

MUNICIPAL REVIEW – AUGUST 2026

Authors:

KSE Institute: Yuliia Markuts, Andrii Darkovich, Vladyslav Shymanskyi

KSE University: Tetiana Lukeria



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KEY FINDINGS

In August, regional policy and local governance continued to shift towards a model in which support for territories will depend more on their type, the quality of planning, and project readiness. The Government Action Programme and the Public Administration Reform Strategy specify the further division of powers between the executive and local self-government bodies, strengthening municipalities' financial capacity, developing project management, updating the work of rayon state administrations (RSAs), and bringing regional policy closer to EU cohesion principles. At the same time, practical implementation of these intentions will depend on subsequent legislative and budgetary decisions, including the transfer of powers to municipalities together with the necessary resources and staffing capacity. Some decisions already have a more immediate practical effect: clarifying the status of employees of military administrations of settlements, simplifying price analysis for small construction projects, updating public investment management rules, and launching procedures for public-private partnerships. In parallel, the financing base for recovery is expanding through EIB programmes, where priority is given to projects with a higher degree of readiness, as well as through broader procurement opportunities under the Ukraine Facility following the opening of access to the United States, Canada, the United Kingdom and Japan. For municipalities, this means more potential sources of financing and project implementation tools, but also higher requirements for strategic planning, the quality of project documentation, data management, and the ability to work with investment procedures.

Own revenues of local budgets continued to grow in real terms, although their dynamics still depended heavily on personal income tax (PIT), small-business activity, and state transfer support. General fund revenues excluding transfers increased by 19% y/y to UAH 55.8 billion, 2.3 times the inflation rate, while revenue growth in 12 oblasts exceeded the national average. PIT remained the largest source: revenues amounted to UAH 29.2 billion and increased by 20.8% amid higher average wages, while the single tax, land payments and excise duty showed more moderate but steady growth. The 54.6% increase in property tax revenues in August was partly associated with the expiry of payment deadlines for individuals and a higher tax base. The volume of transfers was 3.6 times higher than in August 2025, including due to the distribution of almost UAH 2.3 billion in additional grants among municipal and oblast budgets and a 36% increase in the education subvention.

The number of incidents of damage to civilian infrastructure decreased compared with July, but the recovery burden on municipalities remains substantial. Municipalities recorded 858 incidents of damage, 10.4% fewer than in July but 2.4 times as many as in August 2025; during the summer, 227 municipalities experienced at least one incident of damage. Housing accounted for 622 cases, or 72.5% of all incidents, creating a continuing need for inspections, emergency repairs, temporary accommodation and support for residents. Damage to energy, education, healthcare, logistics and commercial infrastructure affects municipalities' ability to maintain basic services, business operations and supply chains. The largest number of incidents occurred in frontline municipalities and in four oblasts — Kharkiv, Sumy, Donetsk and Dnipropetrovsk — but rear territories also need response procedures, as individual strikes can simultaneously create housing, social and governance crises. The state and international partners should therefore support not only recovery after new damage, but also municipalities' permanent capacity to protect people, restore services quickly, and coordinate with businesses and humanitarian organisations.

In August, cooperation between municipalities remained a practical way to organise services, attract additional resources, and compensate for shortages in specialised in-house capacity. Fourteen inter-municipal cooperation agreements were added to the register, most of them concerning joint projects. The projects covered healthcare, social services, inclusive education, concessionary transport, specialised training and assistance to survivors of domestic violence — areas in which an individual municipality often finds it difficult to provide the full range of specialists and services on its own. The “Shoulder to Shoulder” format also continued to develop, combining mutual support among Ukrainian municipalities with international assistance and responses to specific everyday needs. International cooperation likewise became more practical: municipalities used partnerships to involve residents in local decisions, prepare projects, develop educational initiatives and attract financing, including through joint grant applications with foreign partners.

REGIONAL POLICY AND MUNICIPAL DEVELOPMENT: WHAT IS NEW?

Regional policy is gradually shifting towards differentiated support for territories and the principles of EU cohesion policy. The [Government Action Programme](#), approved by the Government on 17 August, sets out the main tasks for municipal and territorial development in 2026-2027. These include introducing a priority support package for frontline territories, followed by separate packages for different functional types of territories. By 2027, a unified data and portfolio-management system for territorial development is to be created, including through DREAM, while the State Fund for Regional Development (SFRD) is to move to a three-year planning cycle. These changes are intended to bring the regional development system closer to EU cohesion-policy approaches and are linked to Ukraine's commitments under negotiating Chapter 22, "Regional Policy and Coordination of Structural Instruments".

For local self-government, the Programme provides for several important areas:

- already in 2026, the level of remuneration for employees of rayon state administrations is to be increased and their structure updated. This complements the division of powers between the executive and local self-government bodies and continues the development of a new model for organising public authority at the local level,
- in 2026, horizontal equalisation of local budgets is to be improved, taking into account the needs of municipalities hosting internally displaced persons (IDPs) and frontline territories. The Government plans to strengthen municipalities' financial capacity and ensure access to public services, including in frontline areas,
- in 2027, the legislative division of powers between executive authorities and local self-government bodies is expected to be completed in accordance with the principles of subsidiarity and the European Charter of Local Self-Government,
- in 2027, project managers are to receive training and the network of regional development agencies is to be reformed, which should strengthen the capacity of municipalities and regions to prepare high-quality projects and work with investment instruments.

One of the Programme's targets for 2027 is to ensure that all municipalities have the necessary powers, resources and staffing capacity to provide residents with high-quality and accessible public services guaranteed by the state. However, practical implementation of the Programme will depend on subsequent legislative, budgetary and organisational decisions.

Specific mechanisms for the further division of powers and strengthening the role of local self-government are set out in the [Public Administration Reform Strategy of Ukraine for 2026-2030](#), which was approved by the Government on 10 June and published in August. Although the Strategy primarily concerns public administration, it provides for a number of changes that will directly affect local self-government bodies:

- **Practical division of powers.** By Q3 2027, a draft law on the division of powers between levels of public governance is to be prepared, and the relevant legislation is to be adopted by the end of the year. It is expected to enter into force by Q1 2028. The division of powers should be accompanied by alignment of transferred functions with the resources and responsibilities of local self-government bodies.

