice, the size of such a fund is much lower and exceeded 0.5% only in 2015, 2019 and 2020 (Table). Compared with the amount of fiscal space available to local self-government bodies as a result of the formation of understated local budget revenue plans, the size of the reserve fund is quite insignificant. In our opinion, in order to respond quickly to emergencies, it is advisable to review and increase the effectiveness of the reserve fund instrument, including approaches to its formation and mechanisms of use.

Table

**Approved reserve fund in the structure of local budgets expenditures in 2015—2021**

	2015	2016	2017	2018	2019	2020	2021
Planned general fund expenditures of local budgets, UAH	206,383.7	252,603.5	326,297.1	438,967.5	449,348.3	352,060.0	382,779.8
Volume of local budgets reserve fund, UAH	1,819.6	1,293.1	1,778.3	2,352.8	2,515.5	2,417.2	1,858.2
Share of reserve fund in the planned expenditures, %	0.9	0.5	0.5	0.5	0.6	0.7	0.5

Source: Ministry of Finance of Ukraine.

**Conclusions.** Summarizing the practice of municipal response to the COVID-19 pandemic in 2020, we can single out the following methods of fiscal space forming, which were used to overcome the consequences of emergencies: expenditures reprioritization, increase of available resources use efficiency, local budgets revenue understatement in initial plans, reserve fund.

The most important source of fiscal space formation was imperfect planning of local budgets revenues, the over fulfillment of which provides significant additional financial resources for local self-government during the budget period. The tendency to underestimate the projected indicators of local budget revenues is due to the lack of proper information base for revenue planning, the lack of systematic methodological approaches, as well as constant changes in budget and tax legislation. The use of the formed fiscal space to overcome the consequences of emergencies in municipalities is carried out mainly due to significant amounts of reprioritized expenditures during the year.

**Література**

1. The territorial impact of COVID-19: Managing the crisis across levels of government. *OECD*. 2020. URL : <https://www.oecd.org/coronavirus/policy-responses/the-territorial-impact-of-covid-19-managing-the-crisis-acrosslevels-of-government-d3e314e1>.
2. Initial Budget and Public Management Responses to the Coronavirus (COVID-19) Pandemic in OECD Countries, OECD Tackling Coronavirus (COVID-19). *OECD*. 2020. URL : <https://www.oecd.org/gov/budgeting/initial-budget-and-public-management-responses-to-covid19-in-oecd-countries.pdf>.
3. COVID-19 and fiscal relations across levels of government. *OECD*. 2020. URL : <https://www.oecd.org/coronavirus/policy-responses/covid-19-and-fiscal-relations-across-levels-of-government-ab438b9f>.
4. COVID-19's Impact on Sub-National Governments. *IFC*. 2020. URL : <https://www.ifc.org/wps/wcm/connect/cb8caf2a-0dde-4620-9e3d-7df8c4717fa6/IFC-COVID19-Municipalities-final102120-web.pdf?MOD=AJPERES&CVID=nlc.KIU>.
5. ILO Monitor: COVID-19 and the world of work. Seventh edition — 35 p. *ILO*. 2021. URL : [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms\\_767028.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_767028.pdf).
6. Global Compendium of Practices on Local Economic and Financial Recovery Building Urban Economic Resilience during and after COVID-19 (3 March 2021). *UN Habitat*. 2021.
7. COVID-19: How municipalities can respond, recover, and thrive in the pandemic era — 12 p. *Deloitte*. 2021.
8. Financing emergencies in cities and regions: Ongoing lessons from the pandemic. *LSE*. 2021. URL : <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB03-v5-EN.pdf>.
9. Emergency governance for cities and regions. *LSE*. 2020. URL : <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB01-EN.pdf>.
10. Towards a concept and framework for governing complex emergencies. *LSE*. 2020. URL : <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB02-EN.pdf>.
11. Brunet J., CuadroSáez L., Perez J. J. Contingency Public Funds for Emergencies: The Lessons from the International Experience (February 5, 2021). *Banco de Espana Occasional Paper № 2032*. URL : <https://ssrn.com/abstract=3779998>.
12. Auerbach A., Gale W. G., Lutz B., Sheiner L. Fiscal Effects of COVID-19. *BPEA Conference Draft*. 2020.
13. Ventsel V., Pylypiv V., Slobodian R. How the COVID-19 pandemic impacted local budgets in Ukraine / U-LEAD with Europe. 2021. 38 p.
14. Heller P. Understanding Fiscal Space. *IMF Policy Discussion Paper*. 2005. № 05/4.
15. Про Бюджетну декларацію на 2022—2024 роки : схвалено Постановою Кабінету Міністрів України від 31 травня 2021 року. URL : <https://zakon.rada.gov.ua/laws/show/1652-20#Text>.

