





MODERN ROLE OF STAKEHOLDERS IN UKRAINIAN LAND AND ENVIRONMENTAL MANAGEMENT

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ABSTRACT

Aim of the study

The development of land relations in Ukraine towards European integration requires the identification of all interested parties involved in the management of land resources and nature use. Since all existing directions of land use, as one of the main components of natural resources, can have an impact on the current state of the environment, land management is considered as a component of general environmental management.

Material and methods

The identification of stakeholders can be divided into the following stages: analysis of the interests of interested parties in land management and environmental management; analysis of powers and interests of subjects of land management; analysis of rights and responsibilities of stakeholders in matters of sustainable land use and environmental protection. Based on the generally accepted understanding of the concept of stakeholders, they include not only those natural and legal persons who have a basic interest in land use issues, but also those whose actions can potentially affect the land and environmental management process itself and its outcomes for society.

Results and conclusions

The study identifies six primary stakeholder groups with the most significant interest and influence on land and environmental management in Ukraine: Executive Authorities, Local Self-Government Bodies, Land Owners, Land Users, Investors, Non-Governmental Organizations and Population. The stakeholders included in each of the main groups are defined, their powers, legal rights are outlined, and the main manifestations of the economic, environmental and social interests of these groups of stakeholders are determined.

Keywords: stakeholder, land management, environmental management, sustainable development, ecological, social and economic interest

INTRODUCTION

As part of the 70th session of the UN General Assembly, the UN Summit on Sustainable Development and the Adoption of the Post-2015 Development Agenda was held in New York at which new guidelines for the

development of society were approved. The final document of the Summit “Transforming our world: the agenda in the field of sustainable development until 2030” approved 17 Sustainable Development Goals and 169 tasks (The Global Goals Sustainable Development, 2030).

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In order to achieve the Sustainable Development Goals, the Sustainable Development Strategy “Ukraine – 2020” was developed. The aim of the Strategy is to introduce European standards of living in Ukraine and to turn the country into a global leader. (Sustainable Development Strategy “Ukraine 2020”, 2015). This requires Ukraine’s progress along the following vectors:

- Vector of development – ensuring sustainable development of the state, carrying out structural reforms and, as a consequence, raising living standards. To this end, it is necessary to restore macroeconomic stability, ensure sustainable growth of the economy in an environmentally sustainable way, create favourable conditions for conducting economic activities and a transparent tax system.
- Vector of security – ensuring the security of the state, business and citizens, and the protection of investments and private property. Ukraine must become a state capable of protecting its borders and maintaining peace not only on its territory, but also in the European region. Special attention should be paid to the safety of human life and health, which cannot be achieved without a safe environment and access to high-quality drinking water, safe food products and industrial products.
- Vector of responsibility – ensuring that every citizen, regardless of race, colour, political, religious and other beliefs, gender, ethnic and social background, property status, place of residence, linguistic or other characteristics, will have access to a high-quality education, health care system and other services in the public and private sectors.
- Vector of pride – ensuring mutual respect and tolerance in society, and fostering pride in one’s own state, its history, culture, science, sport.

This Strategy, within the framework of these four vectors, outlines the implementation of 62 reforms and state development programs, some of which involve land and environmental management, in particular:

1. by vector of development: agricultural reform; land reform; housing and communal services reform; investment attraction program; civil service reform and optimization of the system of state bodies; reform of state property management;
2. by vector of security: environmental protection program;

3. by vector of responsibility: decentralization and reform of public administration; regional policy reform; health care system reform;
4. by vector of pride: innovation development program; development of information society and media; reform of state policy in the field of science and research.

The current state of development of land relations in Ukraine, especially with regard to European integration, requires the identification of stakeholders involved in land and environmental management. It also provides for the definition of their role and interaction to achieve ecological stability of effective land use.

Before defining stakeholders, it is necessary to consider the relationship between the concepts of land management and environmental management. Definitions of both concepts as used in this paper will be provided to avoid confusion. There are numerous approaches to defining land and environmental management, therefore it is relevant to situate our understanding of these concepts within the context of the chosen research direction.

