Town-building cadastre system as a tool for the formation of the investment climate of the administrative-territorial units

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Town-building development is an integral part of investment and municipal development and an important prerequisite for the formation of a favorable investment climate characterizing the qualitative level of the administrative-territorial units (ATU) development. In turn the system of town-building cadastre and investment activity of regional enterprises and organizations reflect the effectiveness of the institutional aspect of state building and being the driving force for an active investment policy provide the opportunity to attract the material and intangible potential of the ATU to the sphere of town-planning development. The effectiveness of the interconnection of these both components reconstitutes in the individuality of town-building architecture phenomenon. Therefore receiving an effective mechanism in consequence of the interaction of all participants in the town-planning development process with the aim of creating town-building cadastre system as an instrument for providing investment climate is an important cause for ATU development.

The problems of creating the town-building cadastre and monitoring in Ukraine have been investigated in the works of national scientists, such as V. A. Smilka, M.M.Domin, A. A. Liashchenko, O. V. Dobrokhodova and others. The question of the investment climate in town-building activity is not sufficiently investigated. Mostly the experts of state bodies carry out work on planning the development of ATU within the limits of their authority. Therefore, the scientific side of the issue needs further analysis.

The analysis of the national legal framework made it possible to establish that ATU development in Ukraine is within the legal framework. However, the shortcomings of the mechanism for implementing the norms of laws and by-laws do not allow attracting significant investment funds for the ATU, and the lack of budget funds deprives town-building ideas further development.

European experience shows that the practice of effectively functioning town-building cadastre and monitoring is an integral part of town-building activities. The balance between decentralization and centralization in the process of building the mechanism of participants interaction in the town-building activity enabled to make a positive forecast for improving the investment climate, saving through information and automation and increasing the activities of government and local self-government bodies.

The author's position is that in the process of creating a system of town-building

cadastre the national regulatory framework allows focusing not only on performing state functions in attracting investment, but also on expanding the horizons of search, involving all interested participants and improving the mechanism of their interaction during town-building activities.

Keywords: system of town-building cadaster; town-building monitoring; town-building cadaster; investment climate.

Introduction

Today there is no unique system of town-building cadastre in Ukraine because of the lack of budget funds. Decentralization is expected to have a positive impact and accelerate processes for building subsystems of the town-building cadastre forming a single database (town-building monitoring, maintenance of the address register, geospatial data management, server, registration and accounting of town-planning documentation for the database of information resources of a single digital topographic basis). However, the lack of knowledge and experience of officials still negatively affects the activities of state and local government bodies. Therefore, searching of an effective mechanism of interaction between the subjects of town-building development to achieve an extremely important goal in the process of state-building as the creation of a system of town-building cadastre is an urgent problem of ATU development.

Practicing scientists who can also act as performers of the system building work mostly research in the field of the functioning of town-building cadastre in Ukraine. The legal and regulatory framework for achieving this goal has been developed and is in force, but the mechanism for the implementation of normative provisions has not been elaborated and doesn't enable the implementation of legislative ideas. Namely, the theoretical basis for implementing town-building cadastre is secured, but there is an exception when the distinct mechanism as an additional form of creation the system isn't designed in a case when state and local-government bodies can't achieve the desired result on their own. In the process of decentralization attempts by local-government bodies to create town-building cadastres of the corresponding administrative-territorial units also remain far from reaching the final result so far.

The research was carried out within the framework of the general direction of the research 0113U003163, 2013-2020 (theme: "Improving the mechanisms of realization of functions of public administration and local self-government in the conditions of administrative reform: regional cut") according to the program of the Department of Management and Civil Service of Chernihiv National University of Technology.

Goal of article is to research the mechanism of interaction of participants in town-building activity to create a system of town-building cadastre as a tool for providing favorable investment climate of ATU.