- **Municipal powers in the field of administrative services will be expanded.** By Q1 2027, the Government is to submit draft laws delegating to local self-government bodies powers for the state registration of civil-status acts and the provision of social administrative services (for example, subsistence assistance for IDPs, compensation for the costs of temporary accommodation for IDPs, and state assistance for children of single mothers). By 2030, the relevant powers are to be exercised by 90% of local self-government bodies in civil-status registration and 80% in social administrative services.
- **Practical application of the Law “On Administrative Procedure” will be improved.** The Strategy provides for the consistent application of administrative procedures in line with European standards. The problems to be addressed include inconsistencies between certain special laws and the Law, as well as insufficient practical knowledge of its application.

The Government proposes extending legislation on service in local self-government bodies to employees of military administrations of settlements that perform local self-government functions and equating their positions with the corresponding positions in local councils. This would regulate remuneration, ranks, length of service and other employment guarantees, as current legislation classifies such employees neither as civil servants nor as local self-government officials. The Government also proposes concluding employment contracts directly with military administrations of settlements and allowing local self-government officials to transfer to them while retaining their positions and guarantees.

The Government simplified pricing procedures for construction projects, which should reduce the procedural burden on municipalities as contracting authorities. The most practical change for municipalities is the possibility of applying a simpler, self-defined price-analysis procedure for small projects, as well as using a wider range of price-information sources in other cases. Amendments to [Resolution No. 1073](#) provide that, until 1 August 2027, for facilities with a total estimated cost of up to UAH 1.5 million, the contracting authority will determine the procedure for analysing material prices independently. The general procedure will apply to other projects. For materials that together account for 60% of the total cost of all material resources, the contracting authority, procurement participant or contractor — depending on the stage of the works — must obtain at least three price quotations. For the next 30% of materials by value, until 1 August 2027 one quotation or open price information will be sufficient, including information from manufacturers' websites, the electronic procurement system or a price database. For the least expensive 10%, any sources not prohibited by law may be used. The Government also clarified responsibility for the analysis: the contracting authority conducts it when preparing the cost estimate, while procurement participants, executors and contractors do so at the relevant stages of procurement and contract implementation.

In August, financial support for municipal recovery through EIB funding expanded. More than UAH 4.9 billion is provided under the “Ukraine Recovery Programme III” for water-supply and wastewater projects, social infrastructure, and social housing for IDPs, primarily in war-affected municipalities and municipalities hosting large numbers of IDPs. Financing for the “Ukraine Recovery Programme” was increased by a further UAH 1 billion: its 2026 allocation rose from UAH 987.1 million to almost UAH 2 billion, while the number of projects approved by the EIB increased from 138 to 163. Under both programmes, access to financing depends on completing selection procedures and obtaining EIB approval, while projects with a higher degree of implementation readiness receive priority in the additional allocation of funds.

The Government continues to develop the legal framework for public-private partnerships by approving the [Procedure for analysing a public-private partnership concept note](#) and

the [Procedure for analysing the effectiveness of public-private partnerships \(PPPs\)](#). This will allow municipalities to finance large-scale infrastructure facilities through PPPs, reducing pressure on local budgets.

The Cabinet of Ministers improved the public investment management process, including by amending [Resolution No. 527](#). Key changes include broader opportunities for co-financing from different budgets, rules allowing information on a project or programme to be adjusted, criteria for determining project readiness for implementation, an option to protect restricted-access information, and a reduction in the period for updating the Unified Project Portfolio of regions and municipalities from three months to one month.

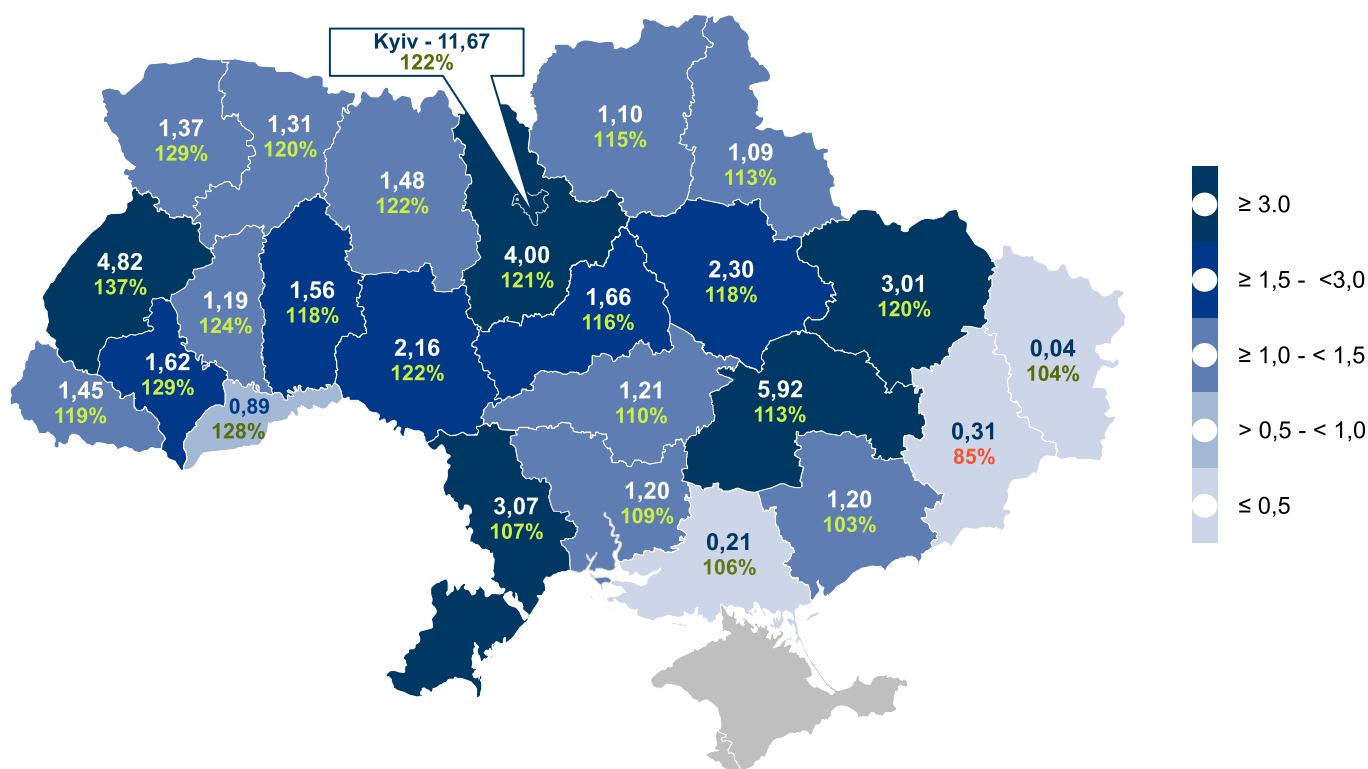
The European Commission [expanded](#) access to procurement financed under the Ukraine Facility. From 23 July 2026, the European Commission opened reciprocal access to external assistance for the United States, Canada, the United Kingdom and Japan for one year. This means that, in procurement of goods, materials, equipment, works and services under projects financed by the Ukraine Facility, municipalities and other contracting authorities may admit suppliers and contractors from these countries. This may include procurement for the recovery or modernisation of municipal and social infrastructure when financed by the Facility. Reciprocity means that these countries, in return, open access to their assistance to Ukraine for participants from Ukraine and the EU, but this does not automatically extend to all of their domestic public procurement. The decision increases competition and the choice of contractors, but does not remove the requirements of Ukrainian procurement legislation or the conditions of individual projects.