MATERIALS AND METHODS

Land management and environmental management

In contemporary practice, there are numerous publications dedicated to the study and the definition of land management and environmental management. There are many interpretations with similarities, but also with considerable differences. In light of global experiences and problems investigated in the article, the authors have adopted the following definitions of land management and environmental management.

Land management is the practice of supervising and controlling the use, development, and conservation of land resources. It includes all activities related to the management of land and other natural resources required for sustainable development (Larsson, 2010). Effective land management aims to balance economic, social, and environmental considerations while ensuring sustainable use and long-term benefits.

Environmental management is a systematic approach to the conservation of all components of the

environment through planning, economic incentives, administration, monitoring, etc., in order to reduce or prevent negative human impact on the environment.

The main principles of environmental management from the state's point of view are: the right of every country to use its own environmental resources, in accordance with Charter of the United Nations (Charter of the UN, 1945); responsibility for the environmental consequences of management decisions; prevention of ecological risks and negative situations. There are also five guiding principles that serve as a basis for the decision-making in environmental management: polluter pays, user pays, precautionary principle, subsidiary principle, intergenerational equity principle (The UN Declaration, 1992).

Since land is a component of natural resources and all the ways it is used affect the environment, this article considers land management as a component of general environmental management. Environmental management creates conditions for the greening of human activities by regulating the rights and obligations of owners of natural resources in general and land in particular.

Given the close relationship between land management and environmental management, it is important to understand common approaches to identifying stakeholders involved in these processes.

Definition of primary stakeholders in land and environmental management

There is a generally accepted definition of stakeholders – they are organizations or individuals who have one or more interests in a decision or activity (Savage et al., 1991; Mitchell et al., 1997; Goodijk, 2003). In this study, stakeholders include not only natural and legal persons who have an interest in land use issues, but also those whose activities can potentially affect the process of land and environmental management and the final outcome of land use.

The land and environmental management processes can transform and change depending on the object and its features (agricultural, built-up, nature conservation, industrial, etc.), the purpose, the interests of the involved participants and their influence on these processes. Precisely because of this, predetermined land use goals may change, as social, economic, or environmental priorities may change.

Based on the above, it becomes clear that special attention is paid to the identification of stakeholders and the study of their role in the land and environmental management process. Activities and levers of influence of stakeholders may differ, depending on their powers, rights and interests. Stakeholders may have different and competing interests. In some cases, stakeholders are considered from the position of a combination of target, functional, management, and informational characteristics, the interaction of which is aimed at achieving specified state interests or the interests of economic entities (Petrakovska and Mykhalova, 2018, 2020). Stakeholder research is conducted by many scientists who identify a large number of interested parties and participants in this process (Freeman et al., 2010; Phillips, 2011).

Based on the study of existing methods of regulating land and environmental management in Ukraine; analysis of modern legislation and decision-making practices; the level of democratization of the decision-making process; legitimate powers and opportunities for the intervention of interested parties in the process of land and environmental management, we have selected the stakeholders with the greatest interest and leverage. Other stakeholders with an indirect influence, such as legal and financial companies, mass media, etc., are not taken into account in further research.

In the study, we focused on the key participants, which we refer to as the Primary Stakeholders. During the study, the definition of stakeholders was analysed according to the following characteristics: interests, rights, powers and duties.

Based on the research and generalization of the list of stakeholders involved in the process of land and environmental management, the article analyses and identifies the Primary Stakeholders, which are united into six aggregated groups: Executive Authorities, Local Self-Government, Land Owners/ Land Users, Non-Governmental Organizations, Investors, Population (Fig. 1). When combining stakeholders into groups, we took into account the interests of the members of this group, their rights, duties and powers and the possible influence of their activities on environmental decision-making (Lizunova, 2019, 2020), took into account the so-called economic, ecological and social stakeholders' interests.