Materials and Methods

The methods of analysis of the legal and regulatory framework of Ukraine used to reveal the issues of the

subject matter and achieve the goal are: object-oriented and systemic approaches – to study phenomena and processes in the interconnection and interdependence of the development of mechanisms for regulating the interests of the subjects of town-planning development, the formation of institutional bases of interaction between state government, local self-government and business structures, justification of factors of influence and criteria of the choice of the institutional policy of the state in the field of town planning; econometric and structural-informational methods – for revealing, analyzing and structuring the factors of influence on the development of corporate structures; methods of logical designing and expert evaluation of factors influencing the choice of the state strategy for town-planning development and the development of methodological approaches to the assessment of the effectiveness of the institutional policy of the state in the field of town-planning development.

Results

The normative legal acts that directly regulate the activities of participants in town-building development within the scope of the theme under study include the laws of Ukraine "On the Basics of Town-Building Development", "On Regulation of Town-Building Development", the Resolution of the Cabinet of Ministers of Ukraine dated 25.05.2011 № 559 "On the Town-Building Development Cadastre", orders Ministry of Regional Development, Construction and Housing and Communal Services № 170 of 01.09.2011 "On Approving the Procedure for Town-Building Monitoring" and № 73 of 26.02.2013 "On Approval of the state building norms of Ukraine Б.1.1-16: 2013 "Composition and Contents Town-Building Cadastre", "Guidelines about forming an accompaniment of town-planning cadastre (Project, final formulation)" dated 01.04.2013 also (2013).

Town-building cadastre and monitoring can be considered as the complete institutional elements of the system of the town-building activity.

Town-building cadastre in accordance with the Law of Ukraine "On Regulation of Town-Building Development" (2011) is a system for the storage and use of geospatial data on the territory, ATU, environmental, engineering and geological conditions, information resources of construction norms, state standards and rules for information satisfaction need in planning of territories and building, formation of sectoral component of state geoinformation resources. The information contained in town-building cadastre is open to public, except for some restricted data.

Town-building monitoring is a system of observation, analysis of the implementation of town-building documentation, assessment and forecast of the state and changes in town-planning, which are carried out in

accordance with the requirements of town-planning documentation and aimed at ensuring sustainable development of the territories, taking into account state and public interests (2011).

The specialists of the State Enterprise "Ukrainian Research and Design Institute of Civil Engineering" proposed a system for increasing the investment attractiveness of ATU

which is based on the main goal of creation of a town-building cadastre. For this purpose, the three-level system of the town-building cadastre should be put into practice at the intersection of adjacent spheres and their normative-legal support (land and housing and communal, geospatial data and mapping, e-government, informatization, administrative services) (see Fig.).

Fig. Three-level system of town-building cadastre

Source: given according to the developments of the state enterprise "UKRNDPICIVILBUD" (2013)

The developers of the depicted scheme consider the town-building cadastre which is based on the legal and regulatory frameworks of the above-mentioned spheres is the main instrument of attracting investments (2013). The result of this interaction should be town-building documentation.

The question of town-building monitoring is an important key in the process of setting goals, planning measures aimed to create an investment climate. Current Ukrainian legislation reflects the monitoring system as a part of town-building cadastre.

In general, this system functions to obtain data about the status and changes of town-planning objects provided by town-planning documentation and including public and state interest in order to forecast and estimate influence on sustainable development of ATU and, thereby this is how an attractive investment climate is formed.

Monitoring system is implemented by the departments of town-building cadastre through the analysis of legal support and carrying out of cameral work, the study of the information obtained by aerospace sounding of Earth, ground laser scanning, the result of surveys of town-planning objects, databases and registers, materials from

individuals and legal entities. Processing and evaluation of information take place by using geoinformation technologies based on the connection with the state coordinate system using the unique classification and coding of town-planning activity (2016).

The main point of town-building monitoring is its technological component as a result of a complicated process of collection and analyzing data which is also an important element of the scheme of the geographic information system of the town-building cadastre (2016).