FINANCIAL SITUATION IN THE REGIONS: LOCAL BUDGET TRENDS¹

In August 2026, compared with August 2025, general fund revenues of local budgets (excluding inter-budgetary transfers) increased by 19%, which was 2.3 times the inflation rate of 8.1% (August 2026 compared with August 2025). As of 1 September, revenues amounted to UAH 55.8 billion. Revenue growth rates (excluding transfers) of local budgets (municipalities, rayons and oblasts) in 12 oblasts exceeded the national average.

FIGURE 1.

General fund revenues (excluding transfers) in August 2026 (UAH billion) and their growth compared with August 2025, %



Source: Ministry of Finance, OpenBudget

Personal income tax (PIT) traditionally accounts for the largest share of general fund revenues of local budgets (excluding transfers) — 52.3%. PIT revenues in August 2026 amounted to UAH 29.2 billion (+20.8% y/y). This was primarily associated with the increase in average wages: according to work.ua, the average salary increased by 20% from August 2025 to August 2026 (from UAH 25,000 to UAH 30,000).

In August, the second-largest source of general fund revenues (excluding transfers) was the single tax, accounting for 14.7% of revenues and amounting to UAH 8.2 billion (+14.9%). The increase was associated with higher turnover among Group III sole traders

¹ This section was prepared as part of a unified analysis of local budget trends presented in the KSE Institute products "Budget Barometer" and "Municipal Review".

(due to rising prices for goods and services) and, consequently, larger tax payments to local budgets, as well as an 8.1% increase in the minimum wage and a 9.9% increase in the subsistence minimum for able-bodied persons (1 January 2026 compared with 1 January 2025). These values determine the tax amount for Group II and Group I sole traders, respectively. According to [Opendatabot](#), the total number of sole traders in August 2026 was 65,729 higher than in the same period last year (2,230,666 in August 2026).

The third-largest source of general fund revenues (excluding transfers) was land payments, accounting for 8.4% of revenues and amounting to UAH 4.7 billion (+10.1%). The increase resulted from a higher indexation coefficient for the normative monetary valuation of land plots. According to the [State Tax Service](#), this coefficient in 2026 (for 2025) is 1.08. The normative monetary valuation of a land plot, adjusted by the indexation coefficient, is the tax base for land tax and for calculating rent payments for state- and municipally-owned land plots and is used to calculate land payments.

Excise duty revenues amounted to UAH 3.5 billion (+11.6%). Revenues increased mainly due to higher excise duty rates from the beginning of the year and higher retail prices for alcohol and tobacco products.

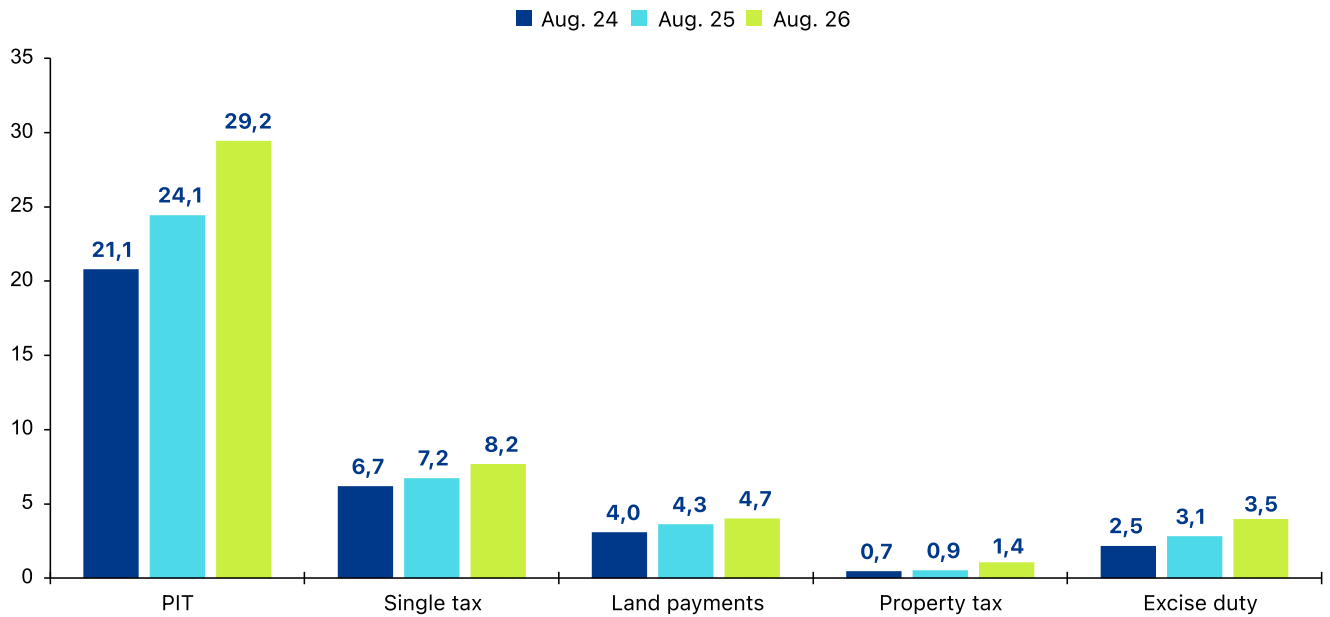
Actual property tax revenues increased by 54.6% compared with August 2025 to UAH 1.4 billion. Over the first eight months of 2026, revenues from this tax were 13.8% higher than in the same period last year. The increase in property tax revenues in August 2026 was driven by the expiry of the 60-day payment period for the previous year and by a higher calculation base (the increase in the minimum wage used to calculate the tax for legal entities, which as of 1 January 2025 was 12.7% higher than one year earlier).