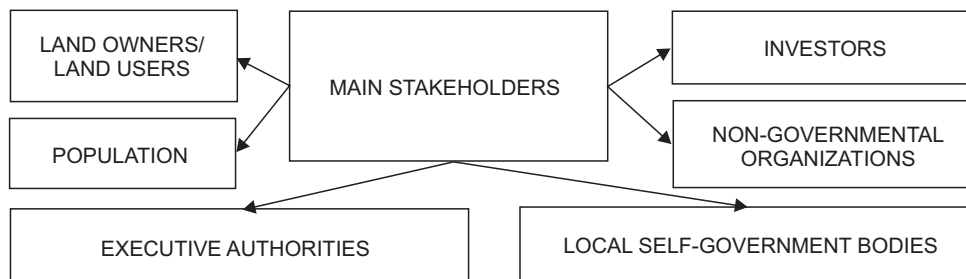


Fig. 1. Primary stakeholders of land and environmental management in Ukraine (source: own elaboration)

In order to address the topic of the research, it is necessary to determine which stakeholders belong to each of the main groups, outline their powers, legal rights, identify their interests and examine the relationship between different groups.

Rights and interests of stakeholders

The study of the role of stakeholders in land and environmental management was carried out in the following order:

- analysis of their interests in the use of land and the state of the environment;
- analysis of powers of land and environmental management;
- analysis of rights and obligations in matters of land use and environmental protection.

The analysis of the interest of certain participants involved in the process was carried out from the point of view of the importance of economic, environmental and social issues for them.

The specificity of the object of management also determines the specificity of management measures. In Ukraine, regulation of land use issues is carried out by Executive Authorities (Fig. 2) in a specific industry branch. For example, the use of agricultural land is regulated by the Ministry of Agrarian Policy and

Food of Ukraine, the use of built-up land by the Ministry of Development of Communities and Territories of Ukraine, issues of environmental protection by the Ministry of Environmental Protection and Natural Resources. (Constitution of Ukraine, 1996; Land Code of Ukraine, 2002):

The system of Executive Authorities should be a complete, unified and interconnected system that works to implement the decisions and strategies adopted by the Verkhovna Rada of Ukraine. Today, the analysis of these issues and powers shows that even in matters of land use and environmental protection, some branch ministries, which have to fulfil the main tasks of these strategies, have certain inconsistencies in priorities and issues of environmental protection. These inconsistencies makes issues of balancing the social, environmental and economic interests of stakeholders more complex.

The system of Local Self-Government Bodies consists of (Law of Ukraine, 1997): town, village, city, oblast, district councils and district councils in cities (Fig. 3), which have the authority to resolve issues of local importance.

According to the results of the analysis of their competencies, it can be stated that in the field of land and environmental management they take part in the

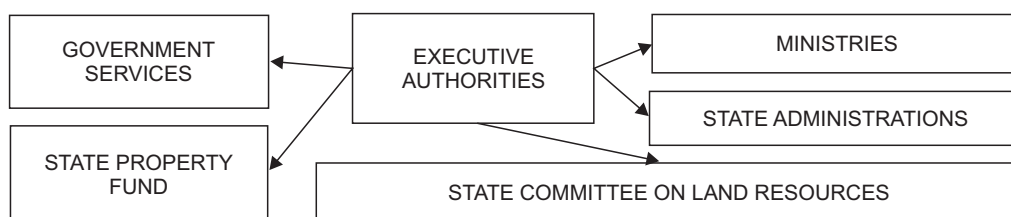


Fig. 2. Primary stakeholders of Ukrainian Executive Authorities (source: own elaboration)

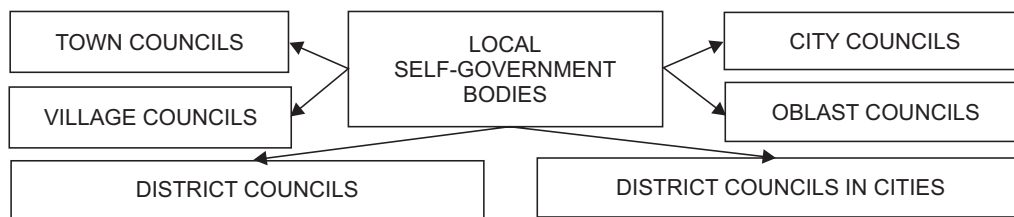


Fig. 3. Primary stakeholders of Ukrainian Local Self-Government Bodies (source: own elaboration)

implementation of regional and local land use and protection programs in the respective territories and control their implementation, as well as participate in the development, approval and implementation of target programs, schemes and land management projects, and deal with land inventory issues.