Discussions

Qualitatively negative status of the town-building monitoring is a problem of the formation of a favorable investment climate. We consider it necessary to understand the main idea of this phenomenon and its value for the town-building activity because monitoring can provide sustainable development of the territory.

As noted above, monitoring is a part of the town-building cadastre. However, are these concepts the same?

The PhD in Engineering V.A. Smilko from the Town-Building Department of Kyiv City State Administration

investigated this issue and we also agree with the conclusions he has made (Smilka, 2017). The structural analysis of the concepts of town-building cadastre and monitoring is carried out in the following categories: generic component, substantive and functional features, object and result of the research.

The conclusions are as follows (Smilka, 2017):

1. The concept "town-building cadastre" and "town-building monitoring" are similar in content: the system is a generic component for both of them; the difference is following: a status or level is for the first phenomenon, the function of the system is for the second.

2. Spatial data of the territory is the primary substance for both concepts. But for the town-building cadastre it is a solid territory of ATU, and for town-building monitoring it is only in the framework of the town-building documentation which is elaborating.

3. The concepts are different depending on the tasks, and the result of activity is the same: the first concept satisfies information needs for planning and building of the territory, the other one refers to the sustainable development of the territory.

4. The town-building cadastre is a method of prompt response to complicated inquiring of individuals, legal entities, government bodies in the town-building sphere.

5. The town-planning monitoring is a combination of inductive and deductive methods of processing and receiving information: from individual objects to the whole city or district and vice versa. The main participant in this process is an expert who has to solve the analytical problem and give an answer to the customer.

6. The main task of monitoring is to forecast and model the town-building situation, so the automation of the process of collecting and analyzing information and frequency of updating data significantly affects the quality of town-building planning.

7. The interaction of town-building cadastre and monitoring should facilitate the creation of a Town-Building Information and Analytical System as an arena for meeting the information town-building needs of individuals and legal entities, state and other organizations in planning sustainable development of ATU.

The characteristic of town-building monitoring as a city management system is given by the same researcher. We consider it necessary to use some provisions as they are directly related to the successful investment policy (Smilka, 2017):

- town-building monitoring is necessarily a system with its own functional laws, principles and rules of existence;
- the influence of monitoring on the investment attractiveness of ATU is carried out through its result of creating socio-economic development program;
- potentially successful investment projects can be determined by town-building monitoring;
- division of monitoring into species enables to identify quickly and clearly the priority in town-building activity of ATU;
- analysis of the advantages and disadvantages of town-building activity is carried out during the exchange of

information between the participants and can influence the investment planning;

- emergency of town-building monitoring is the following feature which is used in the creation of investment climate. State and other interested bodies will always be able to eliminate shortcomings having identified them in potential investment objects;

– such features of monitoring system as management and regulation should be mentioned in order to increase the effectiveness of the interaction of participants in the town-building activity as a factor of providing an attractive investment climate. In other words it is collecting information, processing, storing and further using it with a regulatory function.

Taking into account all said above one can conclude that the favorable mechanism of the function of town-building monitoring as an element of cadastre is theoretically created and legally secured (2015). Unfortunately, Ukrainian realities show potential investors a disappointing picture of the guarantees and safety for possible infusion because of low level of the town-building documentation (as the main element of cadastre existence), which makes it impossible to obtain reliable information about investment objects.

According to the Report on the assessment of the effectiveness of the implementation of Strategy for the Sustainable Development of Chernihiv Region for the period up to 2020 and Plan of Implementation Measures for 2015-2017 Chernihiv Region State Administration provides the following data on the town-building sphere. The following tasks were fulfilled for the "Integrated Development of Territorial Communities" direction (2016): 200 thousand UAH were financed by the implementation of the project "Implementation of innovative technologies in the sphere of town-building cadastre" – the procurements of the first stage of town-building cadastre complex program and the first turn of the hardware-technical provision (graphic station for image processing of town-building documentation and formation the geographic information system databases).