LEGISLATIVE FRAMEWORK AND SPECIFICS OF PAYING TAXES TO LOCAL BUDGETS IN AUGUST

- The single tax for Group II sole traders is 20% of the minimum wage — UAH 1,729.4; for Group I sole traders it is 10% of the subsistence minimum, or UAH 332.8. Group I and II sole traders pay the single tax monthly by the 20th, while Group III sole traders pay the single tax in August for the first half of 2026.
- Land payments are a mandatory component of property tax and include land tax as well as rent payments for state- and municipally-owned land plots. In August 2026, legal entities paid land payments for June 2026.
- Legal entities pay property tax through quarterly advance payments by the 30th day of the month following the reporting quarter.
- Individuals are required to pay property tax for 2025 within 60 days of receiving a tax assessment notice, which is sent by 1 July 2026.
- In August, entrepreneurs paid excise duty for July 2026.

FIGURE 2.

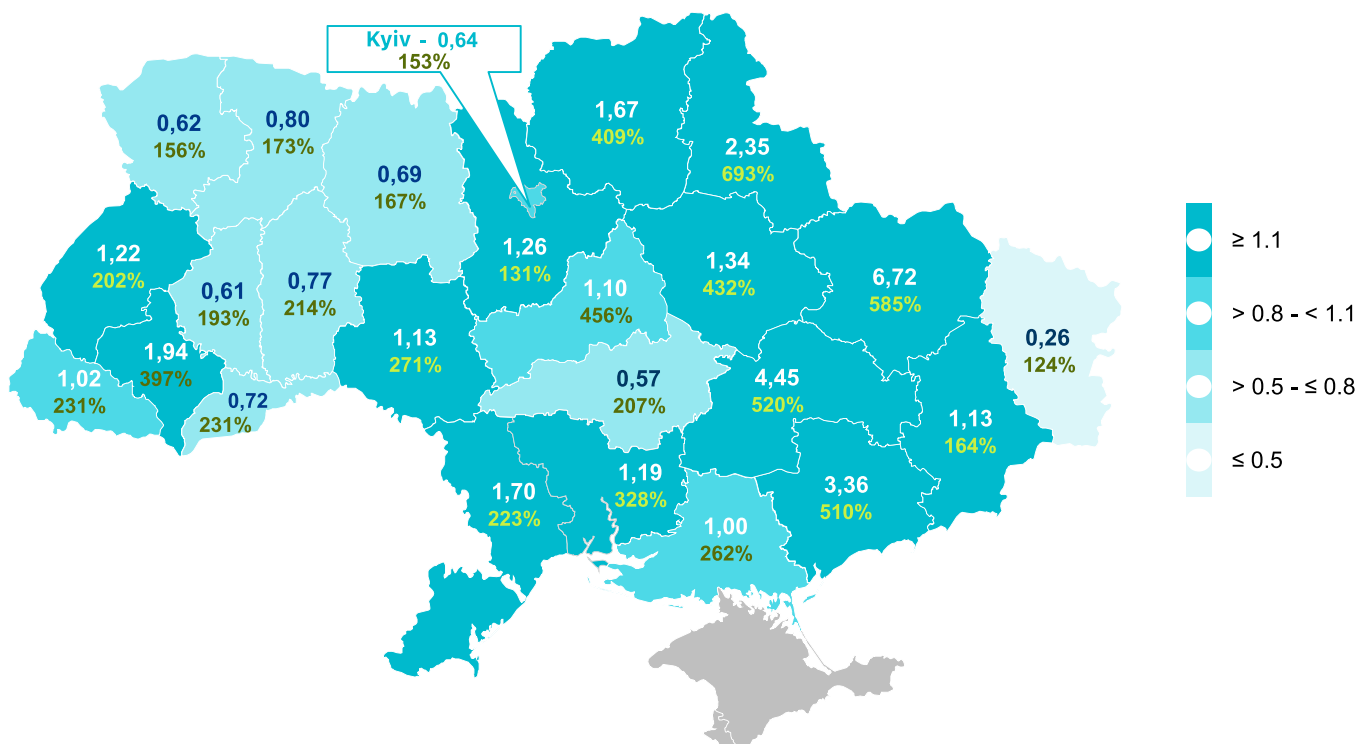
Revenues from the main taxes to the general fund of local budgets in August 2024-2026, UAH billion