Since Local Self-Government Bodies are electoral bodies, their future composition depends on the level of public satisfaction with their activities. The main task of Local Self-Government Bodies is to create conditions for ensuring the vital needs and legitimate interests of the population.

Local Self-Government Bodies take an interest in ensuring that the areas under their jurisdiction provide the best possible living conditions for the population, as this creates a community capable of development, where people will go, and it will also be an impetus for further development.

The resource potential of a territorial community is characterized by available resources, mainly human, natural, territorial and financial potential. The capacity of communities is largely determined by how effectively they use the resources that are at their disposal, constituting their resource potential. Resource potential is a source and means of their reproduction, and also plays a key role in determining the direction and dynamics of their development. Creating conditions for effective use of resource potential, eliminating major disparities, improving efficiency and profitability of use of available resources, keeping the environment in good condition will enhance accessibility of services to the population, while at the same time increase the capacity of territorial communities and their representative bodies to solve issues of local importance on their own. Therefore, they pay special attention to each specific decision regarding land use and environmental protection.

Also, just as Executive Authorities, Local Self-Government Bodies should try to find a balance between economic, environmental and social needs and conditions, giving priority to one or the other only if necessary.

It is worth noting that the key administrative functions of local self-government, which are relevant for the conducted research, include engaging the population in addressing issues at both local and national level, as well as the use and management of communal lands.

In June 1998, the UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters was adopted in Aarhus. The convention affirmed the right of every individual to have access to environmental information, and the right of the interested public to participate in decision-making and access to justice on issues related to the environment. The Convention outlines the definitions for “The public”, which refers to one or more natural or legal persons, and, in accordance with national legislation or practice, their associations, organizations or groups, and for “The public concerned”, which means the public affected or likely to be affected by, or having an interest in, the environmental decision-making (Aarhus Convention, 1998). The right of citizens to participate in the decision-making process and the implementation of environmental management is guaranteed by numerous international legal instruments. In particular, principle 10 of The UN Declaration on Environment and Development stipulates that environmental problems are best solved with the participation of all interested citizens at the relevant level (The UN Declaration, 1992).

Taking into account the above, the study examines two groups of stakeholders, which are considered

as representatives of the public: the Population and Non-Governmental Organizations.

Thanks to many polls conducted in Ukraine it was determined that the social issues are primary concern for the population, with environmental problems following suit. Economic tasks are not considered to have a direct impact on individuals.

In Ukraine, the public has the right to participate in decisions regarding the planning of the use of land and environmental protection measures. People can exercise this right by participating in public hearings, joining social organizations, or going to court, etc. An important mechanism is public hearings, official meetings of Local Self-Government Bodies, at which deputies and officials learn about the opinions, impressions, comments and proposals of the population regarding the measures that the authority is going to implement.

Unlike all other forms of public participation, public hearings are held immediately before the authorities make certain decisions. In practice, there have already been rare cases when where public initiatives have led to changes in land use decisions, giving priority to environmental issues over economic ones.

From the point of view of the interests of the population, public organizations are becoming increasingly important. As they are non-profit organizations, their interests are focused on solving social and environmental issues.

Forms of public participation in environmental protection can be different and are chosen depending on the specific situation, existing legal, material and organizational opportunities in order to achieve the optimal result. Forms of public participation in environmental protection management include: referendum; appeal of citizens; meetings of citizens by place of residence; public discussion of draft solutions in the field of ecology; public environmental expertise; public environmental control; meetings, rallies, demonstrations; court appeals and others.

We also separate Land Owners and Land Users as they have land ownership rights and land use rights, and their activities can have a negative impact on the environment. Land Owners have rights to own, use and dispose of land, while Land Users only have rights to use and are interested in the most efficient use of land.