The implementation of the project "Ensuring the development of generals plans of settlements" cost 9.8 million UAH. Approved: generals plans – 14; zonings – 14; detailed plans of the territories within the settlements – 14, detailed plans of the territories outside the settlements – 9.

The positive changes are demonstrated in the table of comparison of the investments (2016).

The reform of decentralization in Ukraine, and as a consequence, changes to the Law of Ukraine "On Local Self-Government in Ukraine"; open opportunities to improve the mechanism of attraction of investments in town planning, namely: issues that fall within the competence of this level of bodies can be considered at public councils; executive bodies of rural, town, city councils provide organization of processes of town-building development, creation and maintenance of a town-building cadastre; state control over observance of legislation by all participants of the investigated process.

Table

Investing in town-building sphere in comparison 2016 and 2017

Town-Building Sphere	2016	2017
Project "Ensuring the development of general plans of settlements"	8,2 million UAH	9,8 million UAH
Project "Implementation of innovative technologies in the sphere of town-building cadastre"	–	200 thousand UAH

At the same time, state and local funding for town-planning cadastre and monitoring, as well as updating of town-planning documentation throughout Ukraine, is almost zero. In this regard, it is necessary to implement a mechanism for attracting funds that would satisfy all participants in urban development.

Therefore, we turned to public procurement which operates in an updated electronic format and is more transparent and accessible to all interested parties. The purpose of the Law of Ukraine "On Public Procurement" in the area of ensuring the investment attractiveness of the town-building process" is a guarantee of the preservation and return of invested assets for potential investors and sounds: "ensuring efficient and transparent procurement, creating a competitive environment in the field of public procurement, preventing corruption, developing a fair competitor" (2016).

In turn, by paragraph 35 of the Resolution of the Cabinet of Ministers of Ukraine dated 25.05.2011 № 559 "On the Town Development Cadastre", the legislator gives the opportunity for customers to create a town-building cadastre to raise funds from sources that are not prohibited by law. This means that in a real unfortunate situation with state and local financing of measures for the functioning of the necessary electronic systems an investment project can be a form of registration needs in town-building cadastre.

Thus, there are three participants in town-building process: a customer represented by a government body or local government, an investor and a performer of work. The aim of the cooperation of these subjects is to create a town-building cadastre and monitoring while meeting their own needs for each participant. A common aim area serves as the basis for achieving the goal. The instrument is the legal and regulatory opportunities provided by investment, city-planning legislation and the Law of Ukraine "On Public Procurement". The instrument is the legal and regulatory opportunities provided by investment, town-building legislation and the Law of Ukraine "On Public Procurement". Functions, rights and responsibilities of each participant should be clearly defined: – the authorized state body or

local government is responsible for control, coordination and organization of the process; in addition to the conditions laid down in pursuance of his own interests and control of investment flows the investor must adhere to domestic laws and activities priorities to participate in the sustainable development of the country; the performers of the work are obliged, first of all, to provide the relevant services qualitatively and professionally.

Conclusions

Taking into account all said above we have come to the following conclusion. Despite the lack of real-life town-building monitoring and cadastre in conjunction with the current regulatory framework for their existence; the absence of state and local funds for their financial support with simultaneous provision of the law with the possibility to raise funds from other sources; and the inaction of government and local self-government, which continue to take place in the processes of public administration even at the stage of decentralization and extension of local rights, is not intended to stop the movement vector for the establishment and full functioning of the system of town-building cadastre and monitoring. Due to the fact that the state within the limits of its own budget allocations can't solve the issue of self-provision of the system of town-building cadastre, the latter should become an investment project. The investor lobbying his own interests will have limited rights and influence the process of creating the system, but will have a full access to information about the target use of funds. Government bodies will remain the coordinator and controller of all procedural measures and will acquire the rights of the owner of the cadastre system. The executors of works will be determined openly through the public e-system electronic system "ProZorro".

This mechanism for the interaction of the subjects of town-building development requires additional study in terms of choosing legally correct forms of contractual relations.

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