Source: Ministry of Finance, OpenBudget

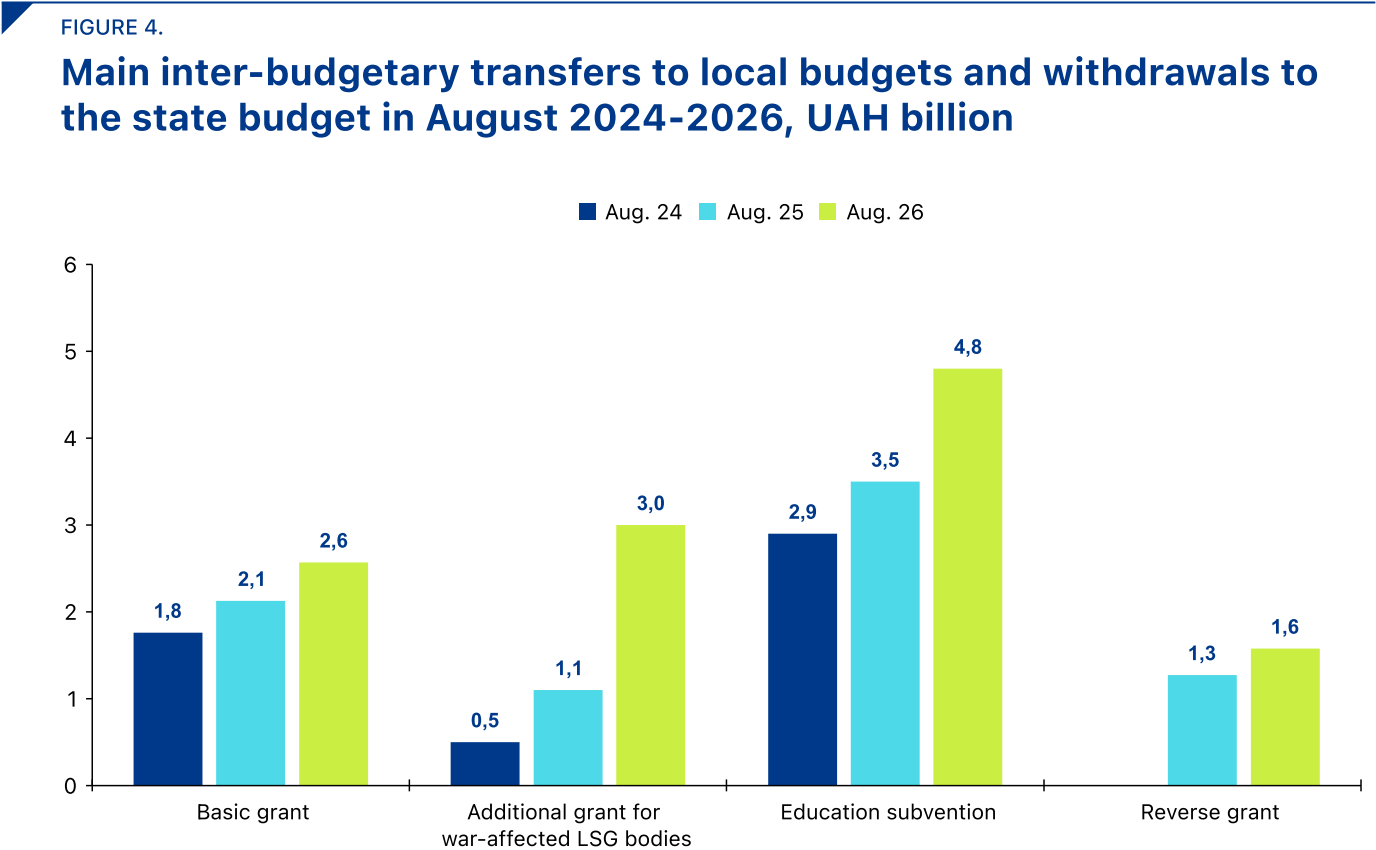
FIGURE 3.

Inter-budgetary transfers in August 2026 (UAH billion) and their growth compared with August 2025, %



Source: Ministry of Finance, OpenBudget

In August 2026, the Government transferred 3.6 times more transfers to local budgets than in August 2025, including 1.6 times more in the additional grant for local self-government bodies negatively affected by the Russian Federation’s full-scale armed aggression², 36% more in the education subvention, and 20.5% more in the basic grant. Nearly UAH 2.3 billion in the additional grant to local budgets for the exercise of local self-government powers in territories negatively affected by the Russian Federation’s aggression was [allocated](#) among 179 municipal budgets and 5 oblast budgets based on the results of local budget execution in the first half of 2026. The increase in the education subvention was associated with a 30% increase in teachers’ salaries from 1 January 2026.



Source: Ministry of Finance, OpenBudget

In August 2026, the reverse grant of UAH 1.6 billion was transferred from 207 local budgets (4 oblast budgets, 73 urban municipalities, 40 settlement municipalities and 90 rural municipalities) to the state budget, 23.9% more than in August 2025. In August, 999 local budgets (18 oblast budgets, 231 urban municipalities, 316 settlement municipalities and 434 rural municipalities) received a basic grant totalling UAH 2.6 billion.

² The mechanism for distributing the additional grant takes into account the needs of municipalities in territories of possible and active hostilities, as well as other territories negatively affected by the war. Its purpose is to reduce disparities in local budget revenues and ensure adequate funding of priority expenditures, above all remuneration of employees of budget-funded institutions.

SECURITY SITUATION IN MUNICIPALITIES: STATUS AND DYNAMICS

In August, the number of attacks on municipalities reached a new high. A total of 4,096 aerial, drone, artillery, mortar and missile attacks were recorded — 5.9% more than in July (3,866). Compared with August 2025, the number of attacks increased by 80.5%, from 2,269 to 4,096, and compared with August 2024 it increased 2.7-fold, from 1,503 to 4,096.

Aerial and drone strikes account for the largest share of the security burden: in August, they represented 87.2% of all recorded cases. Compared with July, their number increased by 7.4% — from 3,327 to 3,572 — while artillery, mortar and missile shelling decreased by 2.8%, from 539 to 524.

TABLE 1.

Dynamics of attacks in August 2024-2026

Indicator	August 2024	August 2025	July 2026	August 2026	Monthly change	Annual change
All attacks	1,503	2,269	3,866	4,096	+5.9%	+80.5%
Aerial and drone strikes	735	1,368	3,327	3,572	+7.4%	+161.1%
Artillery, mortar and missile shelling	768	901	539	524	-2.8%	-41.8%

Source: KSE Institute calculations based on ACLED data

Municipalities that have been under continuous attack for months continue to suffer the most. Eight of the ten most attacked municipalities in August were also in the top ten in July. These included Darivska, Preobrazhenska, Khersonska, Komyshevskaya and Semenivska municipalities. Together, the ten most attacked municipalities experienced 1,408 attacks, or 34.4% of all attacks on municipalities under Ukrainian government control.

The duration of this burden is no less important than its monthly scale. In August, frontline municipalities accounted for 693 incidents of damage to civilian infrastructure, or 80.8% of the total. Six municipalities — Khersonska, Kramatorska, Nikopolska, Sumskaya, Kharkivska and Zaporizka — were among the ten municipalities with the highest number of incidents of damage in every month from June through August. Together, they recorded 674 incidents over the summer, or 23.7% of all cases in municipalities.

TABLE 2.