The question of efficiency can be considered in two different aspects: social and economic. If, for example, a plot of land is used as an object of commercial activity, the owner is interested in the maximum economic benefit from the ownership and use of the land and making a profit. The social and environmental component is not a priority and can be ignored if it is included in the regulatory rules. But the neglect of these issues can provoke the indignation of the population and the activity of public organizations, and, as a consequence, economic losses due to the need for additional negotiations, agreements, overcoming social tensions and social resistance, etc.

Social dissatisfaction with an investment project can lead to large losses if the process is delayed, or to complete abandonment of the investment. In addition, in cases of violations, Land Owners may be fined, or they may be deprived of the right to own the property.

Unlike Land Owners, who are interested in and take care of the ecological condition of their land, Land Users may not be interested in these issues at all. According to the legislation, these issues should be regulated, but the Land User may not be interested in implementing them and spending their own money to do so.

The same applies to the investor, who may not be the owner or user, but is simply interested in the maximum economic benefit. Investors, in general, play one of the main roles by promoting opportunities to attract financial assets not only for the realization of their own economic interests, but also for the implementation of more complex and effective programs of sustainable development of territories and protection of the natural environment.

In Ukraine, three main types of investors are legally recognized (Law of Ukraine, 1991]) state, private and foreign (Fig. 4). Private investors include citizens and all enterprises that invest non-state funds. Private investors have the right to independently determine the goals, directions, types and volumes of investments, as well as the right to own, use and dispose of the objects and results of their own investments in accordance with the concluded agreements.

Thus, although private investors are primarily interested in economic indicators, they must understand that if they do not take into account social interests and do not take care of environmental issues, the profits

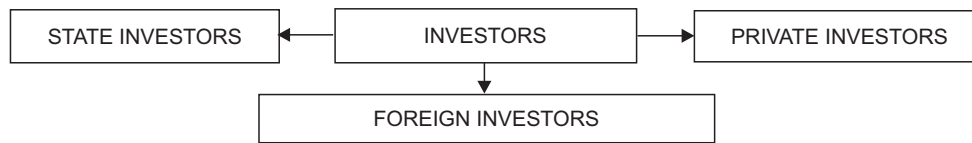


Fig. 4. Groups of Investors in Ukraine (source: own elaboration)

from their activities may be at risk. If the ecological balance is disturbed, investors may also incur significant losses for compensation and effort to restore the situation. Furthermore, violations of land legislation that result in negative environmental consequences are subject to legal penalties, ranging from administrative to criminal liability. At the same time, the severity of punishment depends on the extent of the violation and the damage to the environment.

State investors, on the other hand, have a wide range of interests related to the implementation of investment projects in land and environmental management. The economic, ecological and social interests of state investors are realized through territorial development projects and projects aimed at improving the state of the environment.

Foreign investors, both individuals and legal entities from other countries, as well as the states themselves, are usually involved in the implementation of important industrial, municipal and state projects. By carrying out investment activities in land and environmental management on the territory of Ukraine, foreign investors acquire the same rights and obligations as domestic investors. Foreign investment in environmental protection is important not only for Ukraine, as natural resources are not limited to the country's borders, and can have a positive effect worldwide.

It is important to note that all the stakeholders mentioned above can be investors. However, it is very important to have a clear understanding of the role of each of them in the implementation of land use and environmental protection projects.

The ecological situation in the regions can have both a positive and a negative impact on the ability of Land Owners to satisfy their own economic interests. The environmental situation can both increase and significantly reduce the value of land. Social issues can be of interest to Land Owners in the event that they

directly affect the satisfaction of all the rights of the owner in relation to the land.

Public organizations very often express the opinion of the population, so we decided to define the Population as one of the primary stakeholders in land and environmental management. Considering the fact that the public's interest in the processes of land and environmental management has recently increased, we cannot neglect the ability of the population to influence both the decision-making processes and the implementation of land management and environmental management projects.