Статтю рекомендовано до друку 26.10.2021

© Пилипів В. В., Венцель В. Т., Венцель Н. В.

**References**

1. OECD. (2020). The territorial impact of COVID-19: Managing the crisis across levels of government. Retrieved from <https://www.oecd.org/coronavirus/policy-responses/the-territorial-impact-of-covid-19-managing-the-crisis-acrosslevels-of-government-d3e314e1>.



2. OECD. (2020). Initial Budget and Public Management Responses to the Coronavirus (COVID-19) Pandemic in OECD Countries, OECD Tackling Coronavirus (COVID-19). Retrieved from <https://www.oecd.org/gov/budgeting/initial-budget-and-public-management-responses-to-covid19-in-oecd-countries.pdf>.
3. OECD. (2020). COVID-19 and fiscal relations across levels of government. Retrieved from <https://www.oecd.org/coronavirus/policy-responses/covid-19-and-fiscal-relations-across-levels-of-government-ab438b9f>.
4. IFC. (2020). COVID-19's Impact on Sub-National Governments. Retrieved from <https://www.ifc.org/wps/wcm/connect/cb8caf2a-0dde-4620-9e3d-7df8c4717fa6/IFC-COVID19-Municipalities-final102120-web.pdf?MOD=AJPERES&CVID=nlc.KIU>.
5. ILO. (2021). ILO Monitor: COVID-19 and the world of work. Retrieved from [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms\\_767028.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_767028.pdf).
6. UN Habitat. (2021). Global Compendium of Practices on Local Economic and Financial Recovery Building Urban Economic Resilience during and after COVID-19 (3 March 2021).
7. Deloitte. (2021). COVID-19: How municipalities can respond, recover, and thrive in the pandemic era.
8. LSE. (2021). Financing emergencies in cities and regions: Ongoing lessons from the pandemic. Retrieved from <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB03-v5-EN.pdf>.
9. LSE. (2020). Emergency governance for cities and regions. Retrieved from <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB01-EN.pdf>.
10. LSE. (2020). Towards a concept and framework for governing complex emergencies. Retrieved from <https://www.lse.ac.uk/Cities/Assets/Documents/EGI-Publications/PB02-EN.pdf>.
11. Brunet, J., Cuadro Sáez, L., & Perez, J. J. (2021). Contingency Public Funds for Emergencies: The Lessons from the International Experience (February 5, 2021). *Banco de España Occasional Paper № 2032*. Retrieved from <https://ssrn.com/abstract=3779998>. <http://dx.doi.org/10.2139/ssrn.3779998>.
12. Auerbach, A., Gale, W. G., Lutz, B., & Sheiner, L. (2020). Fiscal Effects of COVID-19. *BPEA Conference Draft*.
13. Ventsel, V., Pylypiv, V., & Slobodian, R. (2021). How the COVID-19 pandemic impacted local budgets in Ukraine / U-LEAD with Europe.
14. Heller, P. (2005). Understanding Fiscal Space. *IMF Policy Discussion Paper, 05/4*.
15. Kabinet Ministriv Ukrainy. (2021). *Pro Biudzhethnu deklaratsiiu na 2022—2024 roky: Postanova vid 31 travnia 2021 roku [On the Budget Declaration for 2022—2024: Resolution of May 31, 2021]*. Retrieved from <https://zakon.rada.gov.ua/laws/show/1652-20#Text> [in Ukrainian].

The article is recommended for printing 26.10.2021

© Pylypiv V., Ventsel V., Ventsel N.