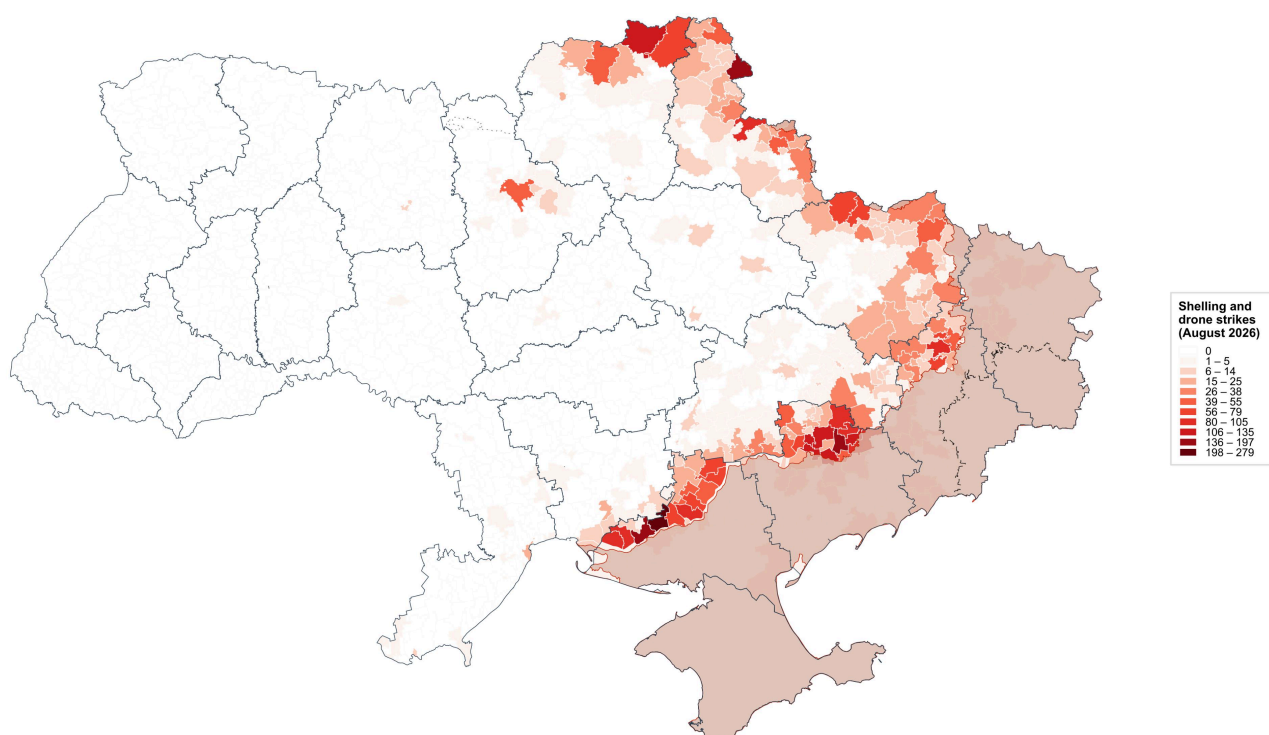
Most attacked municipalities in August 2026

Municipality	Oblast	Attacks
Darivska	Kherson Oblast	279
Preobrazhenska	Zaporizhzhia Oblast	197
Khersonska	Kherson Oblast	164
Komyshuvaska	Zaporizhzhia Oblast	131
Semenivska	Chernihiv Oblast	119
Novooleksandrivska	Zaporizhzhia Oblast	115
Beryslavska	Kherson Oblast	104
Bilozerska	Kherson Oblast	103
Ternuvatska	Zaporizhzhia Oblast	101
Stanislavska	Kherson Oblast	95

Source: KSE Institute calculations based on ACLED data

FIGURE 5.

Shelling and drone strikes in August 2026 ([interactive map](#))



Source: KSE Institute calculations based on ACLED data

Some municipalities face this burden almost continuously. Khersonska municipality was among the ten municipalities with the highest number of incidents of infrastructure damage every month from January 2024 through August 2026, while Nikopolska municipality was in

the top ten in 31 of 32 months. For such territories, recovery therefore cannot rely only on one-off assistance after individual attacks: predictable financing for repairs and permanent capacity to respond to new damage are required.

TABLE 3.

Municipalities that were among the top ten by number of incidents of damage in every month of summer 2026

Municipality	Oblast	June	July	August	Total
Khersonska	Kherson Oblast	48	55	47	150
Kramatorska	Donetsk Oblast	44	50	46	140
Nikopolska	Dnipropetrovsk Oblast	36	33	35	104
Sumska	Sumy Oblast	32	41	28	101
Kharkivska	Kharkiv Oblast	26	41	30	97
Zaporizka	Zaporizhzhia Oblast	27	35	20	82

Source: KSE Institute calculations based on updated ACLED data

This concentration is also visible at the oblast level: almost 70% of incidents of damage to civilian infrastructure in August occurred in Kharkiv, Sumy, Donetsk and Dnipropetrovsk oblasts — 600 of 858 cases. The same oblasts also had the highest figures in the July review, further confirming the persistent rather than one-off nature of the security burden.

Despite the monthly decline in incidents of damage to civilian infrastructure, the level of destruction remains substantially higher than in previous years. In August 2026, 858 incidents of damage to housing, energy, education and healthcare infrastructure were recorded in municipalities — 10.4% fewer than in July, when there were 958. At the same time, compared with August 2025 the number of incidents increased by 137.7%, from 361 to 858, while compared with August 2024 it increased 6.8-fold. The number of municipalities recording such incidents also expanded, from 46 in August 2024 to 90 in August 2025 and 133 in August 2026.

TABLE 4.

Dynamics of damage to civilian infrastructure, June-August 2026

Indicator	June	July	August	Total
Damage to civilian infrastructure	1,024	958	858	2,840
Municipalities with at least one incident of damage	168	155	133	227
Share of the ten most affected municipalities	35.5%	40.3%	36.2%	36.3%

Source: KSE Institute calculations based on updated ACLED data

number decreased by only 3.6%, while the total number of incidents fell by 10.4%. Compared with August 2025, incidents of housing damage were 2.5 times higher. For municipalities, this means a continuing substantial burden associated with damage assessments, emergency repairs, temporary accommodation and support for housing recovery.

Damage to energy, education and healthcare infrastructure decreased in August compared with July, but remained higher in all three categories than a year earlier. There were 145 incidents of damage to energy infrastructure, 57 to education infrastructure and 34 to healthcare infrastructure. Compared with August 2025, the number of incidents involving healthcare infrastructure doubled, energy infrastructure increased by 133.9%, and education infrastructure by 72.7%.

TABLE 5.