It is worth noting that in the process of land and environmental management, all of the above mentioned stakeholders can belong to different investment groups. For example, local governments can act as investors in certain environmental protection measures, and owners can act as investors, etc. When combining several functions in one stakeholder, it is important to separate interests, powers and duties according to the capacity in which they act.

In fact, all stakeholders are closely interconnected, their roles are intertwined and can change, for example, any of them can try on the role of Land Owner or investor. Understanding this fact shows us that the only way to ensure the sustainable development of land use is by involving all stakeholders in the process, without exception.

SUMMARY

In reviewing the main definitions of land management and environmental management, we concluded that they are closely related. Given this close interaction, and the fact that land is a natural resource, we decided to consider these concepts together.

In order to understand the potential impact of land use on the environment, it was decided to identify stakeholders involved in the process of land use. Ident-

tification of stakeholders was carried out in the following steps: analysis of stakeholders' interests in land use and environmental improvement; analysis of the powers of stakeholders in the management of land and natural resources; analysis of the rights and responsibilities of stakeholders in matters of land use and environmental protection. Within the large number of stakeholders some had a more significant impact on land and environmental management than others. Therefore, it was decided to consider only the primary stakeholders of the land and environmental management system. It was found that some primary stakeholders are united by the same interests and rights.

In the study, we identified primary main groups of stakeholders who, in our opinion, have the greatest interest and influence on land and environmental management, namely Executive Authorities, Local Self-Government Bodies, Land Owners/Land Users, Investors, Non-Governmental Organizations and Population. We determined the main rights and identified the main manifestations of the economic, environmental and social interests of these groups of stakeholders.

The obtained results will make it possible in the future to investigate and evaluate the ability of stakeholders to interact with each other and influence each other's activities, to determine the scope and results of these influences, and to make management decisions for sustainable land use in the country.

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NOWOCZESNA ROLA INTERESARIUSZY W ZARZĄDZANIU GRUNTAMI I ŚRODOWISKIEM W UKRAINIE

ABSTRAKT

Cel badań

Rozwój stosunków gruntowych w Ukrainie w kierunku integracji europejskiej wymaga zidentyfikowania wszystkich stron zaangażowanych w zarządzanie zasobami gruntowymi i użytkowaniem natury. Z racji tego, że wszystkie istniejące kierunki użytkowania gruntów, jako jednego z głównych elementów zasobów naturalnych, mogą mieć wpływ na obecny stan środowiska, zarządzanie gruntami uważa się za składową ogólnego zarządzania środowiskiem.

Materiały i metody

Proces identyfikacji interesariuszy można podzielić na następujące etapy: analiza interesów stron zainteresowanych gospodarowaniem gruntami i zarządzaniem środowiskiem; analiza uprawnień i interesów podmiotów zarządzających gruntami; analiza praw i obowiązków interesariuszy pod kątem zrównoważonego użytkowania gruntów i ochrony środowiska. Zgodnie z ogólnie przyjętą wykładnią pojęcia interesariuszy, obejmują oni nie tylko te osoby fizyczne i prawne, które mają podstawowy interes w kwestiach związanych z użytkowaniem gruntów, ale także te, których działania mogą potencjalnie wpływać na sam proces zarządzania gruntami i środowiskiem oraz na jego konsekwencja dla społeczeństwa.

Wyniki i wnioski

W badaniu zidentyfikowano sześć głównych grup interesariuszy o największym zainteresowaniu i wpływie na zarządzanie gruntami i środowiskiem w Ukrainie: Władze Wykonawcze, Organy Samorządu Lokalnego, Właściciele Gruntów, Użytkownicy Gruntów, Inwestorzy, Organizacje Pozarządowe i Ludność. Zdefiniowano interesariuszy należących do każdej z głównych grup, nakreślono ich uprawnienia i prawa, a także określono główne przejawy interesów ekonomicznych, środowiskowych i społecznych tych grup.

Słowa kluczowe: interesariusz, zarządzanie gruntami, zarządzanie środowiskiem, zrównoważony rozwój, interes środowiskowy, ekonomiczny i społeczny