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**ORGANIZATIONAL AND LEGAL FRAMEWORK OF MUNICIPAL ENTITIES IN THE EU COUNTRIES: EXPERIENCE FOR UKRAINE**

Ukrainian lawyers have defined the legal basis of the existence of self-government institutions as follows: «Municipal right is a system of norms, which regulates public relations in matters of the local self-government system functioning. It is a complex area of law, which includes the norms of constitutional, administrative, financial, commercial, land, and other branches of the law». There are different concepts of the municipal law. In some cases it is considered as a subfield of the constitutional (constitutional local law), in other – the administrative law. Municipal law has broad development in foreign countries. In Ukraine this industry is in a stage of formation.

Problems of municipal management in the EU are quite thoroughly reflected in the works of European experts D. Baker, F. von Bendi-Bekmann, T. Birn, P. Bromhed, P. Gol, J. Stuart and J. Chendler, V. Aleksejev, O. Gladyshev, M. Maskajev, V. Ivanov, Y. Savchenko, I. Rasumnova and in the papers of the domestic scientists such as M. Baymuratov, M. Butko, V. Grygorjev, V. Kalashnykov, V. Kuybida, V. Pogorilko, O. Frystky, Y. Shemshuchenko and others.

Paper objective is to analyze organizational and legal principles of municipal entrepreneurship that on the local level meets population needs in goods and services.

It is known that the functions of local governments, which are responsible for development of the public sector in the EU is complicated, but it can be reduced to two groups: 1) services providing; 2) representative functions. Therefore, legislation refers to the conduct of bodies of local government affairs, related mainly with the sphere of services and maintenance of order.

Local democracy and its institutions, among which are municipal property and entrepreneurship, act as an open social system. In the EU countries it consists of certain structural elements, which include territorial, organizational and legal, material and financial components. In turn, each of these elements is a subsystem that consists of many simple elements. It is known that the population of the EU decides local

problems independently and under their own responsibility, but they expect from the state common «rules of the game» concerning management in the municipal sphere of social relations and help in the completion of local resources that are necessary to provide citizens with certain social standards. The basis of the municipal economy of the EU countries is the property, which every person should possess at least to the extent necessary for its independent life. The owner is interested in to maintain and strengthen the local economy to protect and multiply the property.

Every sector of the European municipal economy has its own specifics, and necessarily subjects in its development to objective economic laws. In this regard, it should be noted that during the development of local democracy in countries, which entered the EU, eliminated the remnants of the socialist sector management, had to assess resource potentials of the local community. During the solution of this problem the people, who are responsible for the development of local democracy in the new EU Member States, made a typical mistake, which was in the fact that they estimated only natural, fuel and energy, material, and financial resources, but they did not take into account social resources: cultural, educational, creative, administrative, intellectual. These resources must be included in local economic life and economic relations at the level of territorial communities of citizens, united by the desire to a joint solution of local problems.