Damage to civilian infrastructure by type

Infrastructure type damaged	August 2025	July 2026	August 2026	Change vs July 2026	Change vs August 2025
Housing	249	645	622	-3.6%	+149.8%
Energy	62	192	145	-24.5%	+133.9%
Education	33	72	57	-20.8%	+72.7%
Healthcare	17	49	34	-30.6%	+100.0%
Total	361	958	858	-10.4%	+137.7%

Source: KSE Institute calculations based on ACLED data

Damage to a single logistics facility can affect the operation of institutions in many municipalities. In August, a WHO warehouse in Dnipro storing medical supplies for frontline facilities was destroyed. According to the [WHO statement of 10 August](#), 130 of approximately 300 pallets had been moved before the warehouse was destroyed; the initial value of the stock was estimated at USD 500,000. No casualties were reported, but the loss of supplies creates additional difficulties in delivering medicines and equipment.

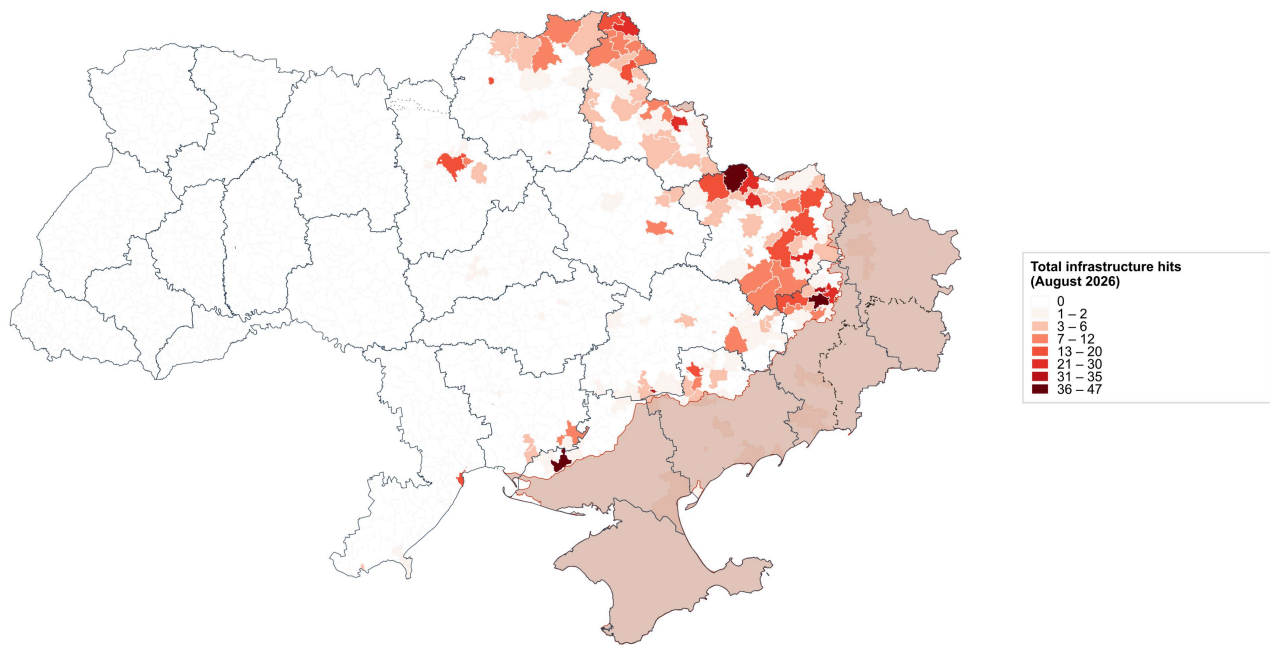
Most incidents of damage occur in urban municipalities, but rural and settlement municipalities also need resources for recovery. In August, urban municipalities accounted for 583 incidents, or 67.9% of the total; settlement municipalities accounted for 197 and rural municipalities for 78. Compared with July, the figures decreased in all three groups.

Security risks are not confined to frontline territories. Among rear municipalities³, Kyiv consistently recorded the highest number of incidents of infrastructure damage throughout the summer. From June through August, the capital recorded 72 incidents — 13.9% of all cases in this group of municipalities. Chernihivska municipality followed with 23 incidents and Pavlohradska municipality with 22.

³ The classification of municipalities into frontline and rear municipalities follows the analytical classification used in the study and corresponds to paragraph 1 of Resolution No. 1364 and the Ministry for Communities and Territories Development Order No. 376 of 28 February 2025 "On Approval of the List of Territories Where Hostilities Are (Were) Conducted or Temporarily Occupied by the Russian Federation". It does not imply an absence of security threats in rear municipalities.

FIGURE 6.

Damage to civilian infrastructure in August 2026 (interactive map)



Source: KSE Institute calculations based on ACLED data

TABLE 6.

Rear municipalities with the largest number of incidents of damage to civilian infrastructure in summer 2026

Municipality	Oblast / city	June	July	August	Total
Kyiv	Kyiv City	21	31	20	72
Chernihivska	Chernihiv Oblast	2	7	14	23
Pavlohradska	Dnipropetrovsk Oblast	7	6	9	22
Dniprovsk	Dnipropetrovsk Oblast	9	7	3	19
Poltavska	Poltava Oblast	6	5	8	19
Burynska	Sumy Oblast	7	6	6	19
Konotopska	Sumy Oblast	10	4	5	19
Blyzniukivska	Kharkiv Oblast	6	3	10	19

Source: KSE Institute calculations based on ACLED data

In rear municipalities, the total number of incidents of damage decreased by 9.8%, but attacks on housing infrastructure increased from 105 to 113 and those on healthcare infrastructure from 5 to 10. In Burynska municipality, all 19 incidents recorded over the summer involved housing.

TABLE 7.

Characteristics of infrastructure damage in selected rear municipalities⁴

Municipality and category	June	July	August	What stands out
Kyiv — healthcare	6	1	6	13 of 24 healthcare incidents in rear municipalities over the summer — 54.2%; in August — 60%
Kyiv — education	4	8	3	15 of 44 education incidents over the summer — 34.1%
Chernihivska — energy	0	3	5	Consistent increase; the highest August figure in this category among rear municipalities
Poltavska — energy	4	2	4	The highest summer total in this category among rear municipalities — 10

Source: KSE Institute calculations based on updated ACLED data

The August strikes showed that the consequences of attacks for municipalities extend far beyond direct damage to housing or individual infrastructure facilities. Logistics facilities, shopping centres, filling stations, social institutions and emergency-service workers were also attacked, creating simultaneous risks to goods supply, access to fuel, business operations, evacuation and the provision of social services. Individual cases also demonstrated the vulnerability of local governance itself: Taras Didych, head of Dmytrivska municipality, was killed while helping residents after an attack. For municipalities, this means planning response not only as repair of damaged facilities, but as a broader crisis-management system: coordination with businesses and humanitarian organisations, reserve supply routes, alternative service points, evacuation plans for social institutions, protection of emergency-service workers, and allocation of management responsibilities in case key officials are lost or absent.

⁴ Note: shares are calculated among rear municipalities. The cases shown illustrate the concentration and dynamics of damage.

COOPERATION BETWEEN MUNICIPALITIES

INTER-MUNICIPAL COOPERATION

Municipalities use cooperation to organise services that require shared resources and specialists. According to the Register of Agreements on Cooperation between Territorial Municipalities, 14 agreements were added to the register in August. Most of them — nine — provide for joint municipal projects. Three concern delegation of tasks with the transfer of resources, and two concern joint maintenance of municipal institutions.

TABLE 8.
Selected examples of cooperation between municipalities among agreements registered in August 2026

Municipalities	Content of agreements
Butska and Mankivska, Cherkasy Oblast	The municipalities signed six agreements on joint activities in fire protection, social services, tourism, primary and specialised healthcare, inclusive education, and operation of an inclusive resource centre
Mashivska and Mykhailivska, Poltava Oblast	Agreements on joint financing of Mashivka Hospital, a music school and a labour archive. Residents of both municipalities may use these institutions
Kornynska and Rivnenska, Rivne Oblast	Delegation of tasks to provide free transport for specified concessionary categories of residents of Kornynska municipality on Rivne public transport within the limits set by the agreement
Selyshchenska and Korsun-Shevchenkivska, Cherkasy Oblast	Organisation of training for grade 10-11 pupils from Selyshchenska municipality at the "Defence of Ukraine" training centre of Korsun-Shevchenkivskyi Lyceum

Source: compiled by KSE Institute based on the Register of Agreements on Cooperation between Territorial Municipalities as of 19 August 2026

Joint maintenance of institutions allows municipalities to share the cost of services for their residents. Mashivska and Mykhailivska municipalities in Poltava Oblast agreed to jointly finance Mashivka Hospital and, under a separate agreement, a music school and labour archive. Both agreements were signed on 28 July and registered in August.

Cooperation with neighbouring municipalities helps organise access to transport and specialised training. Kornynska and Rivnenska municipalities concluded an agreement on free transport for specified concessionary categories of residents of Kornynska municipality on Rivne public transport within the limits set by the agreement. Another example is the agreement between Selyshchenska and Korsun-Shevchenkivska municipalities, signed on 6 August. It provides for pupils in grades 10-11 from Selyshchenska municipality to study at the "Defence of Ukraine" training centre at Korsun-Shevchenkivskyi Lyceum. Both cases demonstrate the practical meaning of delegation: a municipality transfers a task and the corresponding resources to a partner to provide a specific service.

Inter-municipal cooperation can expand access to assistance for survivors of domestic violence. On 18 August in Kyiv, the [results of piloting cooperation mechanisms were presented](#) and work on methodological recommendations was discussed as it neared completion. The project is implemented by UA Experts in partnership with the National

Social Service of Ukraine with UNFPA support. Its practical value for municipalities lies in developing a model for jointly organising specialised assistance.

The “Shoulder to Shoulder” cooperation format is actively functioning and helps municipalities attract international support through Ukrainian partners. On 10 August, Chernihiv Oblast Military Administration reported that [Kholmynska municipality had received eight computers from Dubivska municipality in Zakarpattia](#). The equipment had been provided to Dubove by a charitable organisation from Austria, and the municipality transferred it to its partner for use by employees of budget-funded institutions. This creates a practical model of trilateral assistance: an international donor provides the resource, a Ukrainian municipality helps direct it to where it is needed, and the recipient municipality uses it for local services.

| INTERNATIONAL COOPERATION

International support helps municipalities involve residents in local decision-making. On 17 August, [16 Ukrainian municipalities signed a memorandum of cooperation with ALDA](#) — the European Association for Local Democracy — under a project supported by U-LEAD with Europe. Participants included Savynska and Rohanska municipalities in Kharkiv Oblast. The cooperation provides support for developing or updating statutes, implementing local projects together with civil society organisations, developing women’s leadership, and exchanging experience. For municipalities recovering from occupation and hosting displaced people, this is an opportunity to better reflect the needs of different groups of residents in local decisions.

Small municipalities can prepare international projects together with partners from other municipalities. In August, applications were closing for the [Polaris and Cities4Cities mentoring programme](#), which provides ten months of support for ten municipalities or clusters of municipalities from September 2026 to June 2027. A distinctive feature of the programme is that groups of municipalities that already implement or plan joint projects can participate. Support covers preparation of project ideas, development of international communication, and finding contacts with European municipalities and institutions. For other municipalities, the selection criteria provide a useful benchmark: international partnerships should be approached with a responsible team, defined priorities and a clear joint idea. Applications for this cycle closed on 10 August.

Sarny’s new international partnership acquired a specific educational focus. On 11 August, the city council [reported the signing of an agreement with the Italian town of Rapino](#). The civil society organisation Dobrobat and the Friends of Ukraine initiative helped establish contact. Areas of future cooperation include opportunities for Ukrainian children to study and live in Italy while continuing their education in a Ukrainian school and learning Italian. For other municipalities, this case is notable for the role of civil society organisations in finding partners and moving from initial contact to a joint educational idea.

A joint application with a foreign municipality can combine equipment procurement with training and long-term cooperation between schools. On 10 August, Boryslav City Council [reported approval of funding for the RoboBridge project](#), prepared together with the Polish gmina of Sanok under Interreg NEXT Poland-Ukraine. The total budget is EUR 84.4 thousand, of which 90% is covered by the EU and 10% by the partners. The project provides for the creation of STEM laboratories at Popeli School in Boryslavska municipality and at the school in the Polish village of Nebieszczany, joint training for teachers, and cross-border workshops for children. The laboratories are planned to be accessible to pupils from other schools. For municipalities, this is an illustrative format: a shared educational need becomes the basis of an application, while equipment is complemented by teacher training and a joint programme of activities. The August news concerns approval of financing; the laboratories have yet to open.